

ASX RELEASE

27 July 2022

ASX CODE

PNN

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BOARD

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Non-Executive Director

David Turvey
Non-Executive Director

PROJECTS

Argentina
Salta Lithium Project

Santa Ines Copper-Gold Project

Australia
Eyre Peninsula Kaolin-Halloysite
Project

Musgrave Nickel-Copper-Cobalt-
PGE Project

Quarterly Activity Report for period ending 30 June 2022

HIGHLIGHTS

Salta Lithium Brine Project, Argentina

- MoU executed with Global Lithium Extraction Company, Sunresin, for evaluation and development of Salta Project
- First-phase of MoU confirmed the suitability of Salta Project brines for Sunresin's proprietary DLE technology
- MOU signed with Lithium Supply Chain Group to conduct due diligence and negotiations with the aim of entering a binding off-take, funding and logistics agreement for the Salta Project
- Resource definition drilling to commence at Incahuasi salar
- Final results from Brine Blending Program delivered high-grade lithium and potential for major reagent cost savings

Eyre Peninsula Kaolin-Halloysite Project, South Australia

- Maiden 4,217m, 128-hole aircore resource definition drilling program completed with results due in current quarter

Santa Ines Copper-Gold Project, Argentina

- 651.4m, 5-diamond core hole drilling program completed with results due in current quarter

Musgrave Nickel-Copper-Cobalt Project, South Australia

- Power and Farm-in JV partner Rio Tinto Exploration finalising amendment to extend Farm-In and JV Agreement to 31 December 2023
- Extension to provide additional time to sign an Exploration Deed with the APY traditional owners for the priority Pink Slipper target (ELA 2015/214)

Corporate

- Company name formally changed to Power Minerals
- Extensive site visit conducted to Argentinian assets
- Sound cash position of \$3.588m at 30 June 2022

Diversified minerals company Power Minerals Limited (ASX: PNN) (**Power** or **the Company**) is pleased to provide the following update on its activities for the quarter ending 30 June 2022.

Power has a portfolio of strategically located exploration projects in key, demand driven commodities including; the Salta Lithium Brine Project in the Lithium Triangle in Argentina, the Eyre Peninsula Kaolin-Halloysite Project on the Eyre Peninsula in South Australia, the Musgrave Nickel-Copper-Cobalt-PGE Project in northern South Australia and the Santa Ines Copper-Gold Project in Argentina.

OPERATIONS

Salta Lithium Brine Project, Argentina

The Salta Project is 100%-owned by Power and is located in the Salta province in north-west Argentina. It is situated within 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 area of 147.07km² (Figure 1).

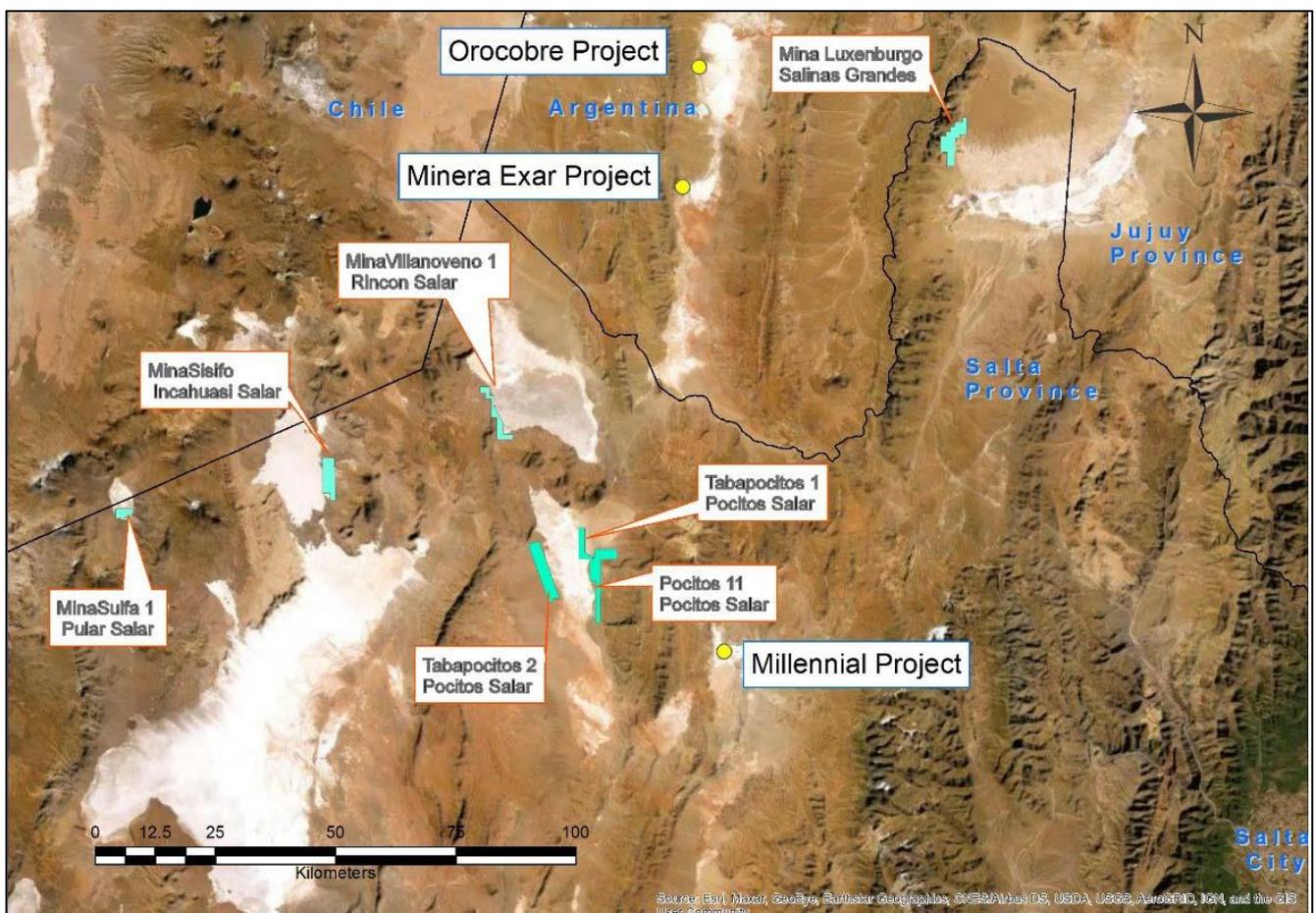


Figure 1: Salta Lithium Brine Project location map, north-west Argentina (PNN licenses in blue)

