

ASX RELEASE

31 January 2023

ASX CODE

PNN

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BOARD

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Mena Habib
Managing Director

James Moses
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 31 December 2022

HIGHLIGHTS

Salta Lithium Brine Project, Argentina

- JORC mineral resource drilling campaign ongoing – lithium grade and brine density confirmed in first hole at Incahuasi salar
- Geophysical surveys confirm additional lithium brine and mineral resource potential at each key salar
- Preliminary economic assessment initiated at Rincon salar
- Strong progress with DLE and project development MoU partners

Eyre Peninsula Kaolin-Halloysite Project, South Australia

- First-phase drilling delivers REE discovery with positive kaolin and halloysite results
- Results further validate Power Minerals' specialty clay strategy to define high value mineral products for potential supply to advanced technology industries

Musgrave Nickel-Copper-Cobalt Project, South Australia

- Damien Barnes appointed Land Access General Manager to drive plans in securing Exploration Deed with APY traditional owners for the priority Pink Slipper target (ELA 2015/214)

Santa Ines Copper-Gold Project, Argentina

- Results received from maiden drilling program reveal wide zones of near-surface copper mineralisation

Corporate

- Mena Habib appointed Managing Director and former Lake Resources Technical Director Dr Nicholas Lindsay appointed Technical Advisor
- Strong cash position of \$6.478m at 31 December 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 31 December 2022.

Power has a portfolio of strategically located exploration projects in key, demand driven commodities including; the Salta Lithium 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).

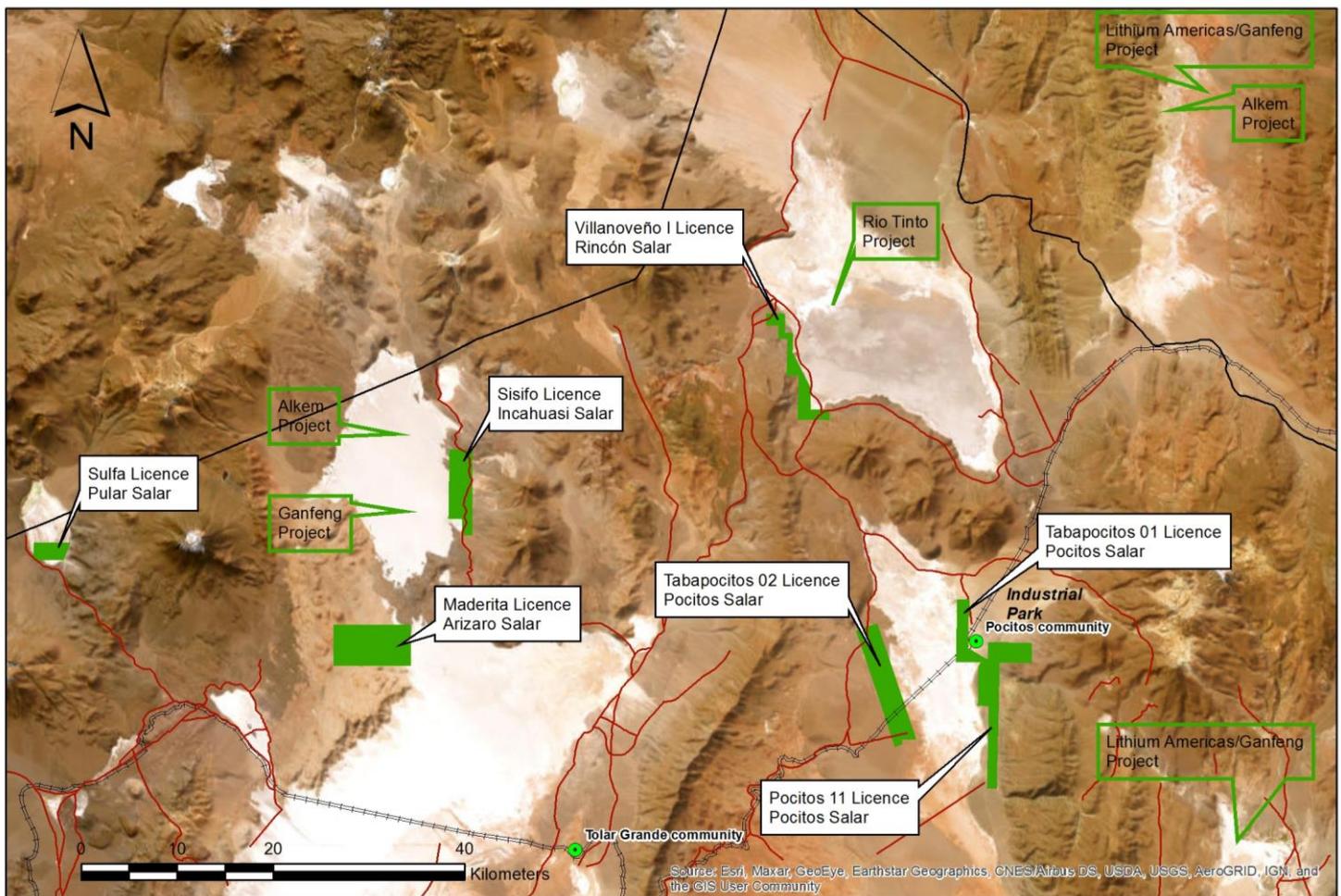


Figure 1: Salta Lithium Brine Project location map, north-west Argentina (PNN licenses in green)

JORC Mineral Resource drilling campaign makes strong progress

Power commenced a major JORC Mineral Resource definition drilling campaign at the Salta Project during the quarter (ASX announcement, 31 October 2022). Drilling commenced at the Incahuasi salar, located immediately adjacent to Ganfeng Lithium Co. Ltd’s project, and has progressed well to date. Drilling is then planned to progress to the Rincon and Pocitos salares within the Salta Project (Figure 1).

The drilling campaign is designed to; deliver a maiden Mineral Resource at Incahuasi and Pocitos, expand the existing Mineral Resource at Rincon, and upgrade the Salta Project’s existing combined JORC Mineral Resource (ASX announcements, 23 January 2019 and 27 June 2018) to support proposed future development plans at the Project.

Drilling at the Incahuasi salar is planned to consist of 2 diamond drill holes for a total of approximately 1,000m (Figure 2). The first drill hole (PM22-IN-01) at Incahuasi was successfully completed, and results received post the quarter confirmed the lithium grade and brine density within the hole, and validated positive initial visual indications (ASX announcements, 12 January 2023 and 22 November 2022).

