

**ASX RELEASE**

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**ASX CODE**

PNN

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**PROJECTS****Argentina**

Salta Lithium Project

**Brazil**Niobio Niobium-REE-Lithium  
Project**Australia**

West Arunta Nb-REE Project

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

## Power to expand footprint surrounding Nióbio niobium project in Brazil through Option Agreement

- Power Minerals has executed a Term Sheet for an exclusive option to acquire the Tântalo Project in Paraiba state, Brazil
- Tântalo is immediately south of Power's Nióbio niobium, REE and lithium Project and Summit Minerals' (ASX:SUM) Equador niobium project
- Tântalo is a known source of niobium, tantalum and other minerals and is subject to active, ongoing exploration and mining from artisanal miners
- Project area is covered by Garimpo Licences which provide an expedited approval pathway for on-ground exploration, with first-pass drilling planned for CY2024 (subject to results)
- Option to acquire the Tântalo Project is a strategic opportunity to materially expand Power's ground position in an emerging niobium exploration precinct in Brazil
- Power plans to adopt its successful exploration strategy from the Nióbio Project, which has returned high-grade niobium, tantalum and REE results, to advance the Tântalo Project.

**Power Minerals Limited** (ASX: PNN, Power or the Company) is pleased to announce it has executed a Term Sheet for an exclusive option to expand its Brazilian project portfolio via the strategic acquisition of the Tântalo Project in Paraiba state, Brazil.

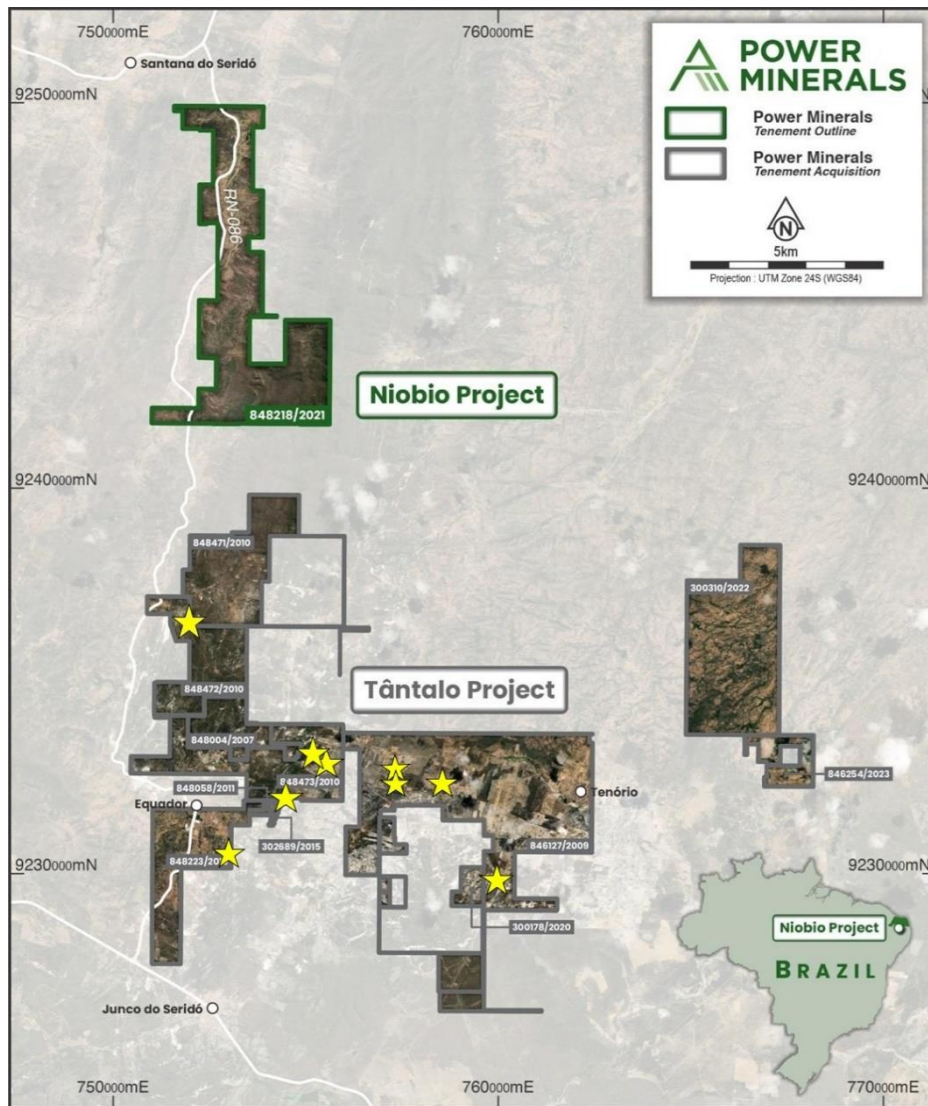
Tântalo is immediately south of Power's Nióbio niobium, rare earth elements (REE) and lithium project (Figure 1). Its acquisition would represent a major, material expansion of Power's niobium, tantalum, REE and lithium-prospective ground position in Paraiba state, Brazil, and reinforces Power's position as a South American-focused explorer and developer.