MoU with Global Lithium Extraction Company for Evaluation and Development of Salta Project

During the Quarter the Company entered into a Memorandum of Understanding (MoU) with global lithium extraction company Sunresin New Materials Co. Ltd. (Sunresin) for the evaluation and development of the Salta Project (ASX announcement, 7 April 2022). The MoU is non-binding.

The MoU is the first step in a proposed long-term partnership to utilise Sunresin's proprietary Direct Lithium Extraction (DLE) technology for the potential development of a commercial-scale lithium carbonate (LIC) producing operation at the Salta Project.

Sunresin's DLE technology enables the selective salt extraction from brines by using resins to facilitate the extraction of lithium. Sunresin has over 10 years' experience in DLE and has delivered nine commercial projects located in South America, North America, Europe and China, ranging from 3,000tpa to 25,000tpa capacity.

The MoU is proposed to be carried out in four phase process, with the end goal of securing a binding agreement that delivers battery-grade LIC from the Salta Project, while complying with international ESG standards.

The first phase of the MoU involves an assessment of the brines from the Salta Project to determine their suitability for Sunresin's DLE technology. Subsequent to the end of the quarter, Power reported that new samples from the Salta Project in Argentina had confirmed their amenability for the application of DLE technology, as proposed under the MoU with Sunresin (ASX announcement, 21 July 2022).

New samples taken from the Incahuasi and Rincon Salares at the Salta Project delivered high lithium results consistent with previous lithium results from these salares, and these results have been initially confirmed by Sunresin as being amenable to its DLE technology.

The samples underwent laboratory analysis at global laboratory services group SGS in Argentina, and delivered the following lithium results; **335.2mg/L at the Rincon salar** and **241.2mg/L at the Incahuasi salar**. The new sample results were summarised in Table 1, below.

Table 1: Incahuasi and Rincón Brine Composition from latest samples (mg/L)

| Salar | Sample # | pH | Density | Lithium | Calcium | Sulfate | Magnesium | Boron | Potassium | Sodium | Chloride |
|-----------|------------------|-----|---------|------------|------------|---------|-------------|-------------|-------------|-------------|----------|
| Incahuasi | SALMUERA 2417 | 6.3 | 1208.1 | 241.168754 | 9559.11817 | 630 | 8057.275876 | 69.39709268 | 6712.973328 | 97693.10146 | 207724 |
| Rincon | SALMUERA 2418 | 6.9 | 1209.2 | 335.175907 | 583.606253 | 10290 | 3047.711576 | 181.2144923 | 6259.802475 | 118634.0642 | 198669 |

It was noted that the calcium and sulphate levels reported at both salares in these latest samples were consistent with the results of Power's recently completed brine blending program, which showed that the Incahuasi brine is high in calcium and the brine Rincon is high in sulphate. When blended, the Rincon

and Incahuasi brines delivered a lithium concentrate with a low level of contaminants; sulphate, calcium and magnesium (ASX announcement, 11 May 2022).

The new sample results represented a successful first stage in Sunresin's assessment of the Salta Project brines. Power is currently in the process of dispatching 40 litres of brine from each of the Incahuasi and Rincon salares to Sunresin to be processed through its proprietary DLE technology.

MOU with Global Lithium Supply Chain Group for development of Salta Lithium Project

Power also entered into an MoU with Xiamen Xiangyu New Energy Co., Ltd (Xiamen Xiangyu) under which the parties will conduct due diligence investigations and enter negotiations with a view to executing a binding off-take, funding and logistics agreement for the Salta Project (ASX announcement, 11 July 2022). The MoU is non-binding and is not exclusive.

Xiamen Xiangyu provides end-to-end supply chain solutions for battery technology metals, sourcing supply of lithium, nickel, cobalt and other raw materials for processing plants and battery manufacturers and end-use by automobile manufacturers and other battery technology industries. Xiamen Xiangyu is part of Xiamen Xiangyu Co., Ltd, a diversified Fortune-500, Shanghai Stock Exchange-listed (SSE: 600057) supply chain and logistics company.

Under the terms of the MoU, Power and Xiamen Xiangyu will conduct due diligence investigations and enter into discussions in respect of a binding agreement, under which Xiamen Xiangyu may;

- Enter into off-take arrangements in respect of future brine and/or lithium concentrate from the Project. Xiamen Xiangyu's provides an end-to-end supply chain for battery technology metals and end-use by automobile manufacturers and other battery technology industries;
- Procure funding for the Project to support the Project's development milestones;
- Provide plans for the extraction and sale of the Project's brine and/or lithium concentrate;
- Take advantage of its market channels in China to achieve the extraction and sale of brine and/or the production and sale of lithium concentrate, and assist in the rapid return of capital in the initial phase of the Project; and
- Provide export and import solutions for finished products resulting from the Project.

It is proposed that Power and Xiamen Xiangyu will now work towards executing a binding agreement, on terms to be agreed by both parties. The timeframe for entering into the binding agreement is within 180 days of the date of the execution of the MoU. There is no guarantee that a binding agreement will be entered into.

Further details on this MoU are provided in ASX announcement of 11 July 2022.

Resource definition drilling to commence at Incahuasi salar, at Salta Project

In June, the Company announced plans for a resource definition drilling program at the Incahuasi salar within the Salta Project. The Incahuasi salar is located immediately adjacent to Ganfeng Lithium Co. Ltd's project in the region and forms a key part of the Salta Project (ASX announcement, 27 June 2022).