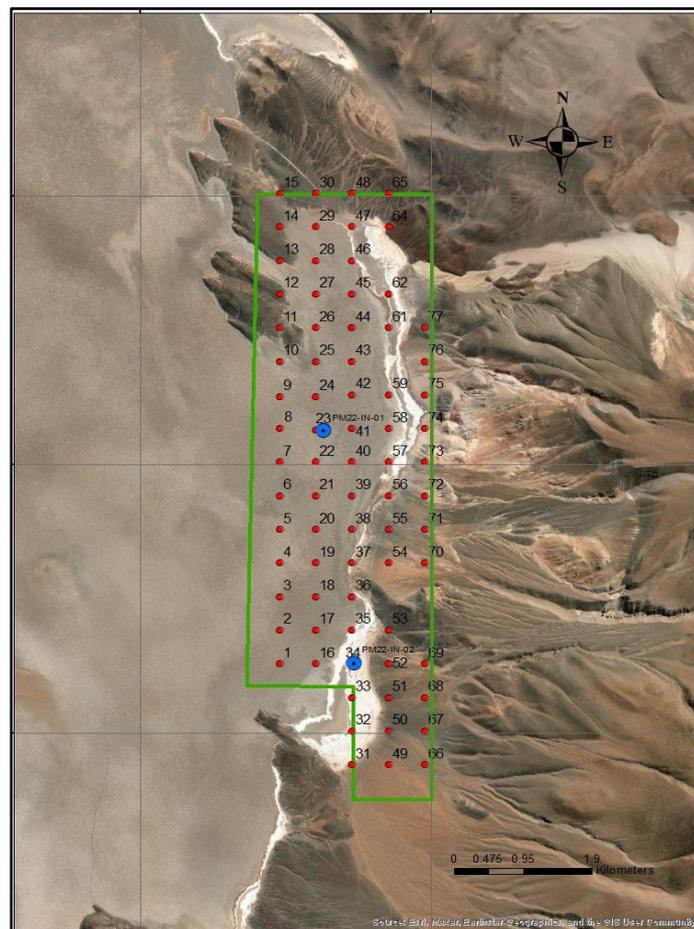


Figure 2: Incahuasi drill hole locations (blue dots), TEM geophysical survey points (red dots) and potential Resource area (green outline).

PM22-IN-01 was drilled to a depth of 400m, and intersected highly positive salar evaporite and semi-consolidated sedimentary lithologies to a depth of 339m before reaching basement rock. The hole included a 280m interval (from ~30m to 310m depth), containing brine with visual medium-to-high drainable porosity, with the potential to host significant quantities of lithium brine (Figure 3).

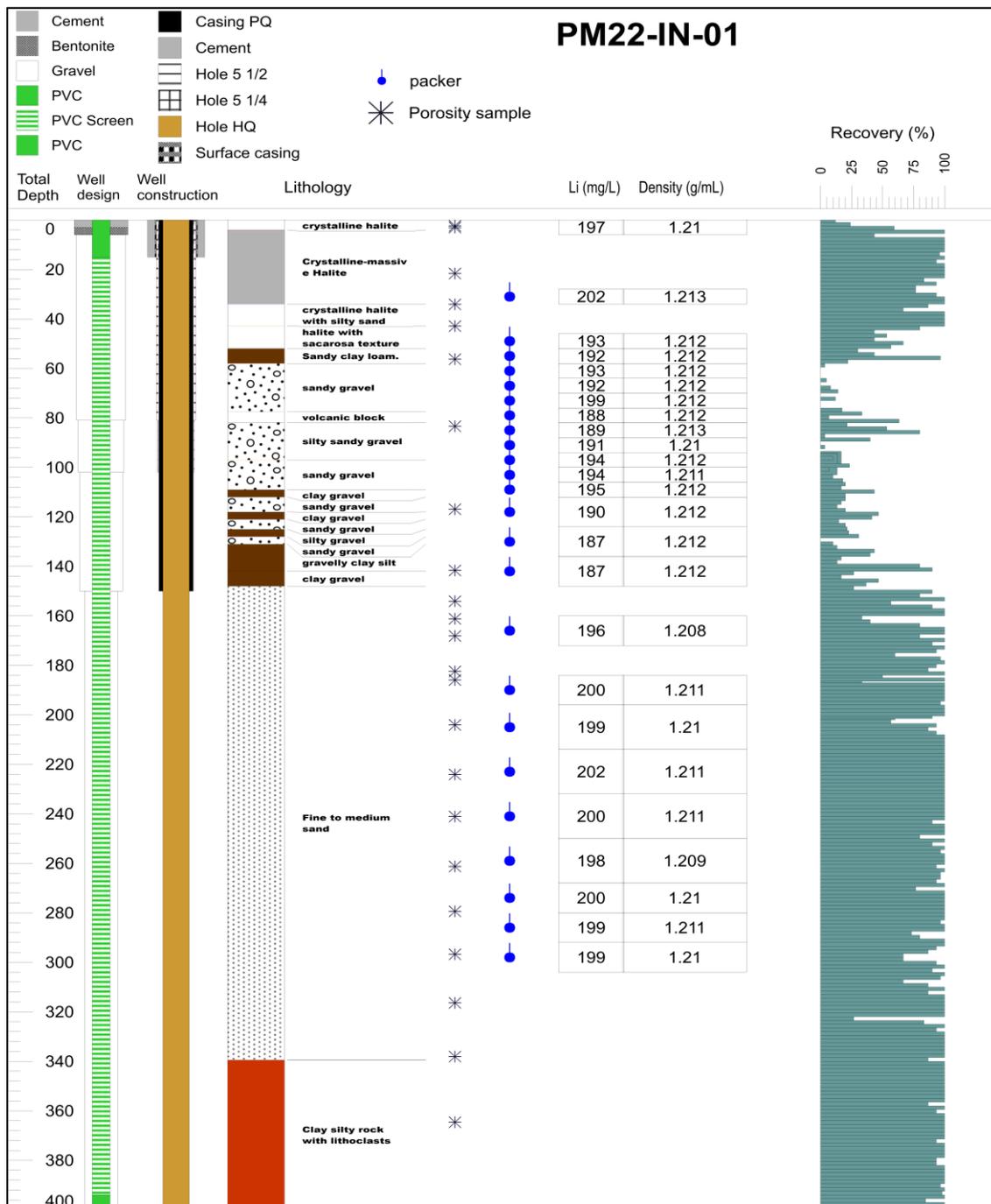


Figure 3: Summary log from drillhole PM22-IN-01 at Incahuasi salar.

Single packer test brine samples were sent to an Argentinian laboratory for analysis and representative samples of drill core were then sent to a specialist laboratory in the USA to determine actual drainable porosity.

Final assay results of packer brine samples from drilling at PM22-IN-01 returned consistent lithium grades, between **187mg/L** (milligrams per litre) and **202mg/L**, from a total of **24 intersections** from a near-surface depth of **28m to 304m**.

Summary results from packer brine samples from drillhole PM22-IN-01 at the Incahuasi salar are shown in Table 1 in ASX announcement of 12 January 2023.

The second drillhole at Incahuasi salar (PM22-IN-02) is underway (Figure 2). On completion of drilling at Incahuasi, Power plans to complete a maiden JORC 2012 Mineral Resource estimate (subject to results).

The next phase of the Mineral Resource drilling campaign will target the Rincon salar (Figure 1), and is planned to commence upon completion of drilling at Incahuasi. Rincon is Power's most advanced salar and hosts the project's highest-grade lithium (ASX announcement, 9 January 2023).

Drilling at Rincon is planned to consist of four to six diamond drill holes for a total of approximately 1,200 metres. It is designed to confirm results from previous drilling in 2017 and to test for additional potential lithium brine resources in the northern part of the licence area, to significantly increase the existing Rincon Mineral Resource (ASX announcement, 27 June 2018).

Geophysical Surveys Confirm Mineral Resource Potential

Power has progressively completed a Vertical Electrical Sounding (VES) geophysical survey program at its key salares at the Salta Project. The survey program delivered positive results, which confirmed the potential for identification of additional lithium brines and Mineral Resource potential at each salar.

Subsequent to the quarter, Power reported results from its VES geophysical survey at the **Pocitos and Arizaro salares** (ASX announcement, 23 January 2023). The VES survey was conducted over 18 geophysics stations on the Tabapocitos 01 license area at the Pocitos salar (Figures 4 and 5), and over 12 stations on the Maderita licence area at the Arizaro salar (Figures 6 and 7).

