ASX RELEASE

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PNN

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PROJECTS

Argentina
Salta Lithium Project

Santa Ines Copper-Gold Project

Australia
Eyre Peninsula Kaolin-Halloysite Project

Musgrave Nickel-Copper-Cobalt-PGE Project

Salta Lithium Project brine samples deliver high-grade lithium results confirming DLE suitability

- **First-phase of MoU with global lithium extraction group Sunresin New Materials Co. Ltd. (Sunresin) confirms the suitability of the Salta Lithium Project brines for Sunresin's proprietary DLE technology**
- **New bulk raw lithium brine samples taken from the Rincon and Incahuasi salares returned lithium assay results;**
  - **335.2mg/L at the Rincon salar; and**
  - **241.2mg/L at the Incahuasi salar**
- **Results are compatible with Power's recently completed brine blending program, where evaporation of the blended brines delivered a lithium concentrate with low levels of contaminants**
- **Next Steps: 40 litres of brine from both the Incahuasi and Rincon Salares to be sent to Sunresin to be processed through Sunresin's proprietary DLE technology**
- **Sunresin's DLE technology extracts lithium from varying brine grades and delivers high recoveries, low costs and expedited processing times, with no or reduced need for evaporation ponds**
- **Sunresin has >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**

Diversified minerals company Power Minerals Limited (ASX: PNN) (**Power** or **the Company**) is to pleased announce that new samples from the Salta Lithium-Brine Project in Argentina have confirmed their amenability for the application of Direct Lithium Extraction (DLE) technology, as proposed under Power's Memorandum of Understanding (MoU) with global lithium extraction group Sunresin New Materials Co. Ltd. (Sunresin).

Power and Sunresin entered into an MoU for the evaluation and development of the Salta Project, as the first step in a proposed long-

term partnership to utilise Sunresin's proprietary DLE technology for the potential development of a commercial-scale lithium carbonate (LIC) producing operation at the Salta Project (ASX announcement, 7 April 2022).

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, in Salta province in the lithium triangle of north-west Argentina, while complying with the highest 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.

PNN advises that new samples taken from the Incahuasi and Rincon Salares at the Salta Project have delivered high-grade lithium results consistent with previous lithium results from these salares; and that 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 are 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 from 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).

> **"We are very pleased with these new sample results from the Salta Project. They represent a successful first stage in Sunresin's assessment of the Salta Project brines. As a next step, Power is in the process of dispatching 40 litres of brine from each of the Incahuasi and Rincon salares to Sunresin to be processed through Sunresin's proprietary DLE technology."**
>
> **Power Minerals Executive Director, Mena Habib**

Next Steps

Power plans to commence a geophysical survey to determine resource continuity beyond the current shoreline of the salar. This program will be executed in conjunction with a resource definition drilling program at the Incahuasi Salar, at the Salta Project (ASX announcement, 27 June 2022). 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 New Energy Co., Ltd (Xiamen Xiangyu) for their analysis, under Power's MoU with the global lithium supply chain group (ASX announcement, 11 July 2022). 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.

About the Salta Lithium Project

The Salta Project is strategically located in the Salta province in north-west Argentina and is part of 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 project area of 147.07km^2. The Project's Incahuasi salar is located immediately adjacent to Ganfeng Lithium Co. Ltd's project and the Rincon salar is adjacent to Rincon Mining Ltd, recently acquired by Rio Tinto Ltd for US$825 million.

Power is in process of assessing appropriate potential commercial development pathways for the Project. These may include the adoption of DLE at the Project, and/or a potential hybrid strategy utilising DLE on the blended brines.

The use of DLE technology has the potential to reduce the environmental impact of any future lithium producing operation at Salta. Power plans to commence resource definition drilling at the Incahuasi salar in the current quarter.

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.

About Sunresin New Materials Co. Ltd.

Sunresin New Materials Co. Ltd. (Sunresin) is an innovation focused, advanced technology company which specialises in supplying ion exchange resins, adsorption and separation resins, equipment solutions and technical services. It was established in 2001 and is listed on China's Shenzhen Stock Exchange (code 300487). Sunresin manufactures about 50,000M³ of ion exchange resins and adsorbers annually. Its resin portfolio consists of around 25 product categories and more than 200 different resin types, used in sectors which include; mining and hydrometallurgy, water and waste water treatment, food processing, biotech and pharmaceuticals, among others. Sunresin holds more than 30 patents and is certified under ISO 9001 for Quality Control System and ISO14001 for Environment Control System. Further information is available via the Company website; https://www.seplite.com

Competent Persons Statement

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.