Power is committed to expanding the scale and scope of the Salta Project, and a key component of these plans is to increase the existing Resource base, to support future development plans.

Drilling at Incahuasi is planned to consist of two diamond drill holes for a total of 1,000m (Figure 2). The program is designed to deliver a maiden JORC Resource at the Incahuasi salar, which will add to the existing total Resource at the Salta Project (ASX announcements, 23 January 2019 and 27 June 2018).

All requisite permits for drilling have been granted, and site access and set-up is underway. Drilling contractor negotiations are underway, and the Company will advise on the commencement of drilling.

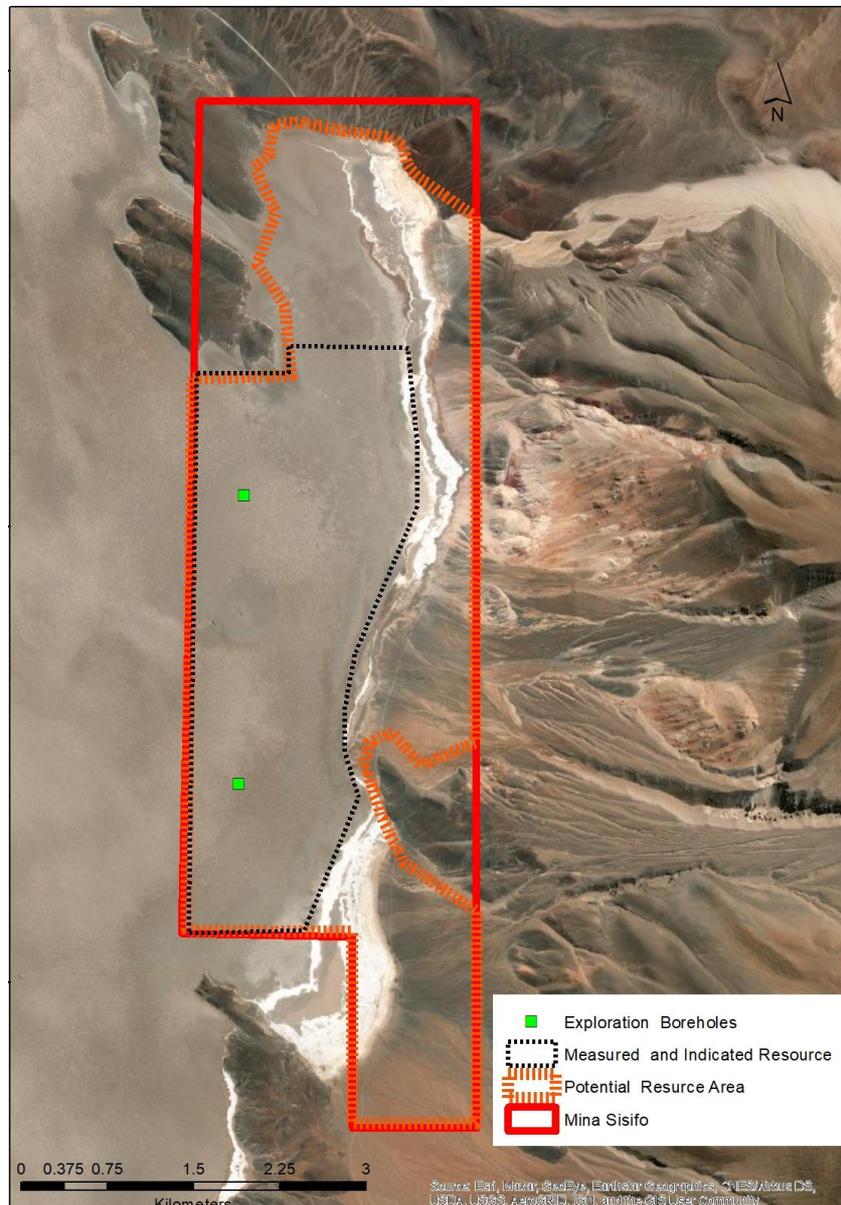


Figure 2: Incahuasi salar showing location of the two planned drillhole and potential Resource area

Outstanding Final Results from Brine Blending Program - High-Grade Li & Reagent Cost Savings

Power also released the final results of its brine blending program at the Salta Project in the quarter (ASX announcement, 11 May 2022). The program delivered highly positive outcomes, highlighted by an exceptionally high-grade lithium concentrate of 5.3% lithium (Li) with low levels of contaminants, plus expected significant reagent cost savings.

| Parameters | | Unit | Value |
|------------|-----|------|-------|
| Lithium | Li | % | 5.32 |
| Sodium | Na | % | 0.094 |
| Potassium | K | % | 0.367 |
| Magnesium | Mg | % | 1.57 |
| Calcium | Ca | % | 0.215 |
| Sulphate | SO4 | % | 0.019 |
| Chloride | Cl | % | 31.80 |
| Boron | B | % | 0.472 |
| Density | | g/cc | 1.282 |

Table 2: Blended brine (Test 1) Final brine composition

Structure of Brine Blending Program

The brine blending program comprised three different brine evaporation tests designed to deliver concentrated brines, as follows;

Test 1: Blended brines from Incahuasi and Rincon salares (blended brine);

Test 2: Brines from the Rincon salar; and

Test 3: Brines from the Incahuasi salar.

Conclusions

- The final results provided **conclusive evidence that the brines evaporate to a high concentration of lithium**, in excess of 5% Li (for Tests 1 and 2).
- The evaporation tests of the **blended Rincon and Incahuasi brines (Test 1) delivered a lithium concentrate with a low level of contaminants**; sulphate, calcium and magnesium (Table 2).
- The low level of sulphate and calcium contaminants suggests during potential production options a **significant reduction in reagents costs**; it is noted that the Rincon brines are high in sulphate and the Incahuasi brines are high in calcium, but with the blended brines delivering a lithium concentrate low in contaminants, there is a potential significant cost saving in not having to use reagents to remove the contaminants during commercial operations.
- The very low loss of lithium to contaminants in the blended brines (Test 1) is indicative of **high lithium recoveries**.
- The Rincon brines also delivered a high-grade lithium concentrate, but required the additional use of reagents, **further highlighting the reagent cost saving and time saving achieved from the blended brines** in potential commercial operations.