The VES geophysical surveys have helped define the distribution of concentrated brine, saline and brackish brines and fresh water in the active salar, inactive salar and adjacent alluvial apron.

This information assists to identify potential new lithium resources and in planning of the Company's ongoing lithium brine resource drilling programs. Importantly, the VES surveys have provided valuable information on the potential for near-surface fresh or brackish water aquifers in the alluvial fans, which will input into environmental studies, water management plans and approvals for the proposed future development of the Salta Project.

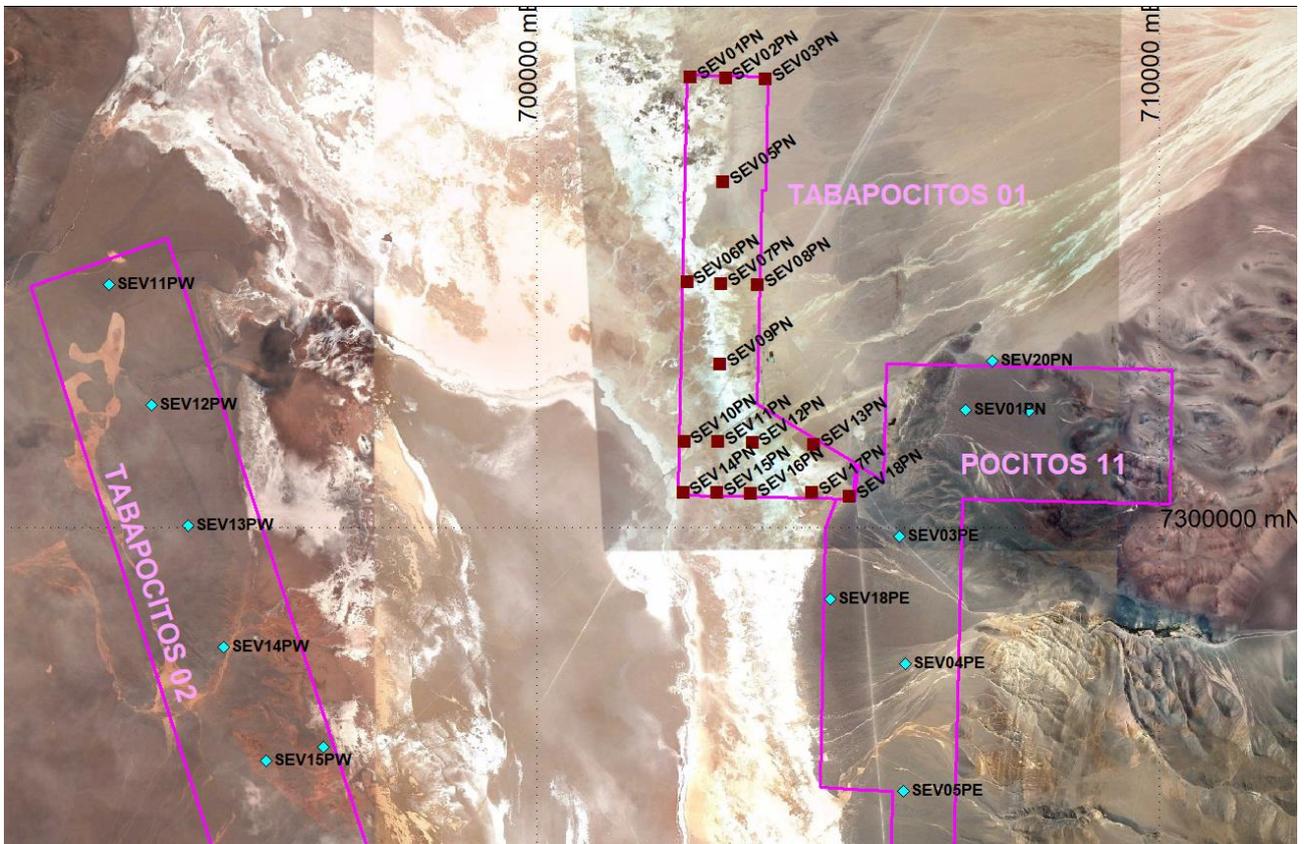


Figure 4: Location of VES geophysics stations (SEV01N-18PN red squares), Tabapocitos 01 and previous VES surveys on Tabapocitos 02 and Pocitos 11 (blue diamonds) (ASX release 17 February 2017)

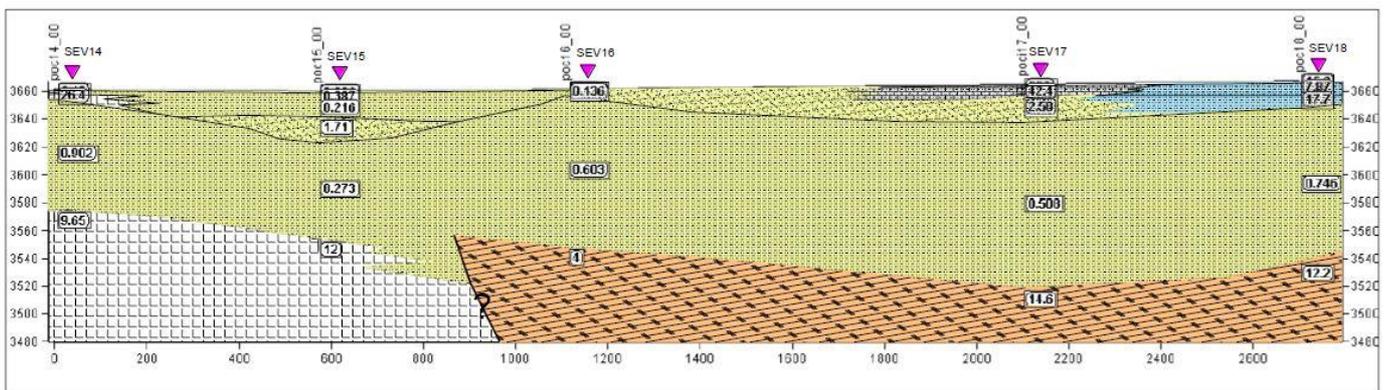


Figure 5: VES geophysics interpretation (brine and saline saturated zones: salar sediments in yellow, salt / halite in white boxes: fresh or brackish water saturated zones in blue: basement in red), Tabapocitos 01