Power and the Tântalo Project vendor have signed a Term Sheet which outlines the principal terms and conditions under which Power can receive an exclusive option (the Option) to acquire the permits which make up the Tântalo Project.

### Tântalo Project background

The Tântalo Project consists of 12 granted permits covering 5,780.54 hectares (57.80km<sup>2</sup>). The permits include a number of Garimpo Licence titles, which provide a potentially easier and shorter approval pathway to allow the commencement of on-ground fieldwork, which includes drilling. A simplified environmental licence called a "Licença de Operação para Pesquisa (LOP)" is required prior to the commencement of on-ground exploration work and drilling. This process is often accelerated when Garimpo Licence titles are in place.

This licence regime may potentially position Power to commence first-phase drilling at the Tântalo Project in the current calendar year (subject to exploration results). Artisanal miners are currently active on the Tântalo Project area (Figure 2).



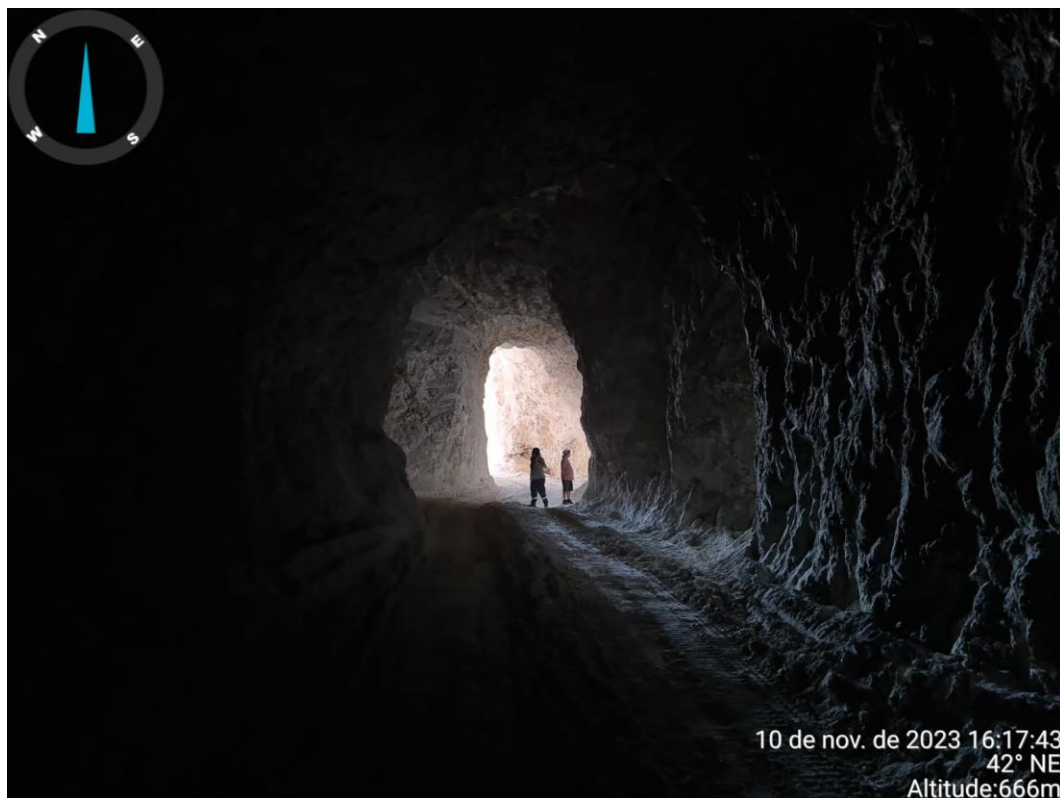
**Figure 1:** Project location map, showing the permits of the Tântalo Project located south of Power’s Nióbio Project. The yellow stars reference areas currently being operated by artisanal miners.