Further details on the Brine Blending program results are provided in the ASX announcement of 11 May 2022.

Strategic Expansion of Salta Project

Power reported the strategic expansion of the Salta Project during the quarter, via the award of the Tabapocitos 01 licence (ASX announcement, 2 May 2022). This licence is located in the Pocitos area, in the southern part of the Salta Project area, and was awarded after a successful competitive ballot process.

Tabapocitos 01 is strategically located immediately adjacent to Power's Pocitos 11 licence (Figure 1), and the site of a multi-user industrial park planned by the Salta provincial government. The Company plans

to assess options to locate a plant at this site for the potential, future commercial-scale production of lithium carbonate (LIC) from the brines from the wider Salta Project.

In addition to the site of the proposed industrial park, the Pocitos licences are well located relevant to critical road, rail and water infrastructure. This may represent a significant benefit for any future project development.

With the award of the Tabapocitos 01 licence, Power now has three granted licences in the Pocitos area - Pocitos 11, Tabapocitos 01 and Tabapocitos 02 (Figure 1).

Salta Project – Next Steps

Power plans to commence a geophysical survey to determine resource continuity beyond the current shoreline of the Incahuasi, Pocitos and Rincon salars. This program will be executed in conjunction with the proposed upcoming resource definition drilling program at the Incahuasi Salar. This is a key component of the Company's plans to increase the Project's existing Resource base, to support future development plans.

Once Sunresin has tested the Salta brines utilising its DLE technology, the parties plan to move to complete a Preliminary Economic Assessment (PEA) for DLE at the Salta Project (subject to results).

Power also advises that 40 litres of brine from each of the Incahuasi and Rincon salares is to be sent to Xiamen Xiangyu for their analysis, under Power's MoU with the global lithium supply chain group. Under this MoU, Power and Xiamen Xiangyu plan to enter into negotiations with a view to executing a binding off-take, funding and logistics agreement.

Eyre Peninsula Kaolin-Halloysite Project, South Australia

The Eyre Peninsula Kaolin-Halloysite Project consists of three Exploration Licences (EL6677, EL6681 and EL6689) covering a total area of 1,413km². It is strategically located adjacent to Andromeda Metals' (ASX: ADN) Kaolin-Halloysite projects on the western side of the Eyre Peninsula (Figure 3).

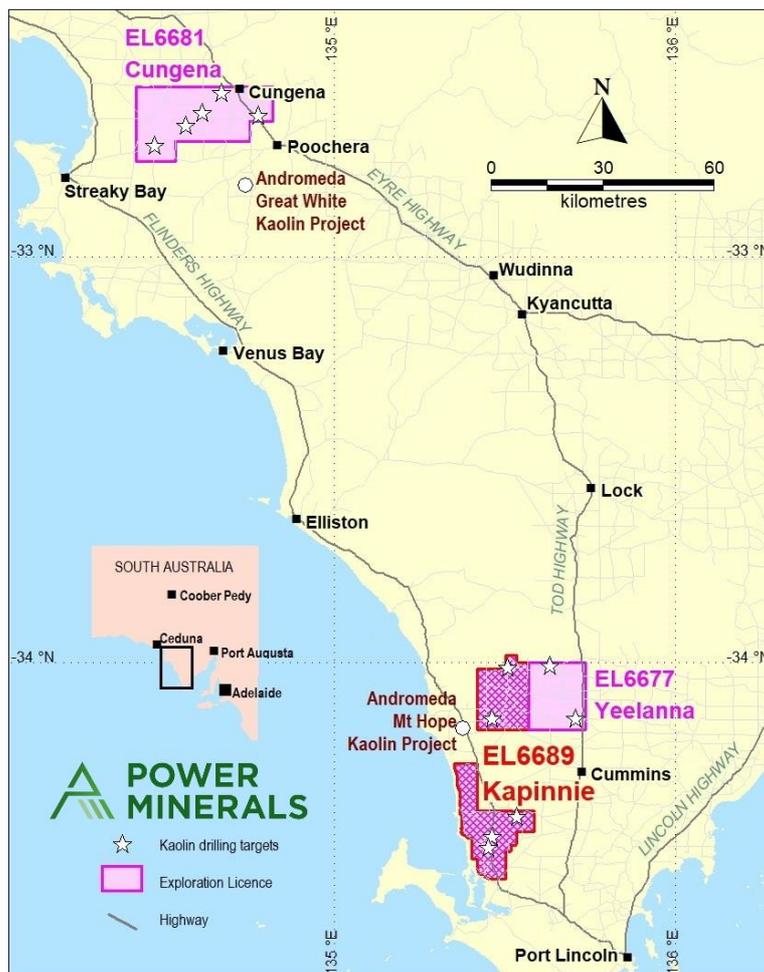


Figure 3: Eyre Peninsula Kaolin-Halloysite Project location map

Maiden Drilling Program Complete – Results Pending

During the quarter, Power completed its first phase of drilling at the Eyre Peninsula Kaolin-Halloysite Project (ASX announcement, 31 May 2022).

A total of 4,217 metres of aircore drilling were completed across 128 holes at priority targets across the three Exploration Licences in this maiden drilling program. All drillholes were vertical with an average depth of 32.9 metres, and a maximum depth of 75 metres (Figure 4).

The drill targets were identified from historical exploration including geophysics. The program was designed to test the depth and areal extent, plus mineralogy, of known and suspected kaolin occurrences.

Initial observations from drilling at a priority target west of Kapinnie (within EL6689) showed a significant zone of kaolin in excess of 20 metres in thickness. Drilling also showed that kaolin exists north of Kapinnie and within EL6681.