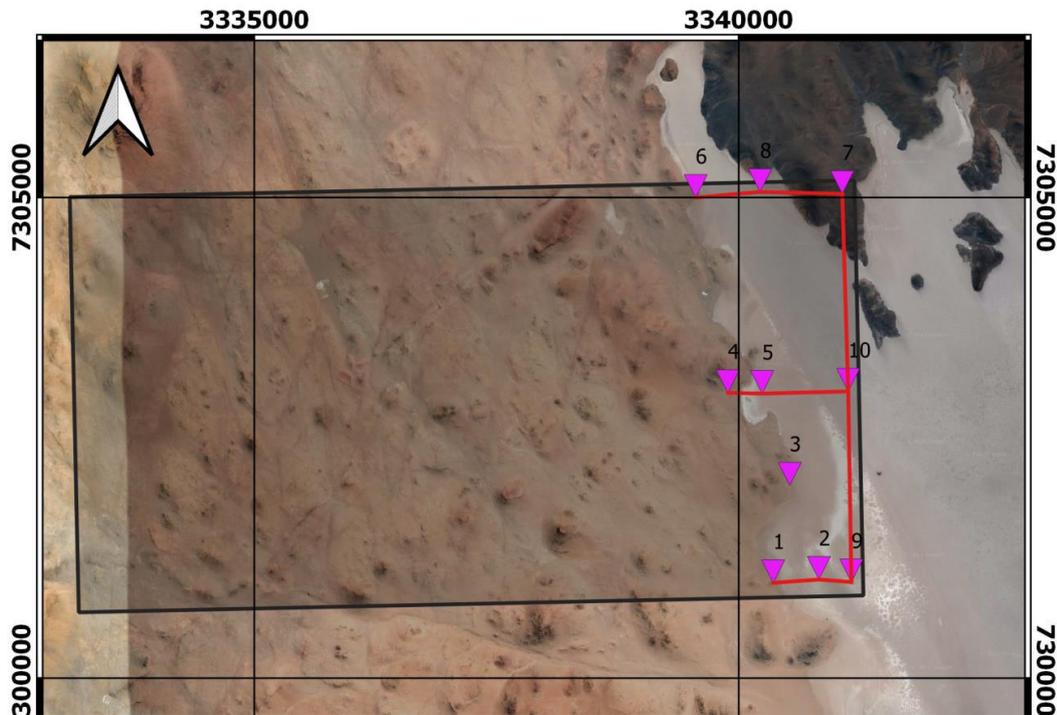


Figure 6: Location of VES geophysics stations (SEV1 to SEV9 pink triangles), Maderita

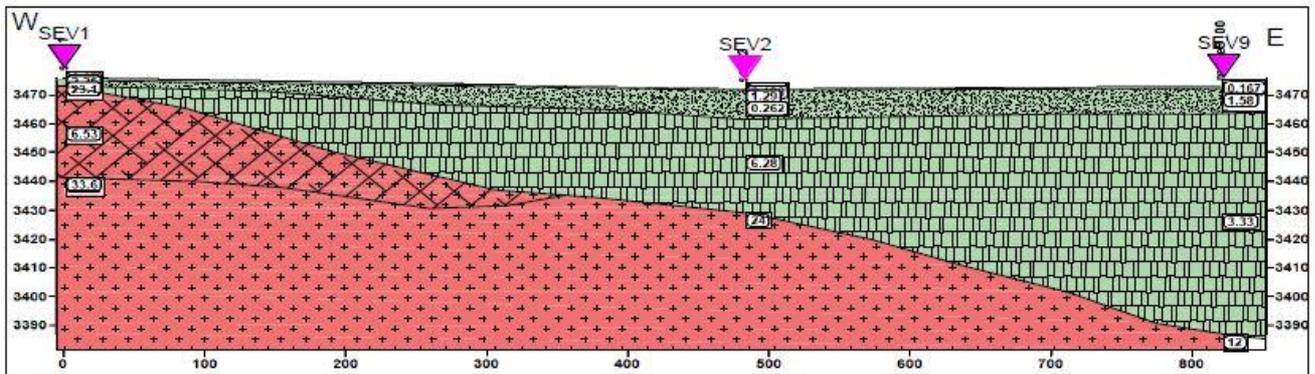


Figure 7: VES geophysics interpretation, Maderita (brine saturated zones: salar sediments in green stippled, salt / halite in green boxes: basement in red)

The survey at the **Rincon salar** also produced positive results (ASX announcement, 17 October 2022). The Rincon VES survey was conducted over seven geophysics stations on the northern portion of the license area (Figure 8), and results confirmed the potential for the salar to host additional lithium brines.

Interpretation of results indicated continuity of concentrated brines in 100 to 150 metre-thick zones of saturated sand and gravel units within the alluvial apron fans adjacent to the active salar, with basement estimated at a depth of approximately ~200 metres. The results highlighted the resource expansion potential in this yet to be drill tested area of the Rincon licence.

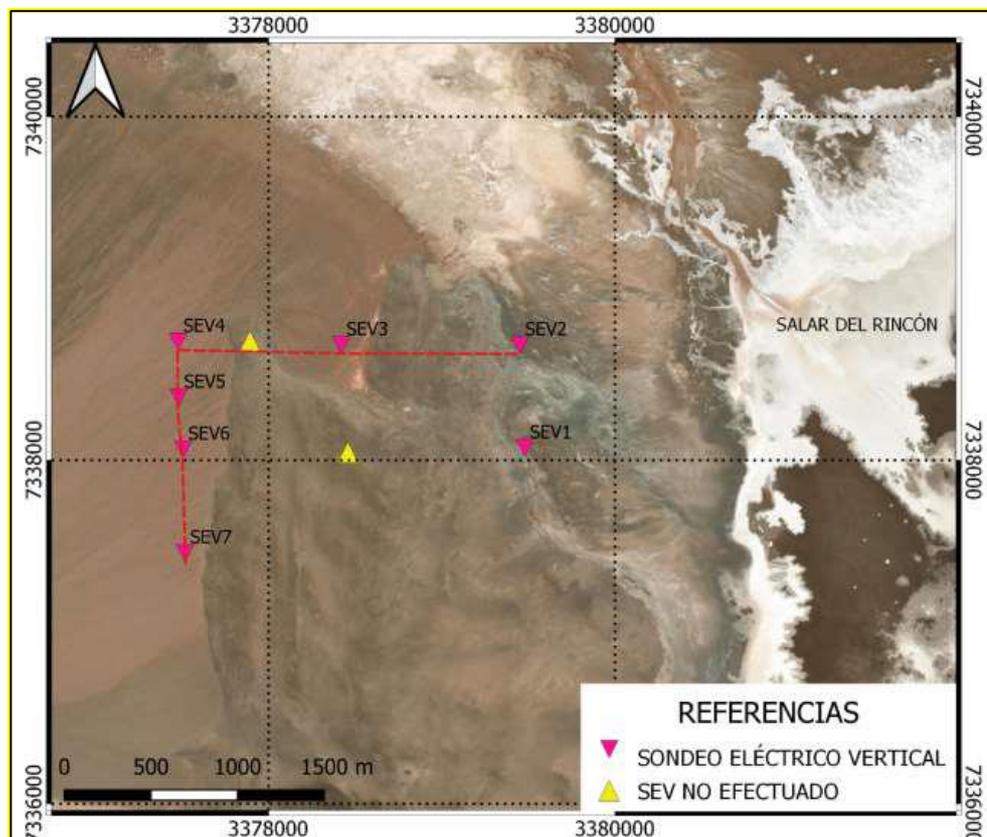


Figure 8: Location of VES geophysics stations (SEV1-7 purple triangles), Rincon North.

Results from a VES survey completed at the Incahuasi salar were reported in the previous quarter (ASX announcement, 28 September 2022).

Preliminary Economic Assessment Underway at Rincon Salar

Power commenced a Preliminary Economic Assessment (PEA) at the Rincon salar during the quarter (ASX announcement, 8 December 2022). It plans to complete PEA's on each of the Rincon, Incahuasi and Pocitos salares in conjunction with its ongoing Mineral Resource drilling campaign, in order to fast-track the Project's development.

The PEA's will contemplate conceptual production of a minimum of 2,000tpa lithium carbonate equivalent (LCE), via Direct Lithium Extraction (DLE), at each of the Rincon, Incahuasi and Pocitos salares; for a total of 6,000tpa LCE.

The PEA will be completed to Scoping Study level and is being conducted by global engineering and mining consultants Golder Associates (Golder), a division of WSP Global, who have vast experience working with tier-1 lithium-brine companies such as Ganfeng and Tibet Summit Resources (who are using Sunresin DLE technology).

Golder will work in conjunction with Power’s DLE partner Sunresin to ensure an optimal PEA outcome. The PEA at Rincon will assess the production and life-of-mine profile, along with engineering and process costs, plus capital costs and operating costs for a potential high-quality lithium carbonate (LCE) producing operation at Rincon.

Figure 9 provides a preliminary location plan for Power’s planned lithium brine resource drilling and an indicative, conceptual plan for the potential DLE development at Rincon.

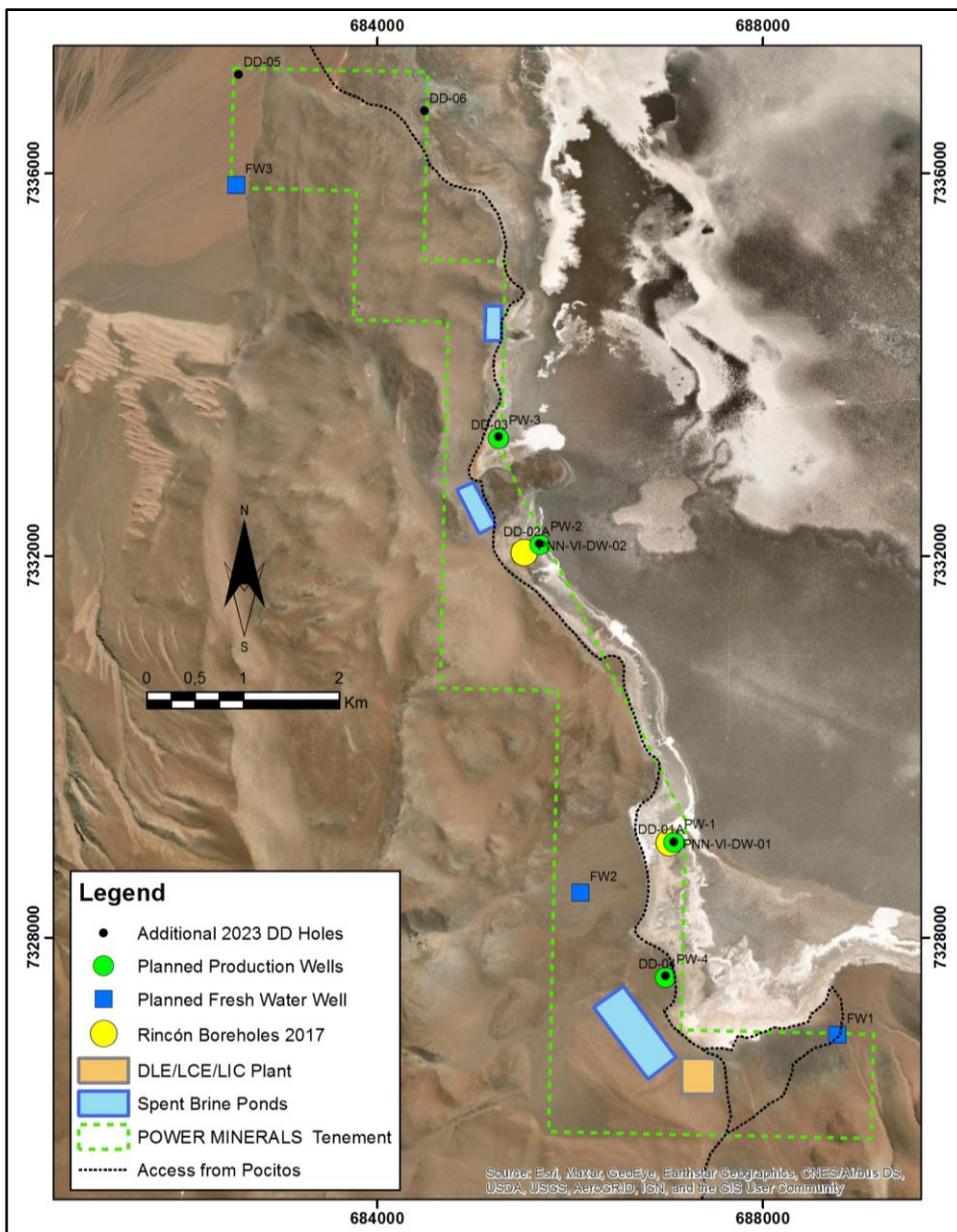


Figure 9: Location Plan for Lithium Brine Resource Drilling and Proposed Rincon DLE Development

Continued Strong Progress Delivered with MoU Partners

Power extends MoU with Xiamen Xiangyu

Power entered into a non-binding Memorandum of Understanding (MoU) with Xiamen Xiangyu New Energy Co., Ltd (Xiamen Xiangyu) in July 2022 (ASX announcement, 11 July 2022). Under the MoU both parties have conducted due diligence with a view to executing binding off-take, funding, logistics and offtake agreements for Power's Salta Lithium Project.

The initial timeframe set-down under the MoU for the parties to execute a binding agreement was 180 days from date of execution of MoU. The due diligence has progressed extremely well with both parties working collaboratively throughout the process.

Subsequent to the quarter, Power and Xiamen Xiangyu advised that the parties had agreed to extend the MoU to allow further time for the completion of the due diligence process (ASX announcement, 16 January 2023).

As part of its due diligence, Xiamen Xiangyu completed a successful 40 litre bulk-sample test of brines from each of the Incahuasi, Rincon and Pocitos salares at the Salta Project during the quarter, which confirmed the brine quality and suitability from each salar (ASX announcement, 17 November 2022).

As a next step, Xiamen Xiangyu plans to conduct a site visit to the Salta Project. The final component of due diligence is the successful delivery of the Preliminary Economic Assessment (PEA) currently underway at the Rincon salar (ASX announcement, 8 December 2022).

This is expected to be completed in the first half of calendar 2023, and Power and Xiamen Xiangyu have agreed to extend the MoU until the completion of the PEA. Subject to the successful completion and outcomes of the PEA, the parties then plan to move to execute a binding agreement in respect of funding, logistics and offtake for the Salta Project.

Xiamen Xiangyu is part of Xiamen Xiangyu Co., Ltd, a diversified fortune-500, Shanghai Stock Exchange-listed (SSE: 600057) supply chain and logistics company. Xiamen Xiangyu provides an end-to-end supply chain 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.

Further details on the MoU between Power and Xiamen Xiangyu are provided in ASX announcement of 11 July 2022. The MoU is non-binding and is not exclusive.

There is no guarantee that a binding agreement will be entered into.

Sunresin Completes Successful Bulk Sample Test of Salta Brines

During the quarter Power reported that Direct Lithium Extraction (DLE) industry leader, Sunresin New Materials Co. Ltd. (Sunresin) had completed a successful bulk-sample test of brines from the Salta Project (ASX announcement, 27 October 2022).

The bulk-sample testing involved 40 litres of brine being extracted from each of the Incahuasi, Rincon and Pocitos salares at the Project, which were then sent to Sunresin's proprietary DLE processing facility in Shaanxi province, China. The bulk samples from each individual salar were then processed through Sunresin's DLE plant on a salar-by-salar basis.

The bulk sample testing of the brines from all three salares delivered positive outcomes, and successfully produced a lithium concentrate. The testing confirmed;

- Individual brines are compatible with Sunresin's DLE technology and plant; and
- Brine chemistry and quality from each salar is suitable for processing through Sunresin's DLE technology and plant.