Samples from the drilling were systematically analysed by pXRF for a range of elements, including selective rare earth elements (REE). This includes all clay dominated samples. Assay results are pending and will be released when available. Subject to results, a second phase of drilling will be planned to further expand the kaolin footprint and drill test new target areas.



Figure 4: Drilling at the Eyre Peninsula Kaolin-Halloysite Project, South Australia.

Santa Ines Copper-Gold Project, Argentina

The Santa Ines Project consists of four mining leases covering 61.4km², in north-western Argentina, and represents a potential large-scale copper-gold porphyry target. It is strategically located in the same geological setting as BHP's nearby, world-class Escondida Copper-Gold Mine in Chile, and 40km south-west of First Quantum's Taca Taca Cu-Au-Mo Project (Figure 5).



Figure 5: Santa Ines Copper-Gold Project location map

Maiden Drilling Program Complete – Results Pending

Power also completed its maiden drilling program at the Santa Ines Project during the quarter (ASX announcement, 31 May 2022). A total of 651.4 metres were completed in five diamond core holes. All holes were inclined -60 degrees perpendicular to the strike of the mineralised zones.

Drilling was designed to target structures below historical surface workings with strong copper-iron-gold mineralisation, and also a separate, un-explored shallow magnetic target. Drill core from the program has been logged and a total of 360 core samples were sent to ALS's certified laboratory in Mendoza, Argentina, for detailed geochemical analyses. As well as assaying for copper and gold, core samples will be subjected to multi-element analyses, including molybdenum, arsenic and sulfur which are known indicators of copper-gold porphyry mineralisation.



Figure 6: Drill core from hole PNSI22-001 at 89m showing quartz-malachite-azurite-chrysocolla veins



Figure 7: Drill core from hole PNSI22-002 at 59.4m showing quartz-biotite-magnetite veins with Cu-Fe oxides

Observation of the core samples showed that oxidised copper minerals (malachite and chrysocolla) were logged in all drillholes. The magnetic target was tested by drillhole PNSI22-03 and magnetite-haematite veins were recorded over much of the drillhole (ASX announcement, 24 June 2022). See core images in Figures 6 and 7 above.

Musgrave Nickel-Copper-Cobalt Project, South Australia

The Musgrave Project comprises two Exploration Licences and eight Exploration Licence Applications (ELAs) held by wholly-owned Power subsidiary, NiCul Minerals Ltd, together with a further four ELAs held by Rio Tinto Exploration Pty Limited (Rio Tinto). The Musgrave Project covers 14,618 km² (of which 615 km² is represented by the Rio Tinto ELAs) within the Anangu Pitjantjatjara Yankunytjatjara (APY) Lands, in the Musgrave Province of north-west South Australia (Figure 8).

Power is targeting nickel-copper-cobalt mineralisation at the Musgrave Project. A number of targets have been generated from a previous airborne electromagnetic (EM) survey flown in a collaboration with CSIRO and Geoscience Australia in 2016.