The ability of Sunresin's DLE technology to successfully process brines of varying grades from the Salta Project is a major positive step in progressing Power's MoU with Sunresin, and helps confirm the Project's DLE development potential.

The MoU is proposed to be carried out in four phase process, with the end goal of securing a binding agreement for a commercial-scale lithium producing operation at the Salta Project.

Sunresin is a global leader in DLE technology. Its proprietary 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 nine commercial projects located in South America, North America, Europe and China, ranging in capacity from 3,000tpa to 25,000tpa.

Further details on the MoU between Power and Sunresin are provided in ASX announcement of 7 April 2022. The MoU is non-binding and is not exclusive.

There is no guarantee that a binding agreement will be entered into.

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 10).

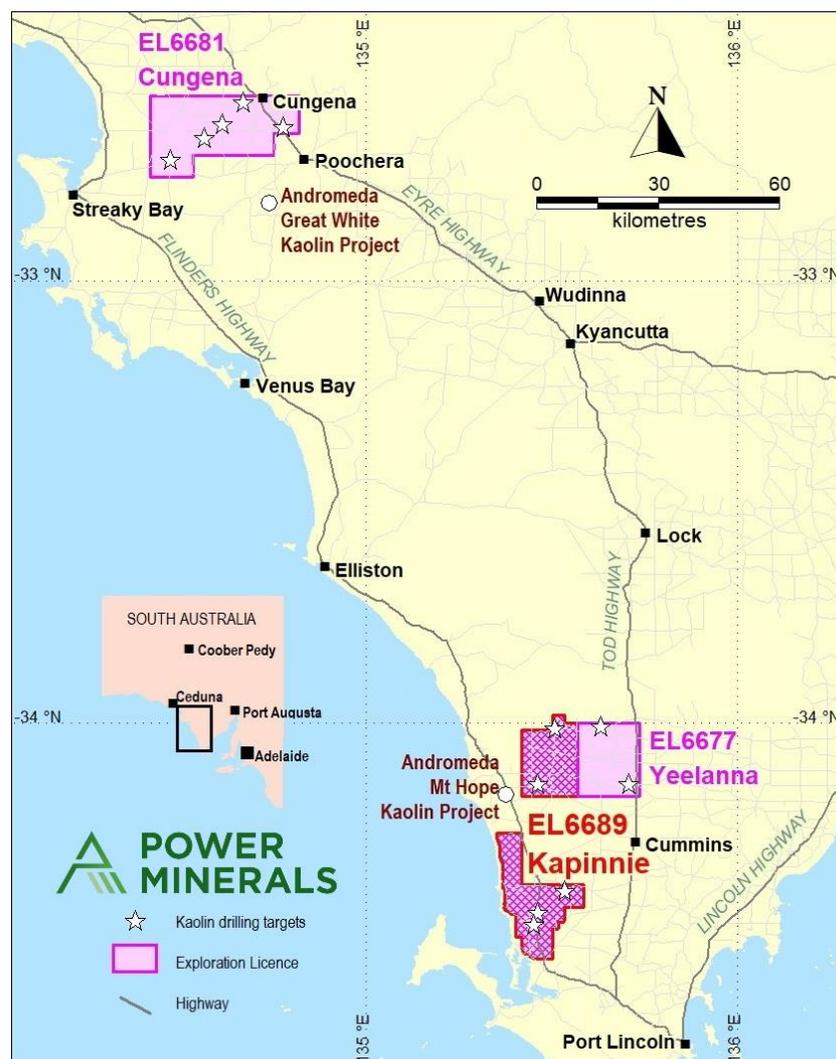


Figure 10: Eyre Peninsula Kaolin-Halloysite Project location map

REE Discovery at Eyre Peninsula Project

During the quarter, the Company reported positive rare earth element (REE), kaolin and halloysite results from its first phase of drilling at the Eyre Peninsula Project, completed in the June 2022 quarter (ASX announcement, 31 May 2022). The positive results support Power's specialty clay strategy to develop and produce high margin, value added products for the potential supply to advanced technology industries.

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

Rare Earth Element (REE) discovery at Dickson Well prospect on EL6681

In addition to laboratory analysis for kaolin and halloysite, Power also sent a total of 149 clay-rich samples for detailed REE analyses. Results from 96 samples were reported during the quarter, and confirmed the discovery of significant concentrations of Rare Earth Elements (REE) at the Dickson Well prospect at the Cungena Exploration Licence (EL6681), in the north-west of the Eyre Peninsula (ASX announcement, 20 December 2023).

The results continued to confirm the presence of significant elevated clay-hosted REE concentrations across the Eyre Peninsula Project area. Samples from nine drillholes returned results in excess of 1,000ppm REO concentration, and three distinct areas of significant REE intersections were identified.

Drilling at the Dickson Well prospect returned high-grade REE in the two drillholes drilled at this target; PKD22-119 and PKD22-120. Thick zones of elevated REE concentrations were also intersected in multiple drillholes west of Cungena in EL6681, and also in the Kapinnie Exploration Licence (EL6689) in the south-west of the Eyre Peninsula.

Highlight results included;

Cungena (EL6681)

- **8m at 1,947ppm TREO (or 0.2%) including 24.5% HREO from 50m including 1m at 4,201ppm (or 0.42%) TREO including 21.3% HREO from 54m in drillhole PKD22-119**
- **5m at 1,681ppm TREO (or 0.17%) including 17.9% HREO from 57m including 1m at 3,001ppm (or 0.3%) TREO with 22.4% HREO from 61m in drillhole PKD22-120**
- **5m at 1,229ppm TREO including 13.3% HREO from 29m, within a wider 20m zone with 842ppm TREO including 17% HREO from 26m in drillhole PKD22-084**

Kapinnie (EL6689)

- **3m at 1,684ppm TREO including 13.9% HREO from 18m in drillhole PKD22-057**

Kaolin Assay Results

Laboratory assay results were returned from 17 composite samples from Kapinnie license EL6689 (ASX announcement, 4 October 2022). These confirmed significant, thick intersections of white kaolin mineralisation, with results of minus 45-micron samples in drillhole PKD22-008 containing a **24 metre**

interval with 45% yield of 90.6% kaolin at 79.4 ISO-B brightness. This included a **peak brightness of 81.7 ISO-B** reached over a two-metre interval from 29 metres depth.

Field pXRF readings indicated low and constant iron content over the 24 metre interval. In addition, an intersection of **26m at 77.1% kaolin, including 16m at 86.1% kaolin from 8m**, was returned from drillhole PKD22-001 (Figure 11).

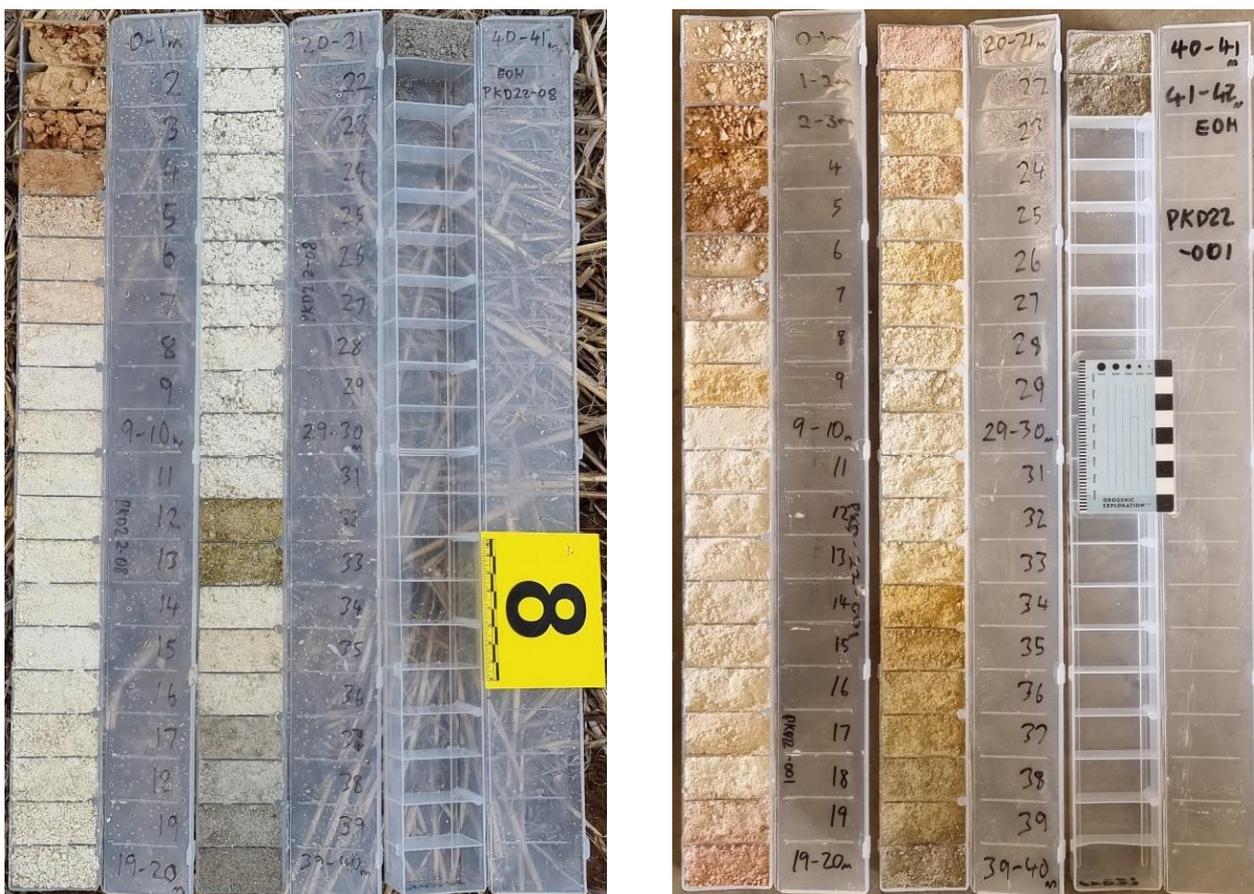


Figure 11: Representative chip samples from drill holes PKD22-008 (left) and PKD22-001 (right), Kapinnie EL 6689

Halloysite Assay Results

Highly positive halloysite results from drilling at the Eyre Peninsula Project were also reported during the quarter (ASX announcement, 24 October 2022).

The results, from drill hole PKD22-001, confirmed a significant thick intersection of halloysite-rich kaolin mineralisation at the Kapinnie Kaolin Deposit (within EL6689). Results of minus 45-micron samples returned an **impressive 14 metres at 17.8% halloysite, within 26 metres at 77.1% kaolin** in drillhole PKD22-001.

Of particular interest, the average halloysite particle size was approximately 25 microns compared to larger kaolinite particles, at approximately 80 microns. This significant difference in particle size distribution may have positive implications for beneficiation processing to increase halloysite content in kaolin products.

Halloysite is a polymorph of kaolinite (both are kaolin minerals of the same chemical composition) that has uses in high-value traditional markets, such as high-quality porcelain ceramics, and likely potential applications in advanced nanotechnology and ion exchange markets. These uses of halloysite relate to its unusual physical properties including very high surface area, tube-like morphology and bonding reactivity.

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 par Cu-Au-Mo Project (Figure 12).



Figure 12: Santa Ines Copper-Gold Project location map

Drilling Intersects Wide Zones of Near-Surface Copper Mineralisation

Power reported results from its maiden first-pass drilling program at the Santa Ines Project during the quarter (ASX announcement, 11 October 2022). The program comprised five diamond core holes for a total 651.4 metres, and was designed to target structures and mineralisation below historical surface workings, plus a separate, un-explored shallow magnetic target.

The program delivered positive results, highlighted by a broad zone of near-surface copper mineralisation of; **26 metres at 0.60% copper from a downhole depth of 62 metres in drillhole PNSI22-00526.**

Drilling identified a number of structural zones with elevated copper and gold, and copper and trace gold were intersected in all targeted zones. Elevated zinc was also reported in drillholes and surface samples. Surface oxide samples of up to 8.6% Cu and 0.7 g/t Au were also returned.

The results validated the Company's exploration approach at the Project, and confirmed the discovery potential for a significant copper-gold system within the Project area.

Based on the positive outcomes of the initial phase of drilling, Power plans to review its geological interpretation of the Project along with regional geophysical datasets to identify additional iron-oxide-copper-gold (IOCG) exploration targets. This may be followed-up with geophysical surveys (ground magnetic or aeromagnetic) to define exploration targets for a potential second phase of drilling.

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. The Project covers 14,003km² within the Anangu Pitjantjatjara Yankunytjatjara (APY) Lands, in the Musgrave Province of north-west South Australia (Figure 13).

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.