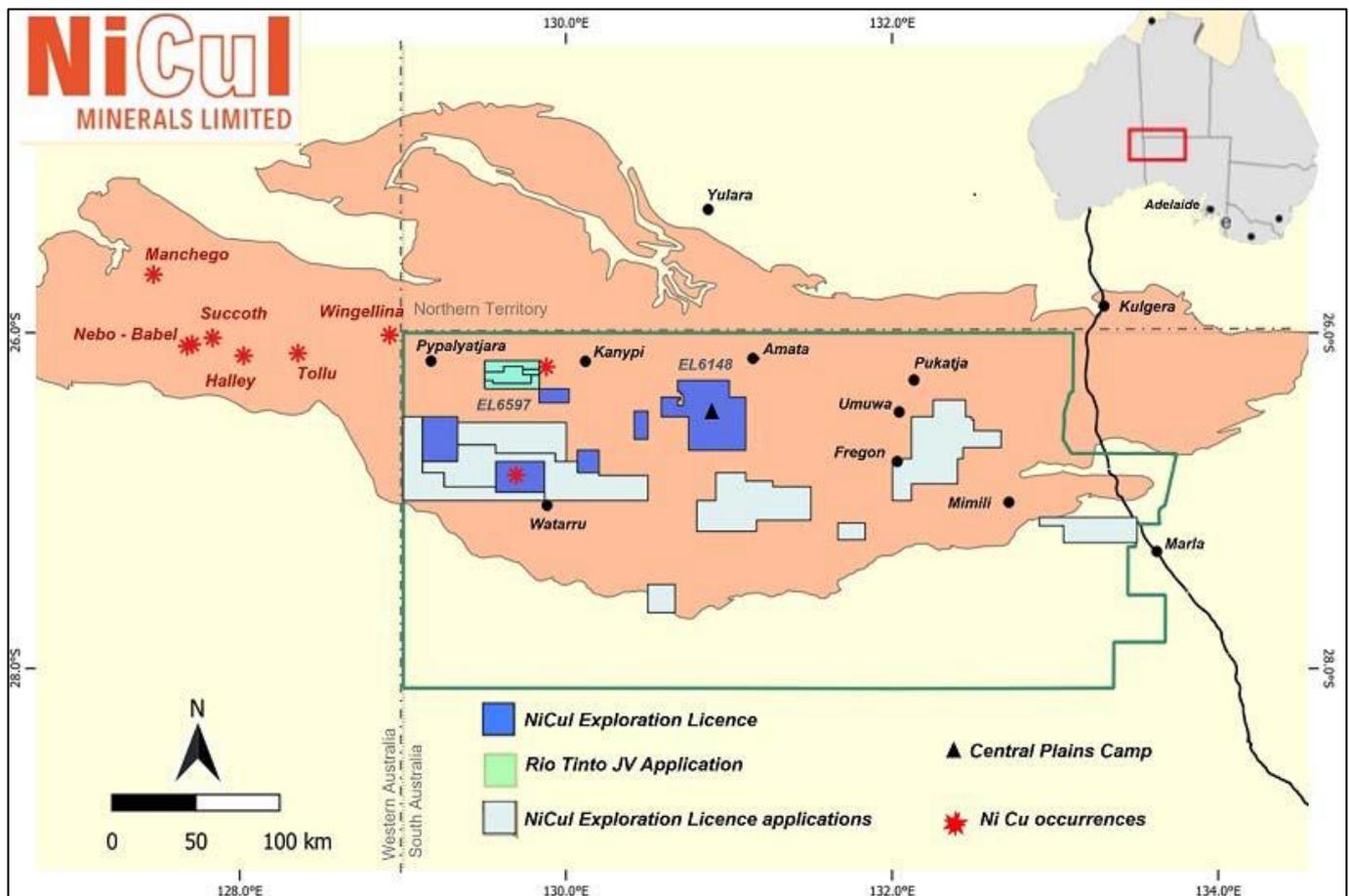


Figure 8: Musgrave Nickel-Copper-Cobalt Project, Musgrave province, South Australia

The priority target at the Musgrave Project is the Pink Slipper geophysical anomaly. It sits within four ELAs over a total area of 615km², which are the subject of a Farm-in and Joint Venture Agreement Project with Rio Tinto. Power has the right to earn an initial 51% equity in the Rio Tinto ELAs by meeting certain obligations including expenditure requirements (refer to the Tenements Schedules).

During the quarter, Power and Rio Tinto indicatively agreed on a Deed of Amendment to the Farm-In and Joint Venture Agreement, to extend the Farm-In Period to 31 December 2023. The extension provides the parties additional time to enter into an Exploration Deed with the APY traditional owners.

Power continues to work with the APY traditional owners to negotiate an Exploration Deed for the Pink Slipper area (ELA 2015/214). An Exploration Deed with the traditional owners is a pre-requisite for the granting of ELA 2015/214, and the commencement of on-ground exploration and drilling at the Pink Slipper target.

The Company will update the market of material progress on negotiations with the APY traditional owners in respect of the Pink Slipper Exploration Deed, and other ground within the Musgrave Project tenure.

CORPORATE

Change of Company Name and New Website

Power formally confirmed its change of company name from PepinNini Minerals to Power Minerals in the quarter (ASX announcement, 20 June 2022). At the same time, the Company launched its new Power Minerals corporate website. The website address is; www.powerminerals.com.au.

The Company's ASX code remains unchanged; ASX: PNN.

Argentinian Site visit

Power's Executive Director Mena Habib conducted a highly successful and extensive site visit to the Company's Argentinian Project areas during the quarter (ASX announcement, 23 May 2022).

During this strategic visit Mr Habib met with the Company's in-country Argentinian team and key stakeholders, including the Salta province government, DLE groups, and local communities within its project areas.

Highlights included;

- **Meeting with Ganfeng Lithium Co. Ltd.** representatives to discuss ways in which the two companies may collaborate and co-operate to advance their respective project areas in the Salta region.
- **Meeting with Salta Province Secretary of Mining and Energy** Flavia Royon to outline Power's plans for the Salta Project and reinforce the Company's commitment to the region.

- **Local community engagement;** meeting with Tolar Grande village south of the Pocitos salar, and participation in an environmental clean-up day at Tolar Grande.
- **Overseeing the Company's maiden drilling program at the Santa Ines Copper-Gold Project.**
- **Attendance at key mining conferences** within the region.

Cash Position

The Company maintained a strong cash position of \$3.588 million as at 30 June 2022.

As outlined in the attached Appendix 5B (section 6.1), during the Quarter, approximately \$148,000 in payments were made to related parties and their associates for director salaries, consultancy fees, superannuation and other costs associated with services provided from March 2022 to June 2022.

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.

Tenement Schedules

Australia

| Tenement | Tenement Name | Area Km ² | JV | PepinNini Interest | Grant Date | Expiry |
|------------------------|------------------|----------------------|------|--------------------|-------------|----------|
| South Australia | | | | | | |
| EL6597 | Mt Harcus | 1,607 | | 100% | 25/10/20 | 24/10/22 |
| EL6148 | Mt Caroline | 1,918 | | 100% | 25/2/18 | 25/2/23 |
| ELA 118/96 | Anerinna Hills | 2,415 | | 100% | application | |
| ELA 185/96 | Willugudinna | 823 | | 100% | application | |
| ELA 367/09 | Mt Caroline West | 46 | | 100% | application | |
| ELA 368/09 | Hanging Knoll | 34 | | 100% | application | |
| ELA 189/15 | Katalina | 2,360 | | 100% | application | |
| ELA 190/15 | Mt Agnes | 1,342 | | 100% | application | |
| ELA 191/15 | Krewinkel Hill | 1,256 | | 100% | application | |
| ELA 197/15 | Ironwood Bore | 2,202 | | 100% | application | |
| ELA 211/15 | Tjintalka | 184 | JV02 | earning 51% | application | |
| ELA 212/15 | Kapura | 160 | JV02 | earning 51% | application | |
| ELA 213/15 | Jalukana | 234 | JV02 | earning 51% | application | |
| ELA 214/15 | Tjalukana | 37 | JV02 | earning 51% | application | |
| EL6689 | Kapinnie | 548 | | 80% | 1/11/21 | 31/10/27 |
| EL6681 | Cungena | 581 | | 80% | 1/10/21 | 30/9/27 |
| EL6677 | Yeelanna | 284 | | 100% | 24/9/21 | 23/9/27 |
| Totals | 17 | 16,031 | | | | |

Argentina

| | Tenement | Type | Project | Application | Granted | Applied Area Ha | Title Holder |
|----------|-----------------|------|-------------------|-------------|------------|-----------------|--------------|
| Cu-Au | Mina Santa Ines | Mina | Santa Ines | 27-Sep-10 | 20-Sep-11 | 18 | PNN SA 100% |
| Cu-Au | Santa Ines VIII | Mina | Santa Ines | 18-Jul-13 | 28-Aug-14 | 3,000 | PNN SA 100% |
| Cu-Au | Santa Ines XII | Mina | Santa Ines | 11-Oct-14 | 30-Nov-15 | 2,609 | PNN SA 100% |
| Cu-Au | Santa Ines XIII | Mina | Santa Ines | 11-Oct-14 | 9-Sep-15 | 511 | PNN SA 100% |
| | | | | | | 6,138 | |
| Li Brine | Sulfa 1 | Mina | Salar de Pular | 2-Jun-16 | 22-Feb-17 | 657 | PNN SA 100% |
| Li Brine | Villanovena 1 | Mina | Salina del Rincon | 2-Jun-16 | 22-Jun-16 | 1,586 | PNN SA 100% |
| Li Brine | Tabapocitos 02 | Mina | Salar Pocitos | 2-Jun-16 | 22-Jun-16 | 2,970 | PNN SA 100% |
| Li Brine | Tabapocitos 01 | Mina | Salar Pocitos | 4-Apr-17 | 15-May-21 | 994 | PNN SA 100% |
| Li Brine | Pocitos 11 | Mina | Salar Pocitos | 17-Aug-16 | 19-Sept-16 | 3,000 | PNN SA 100% |
| Li Brine | La Maderita | Mina | Salar de Arizaro | 4-Aug-17 | 17-Oct-14 | 3,000 | PNN SA 100% |
| Li Brine | Sisifo | Mina | Incahuasi Salar | 22-Feb-18 | 13-Jun-18 | 2,000 | PNN SA 100% |
| | | | | | | 14,707 | |
| | Total 11 | | | | | 20,845 | |

Competent Persons Statement

The information in this document that relates to the kaolin and Santa Ines projects has been prepared with information compiled by Steven Cooper, FAusIMM. Mr Steven Cooper is the Australian Exploration Manager and is a full-time employee of the Company. Mr Steven Cooper has sufficient experience which is relevant to the style of mineralisation and type of deposit under consideration and to the activity being undertaken 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'. Mr Steven Cooper consents to the inclusion in the announcement of the matters based on his information in the form and context in which it appears.

The information contained herein that relates to the lithium brine laboratory test work and study development related activities have been directed by Mr. Marcelo Bravo. Mr. Bravo is Chemical Engineer and managing partner of Ad-Infinitum Spa. with over 25 years of working experience and he is a Member of the Chilean Mining Commission (register 0412) and has sufficient experience which is relevant to the activity which they are undertaking to qualify as a Competent Persons as defined in the 2012 Edition of the 'Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves'. Mr. Bravo consents to the inclusion of his name in the matters based on the information in the form and context in which it appears.

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.

Appendix 5B

Mining exploration entity or oil and gas exploration entity quarterly cash flow report

Name of entity

| |
|-------------------------------|
| Power Minerals Limited |
|-------------------------------|

| | |
|-----------------------|-----------------------------------|
| ABN | Quarter ended ("current quarter") |
| 55 101 714 989 | June 2022 |

| Consolidated statement of cash flows | Current quarter \$A'000 | Year to date (12 months) \$A'000 |
|--|----------------------------|--|
| 1. Cash flows from operating activities | | |
| 1.1 Receipts from customers | 36 | 57 |
| 1.2 Payments for | | |
| (a) exploration & evaluation | | |
| (b) development | | |
| (c) production | | |
| (d) staff costs | (185) | (972) |
| (e) administration and corporate costs | (163) | (482) |
| 1.3 Dividends received (see note 3) | | |
| 1.4 Interest received | 1 | 3 |
| 1.5 Interest and other costs of finance paid | | |
| 1.6 Income taxes paid | | |
| 1.7 Government grants and tax incentives | | |
| 1.8 Other (provide details if material) <small>(Realised gain on converting USD to Argentinian Pesos at the blue chip swap market rate)</small> | 396 | 396 |
| 1.9 Net cash from / (used in) operating activities | 85 | (998) |

| | | |
|--|----------------|----------------|
| 2. Cash flows from investing activities | | |
| 2.1 Payments to acquire or for: | | |
| (a) entities | | |
| (b) tenements | - | (38) |
| (c) property, plant and equipment | (63) | (118) |
| (d) exploration & evaluation | (1,150) | (2,376) |
| (e) investments | | |
| (f) other non-current assets | | |

Mining exploration entity or oil and gas exploration entity quarterly cash flow report

| Consolidated statement of cash flows | | Current quarter \$A'000 | Year to date (12 months) \$A'000 |
|---|---|------------------------------------|---|
| 2.2 | Proceeds from the disposal of: | | |
| | (a) entities | | |
| | (b) tenements | | |
| | (c) property, plant and equipment | | |
| | (d) investments | | |
| | (e) other non-current assets | | |
| 2.3 | Cash flows from loans to other entities | | |
| 2.4 | Dividends received (see note 3) | | |
| 2.5 | Other (provide details if material) | | |
| 2.6 | Net cash from / (used in) investing activities | (1,213) | (2,532) |

| | | | |
|-------------|---|------------|--------------|
| 3. | Cash flows from financing activities | | |
| 3.1 | Proceeds from issues of equity securities (excluding convertible debt securities) | - | 3,700 |
| 3.2 | Proceeds from issue of convertible debt securities | | |
| 3.3 | Proceeds from exercise of options | 153 | 691 |
| 3.4 | Transaction costs related to issues of equity securities or convertible debt securities | - | (250) |
| 3.5 | Proceeds from borrowings | | |
| 3.6 | Repayment of borrowings | | |
| 3.7 | Transaction costs related to loans and borrowings | | |
| 3.8 | Dividends paid | | |
| 3.9 | Other (provide details if material) | | |
| 3.10 | Net cash from / (used in) financing activities | 153 | 4,141 |