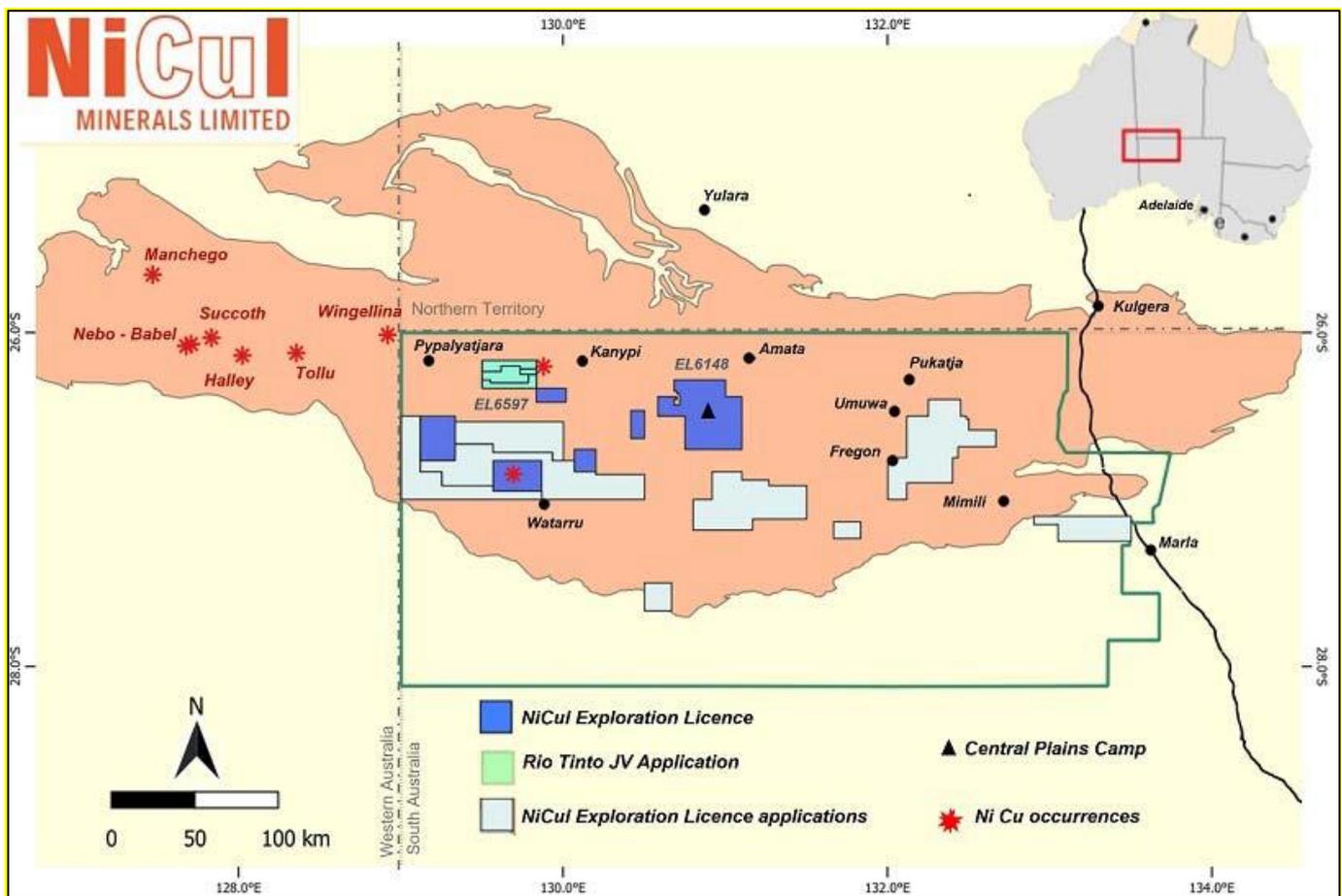


Figure 13: Musgrave Nickel-Copper-Cobalt Project, Musgrave province, South Australia

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 Joint Venture Project with Rio Tinto Ltd (Rio Tinto Exploration Pty Ltd). Power has 51% equity in this joint venture JV02 (as shown in the Tenement Schedules).

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

During the quarter, Power appointed Mr Damien Barnes as Land Access General Manager (ASX announcement, 29 November 2022). Mr Barnes will play a key role in building and maintaining positive relationships with landowners and local communities across Power's project areas, and in securing site access where required to allow Power to conduct its exploration activities.

He will work closely with Power's board and management, and will have specific responsibilities in leading the Company's efforts to secure a land access agreement to allow it to undertake on-ground exploration at its Musgrave Nickel-Copper-Cobalt Project in the Musgrave region of north-west South Australia.

Mr Barnes has a strong depth of legal, commercial management, dispute resolution and engineering experience in a career spanning 27 years, in the resources, construction, environment, cultural heritage and property sectors – and also in land claims and native title.

His specific expertise includes advising, drafting and negotiating complex commercial and industrial construction and infrastructure documentation, including structuring and planning of projects, subcontracting and procurement along with leases, licences, and dispute resolution.

Further details on Mr Barnes experience and qualifications are provided in ASX announcement of 29 November 2022.

Power continued to work with the APY traditional owners to negotiate an Exploration Deed for the Pink Slipper (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.

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.

PNN's EL6597 licence, Mt Marcus, has been extended to 24 October 2025 as shown in the Tenement Schedule.

CORPORATE

Managing Director Appointed and Technical Team Strengthened

Post the quarter, Power announced that Executive Director Mr Mena Habib had been appointed Managing Director, and that former Lake Resources (ASX: LKE) Technical Director Dr Nicholas Lindsay had been appointed Technical Advisor (ASX announcement, 10 January 2023).

Both represent key appointments, designed to ensure Power has the right mix of people and skillsets to support its rapidly developing lithium strategy at the Salta Lithium Project, and its other Australian critical mineral assets.

Mr. Mena Habib, Managing Director

Mr. Habib has played a pivotal role in the growth of the Company since his appointment as Executive Director in January 2022. He has been instrumental in establishing in-country relationships at the Salta Lithium Project, and formulating and implementing the Project's exploration and development strategy, which is focused on expediting commercial outcomes at Salta.

Mr. Habib has successfully negotiated and entered into MoU agreements with DLE industry leader, Sunresin and battery metals end-to-end supply chain solutions provider Xiamen Xiangyu, and has overseen the ongoing Mineral Resource definition drilling campaign at the Salta Project.

Dr Nicholas Lindsay, Technical Advisor

Dr Lindsay will work closely with Power's management and in-country technical team to advance the Company's lithium strategy at the Salta Project, with a view to maximising the commercial outcomes at the Project. In his role, he will utilise his experience and expertise in the development of lithium-brine projects in Argentina with Lake Resources to help expedite Power's development strategy for the Salta Project.

Further details on the experience and qualifications of Mr Habib and Dr Lindsay are provided in ASX announcement of 10 January 2023.

Cash Position

The Company maintained a strong cash position of \$6,478 million as at 31 December 2022.

As outlined in the attached Appendix 5B (section 6.1), during the Quarter, approximately \$156,000 in payments were made to related parties and their associates for director salaries, superannuation and consultancy fees associated with services provided from September 2022 to December 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	24/10/25
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.

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	December 2022

Consolidated statement of cash flows	Current quarter \$A'000	Year to date (6 months) \$A'000
1. Cash flows from operating activities		
1.1 Receipts from customers	9	9
1.2 Payments for		
(a) exploration & evaluation		
(b) development		
(c) production		
(d) staff costs	(107)	(245)
(e) administration and corporate costs	(69)	(364)
1.3 Dividends received (see note 3)		
1.4 Interest received	8	10
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)		
1.9 Net cash from / (used in) operating activities	(159)	(590)

2. Cash flows from investing activities		
2.1 Payments to acquire or for:		
(a) entities		
(b) tenements		
(c) property, plant and equipment	(2)	(2)
(d) exploration & evaluation	(1,083)	(1,729)
(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 (6 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	(1,085)	(1,731)

3.	Cash flows from financing activities		
3.1	Proceeds from issues of equity securities (excluding convertible debt securities)	45	5,545
3.2	Proceeds from issue of convertible debt securities		
3.3	Proceeds from exercise of options	1	19
3.4	Transaction costs related to issues of equity securities or convertible debt securities	(1)	(358)
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	45	5,206

4.	Net increase / (decrease) in cash and cash equivalents for the period		
4.1	Cash and cash equivalents at beginning of period	7,677	3,588
4.2	Net cash from / (used in) operating activities (item 1.9 above)	(159)	(590)
4.3	Net cash from / (used in) investing activities (item 2.6 above)	(1,085)	(1,731)
4.4	Net cash from / (used in) financing activities (item 3.10 above)	45	5,206

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 (6 months) \$A'000
4.5	Effect of movement in exchange rates on cash held		5
4.6	Cash and cash equivalents at end of period	6,478	6,478

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	4,496	6,695
5.2	Call deposits	1,982	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)	6,478	7,677

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
91

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)	(159)
8.2 (Payments for exploration & evaluation classified as investing activities) (item 2.1(d))	(1,083)
8.3 Total relevant outgoings (item 8.1 + item 8.2)	(1,242)
8.4 Cash and cash equivalents at quarter end (item 4.6)	6,478
8.5 Unused finance facilities available at quarter end (item 7.5)	0
8.6 Total available funding (item 8.4 + item 8.5)	6,478
8.7 Estimated quarters of funding available (item 8.6 divided by item 8.3)	5.2
<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: 30 January 2023

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.