| | | | |
|-----------|--|----------------|----------------|
| 4. | Net increase / (decrease) in cash and cash equivalents for the period | | |
| 4.1 | Cash and cash equivalents at beginning of period | 4,563 | 2,977 |
| 4.2 | Net cash from / (used in) operating activities (item 1.9 above) | 85 | (998) |
| 4.3 | Net cash from / (used in) investing activities (item 2.6 above) | (1,213) | (2,532) |
| 4.4 | Net cash from / (used in) financing activities (item 3.10 above) | 153 | 4,141 |

| Consolidated statement of cash flows | | Current quarter \$A'000 | Year to date (12 months) \$A'000 |
|---|---|------------------------------------|---|
| 4.5 | Effect of movement in exchange rates on cash held | | |
| 4.6 | Cash and cash equivalents at end of period | 3,588 | 3,588 |

| 5. | Reconciliation of cash and cash equivalents at the end of the quarter (as shown in the consolidated statement of cash flows) to the related items in the accounts | Current quarter \$A'000 | Previous quarter \$A'000 |
|------------|---|------------------------------------|-------------------------------------|
| 5.1 | Bank balances | 2,606 | 3,581 |
| 5.2 | Call deposits | 982 | 982 |
| 5.3 | Bank overdrafts | | |
| 5.4 | Other (provide details) | | |
| 5.5 | Cash and cash equivalents at end of quarter (should equal item 4.6 above) | 3,588 | 4,563 |

6. Payments to related parties of the entity and their associates

- 6.1 Aggregate amount of payments to related parties and their associates included in item 1
- 6.2 Aggregate amount of payments to related parties and their associates included in item 2

| Current quarter \$A'000 |
|------------------------------------|
| 65 |
| 83 |

Note: if any amounts are shown in items 6.1 or 6.2, your quarterly activity report must include a description of, and an explanation for, such payments.

Mining exploration entity or oil and gas exploration entity quarterly cash flow report

| 7. Financing facilities | Total facility amount at quarter end \$A'000 | Amount drawn at quarter end \$A'000 |
|---|---|--|
| <i>Note: the term "facility" includes all forms of financing arrangements available to the entity. Add notes as necessary for an understanding of the sources of finance available to the entity.</i> | | |
| 7.1 Loan facilities | - | - |
| 7.2 Credit standby arrangements | - | - |
| 7.3 Other (please specify) | - | - |
| 7.4 Total financing facilities | - | - |
| 7.5 Unused financing facilities available at quarter end | | 0 |
| 7.6 | Include in the box below a description of each facility above, including the lender, interest rate, maturity date and whether it is secured or unsecured. If any additional financing facilities have been entered into or are proposed to be entered into after quarter end, include a note providing details of those facilities as well. | |
| | | |

| 8. Estimated cash available for future operating activities | \$A'000 |
|---|----------------|
| 8.1 Net cash from / (used in) operating activities (item 1.9) | 85 |
| 8.2 (Payments for exploration & evaluation classified as investing activities) (item 2.1(d)) | (1,150) |
| 8.3 Total relevant outgoings (item 8.1 + item 8.2) | (1,065) |
| 8.4 Cash and cash equivalents at quarter end (item 4.6) | 3,588 |
| 8.5 Unused finance facilities available at quarter end (item 7.5) | 0 |
| 8.6 Total available funding (item 8.4 + item 8.5) | 3,588 |
| 8.7 Estimated quarters of funding available (item 8.6 divided by item 8.3) | 3.4 |
| <i>Note: if the entity has reported positive relevant outgoings (ie a net cash inflow) in item 8.3, answer item 8.7 as "N/A". Otherwise, a figure for the estimated quarters of funding available must be included in item 8.7.</i> | |

8.8 If item 8.7 is less than 2 quarters, please provide answers to the following questions:

8.8.1 Does the entity expect that it will continue to have the current level of net operating cash flows for the time being and, if not, why not?

Answer:

8.8.2 Has the entity taken any steps, or does it propose to take any steps, to raise further cash to fund its operations and, if so, what are those steps and how likely does it believe that they will be successful?

Answer:

8.8.3 Does the entity expect to be able to continue its operations and to meet its business objectives and, if so, on what basis?

Answer:

Note: where item 8.7 is less than 2 quarters, all of questions 8.8.1, 8.8.2 and 8.8.3 above must be answered.

Compliance statement

- 1 This statement has been prepared in accordance with accounting standards and policies which comply with Listing Rule 19.11A.
- 2 This statement gives a true and fair view of the matters disclosed.

Date: 27 July 2022

Authorised by:By the board Power Minerals Ltd.....
(Name of body or officer authorising release – see note 4)

Notes

1. This quarterly cash flow report and the accompanying activity report provide a basis for informing the market about the entity's activities for the past quarter, how they have been financed and the effect this has had on its cash position. An entity that wishes to disclose additional information over and above the minimum required under the Listing Rules is encouraged to do so.
2. If this quarterly cash flow report has been prepared in accordance with Australian Accounting Standards, the definitions in, and provisions of, *AASB 6: Exploration for and Evaluation of Mineral Resources* and *AASB 107: Statement of Cash Flows* apply to this report. If this quarterly cash flow report has been prepared in accordance with other accounting standards agreed by ASX pursuant to Listing Rule 19.11A, the corresponding equivalent standards apply to this report.
3. Dividends received may be classified either as cash flows from operating activities or cash flows from investing activities, depending on the accounting policy of the entity.
4. If this report has been authorised for release to the market by your board of directors, you can insert here: "By the board". If it has been authorised for release to the market by a committee of your board of directors, you can insert here: "By the [name of board committee – eg Audit and Risk Committee]". If it has been authorised for release to the market by a disclosure committee, you can insert here: "By the Disclosure Committee".
5. If this report has been authorised for release to the market by your board of directors and you wish to hold yourself out as complying with recommendation 4.2 of the ASX Corporate Governance Council's *Corporate Governance Principles and Recommendations*, the board should have received a declaration from its CEO and CFO that, in their opinion, the financial records of the entity have been properly maintained, that this report complies with the appropriate accounting standards and gives a true and fair view of the cash flows of the entity, and that their opinion has been formed on the basis of a sound system of risk management and internal control which is operating effectively.