“This is a key transaction in Power’s strategy to establish a significant footprint in an established exploration precinct in Brazil. Completing the acquisition of the Tântalo Project would materially expand our ground position in the region, which also hosts our Nióbio Project.

Our initial fieldwork at Nióbio has generated high-grade niobium, tantalum and REE results, and the Tântalo Project gives us the opportunity to adopt our successful exploration strategy on a larger project area, located just south of our existing tenure.

With the Tântalo Project area being underpinned by Garimpo Licence titles, we aim to commence fieldwork, with drilling a priority, as soon as possible. Subject to successful initial exploration, this gives us the opportunity to realise near-term value from the project.”

**Power Minerals Managing Director Mena Habib**



**Figure 2:** Sub-surface artisanal mining area at the Tântalo Project.

### **Tântalo Project Acquisition Terms**

Power has signed a Term Sheet for an exclusive Option with Brazilian company, Cooperativo dos Trabalhadores de Minerio e Agricultura de Equador e Serido (COOTMAES), to acquire the Tântalo Project, in Paraiba state, Brazil.

Power will make a non-refundable upfront payment of A\$50,000 for the Option over the Tântalo Project, and will then undertake a 60-day period of due diligence. Key terms of the Term Sheet include:

- **Term:** 60-day due diligence period;
- **Exclusivity/Option Fee:** A\$50,000 upfront payment from Power to COOTMAES;
- **Subsequent Payments:** A\$150,000 to be paid by Power to COOTMAES at the six-month anniversary of executing the Term Sheet, with further payments of A\$150,000 to be paid every six months up to the three-year anniversary of executing the Term Sheet. At its sole discretion, Power may, at any time surrender its option right over the Tântalo Project, and would not be required to make any further payments from that time on;
- **Milestone Payment:** A\$600,000 payment will be payable by Power to COOTMAES upon Power confirming and reporting a JORC 2012 Mineral Resource Estimate of 10Mt niobium (Nb) at a concentration of a minimum of 1% Nb as a result of Power's operations at the Tântalo Project area; and
- **Royalty:** Power would also pay a Net Smelter Royalty (NSR) of 2% of the gross revenue generated from the sale of mineral product(s) as a result of Power's operations at the Project area.

COOTMAES may continue to carry out mining activities at the Project area during the Option period, but is not permitted to extract niobium, tantalum or lithium during this period. At the same time, Power can undertake its exploration activities at the Tântalo Project area.

In addition to its right to surrender its Option over the Tântalo Project at any time, Power may decide to exercise the Option to acquire the Tântalo Project area in its totality, or may decide to exercise the Option to acquire specific permit areas within the Tântalo Project area.

**Authorised for release by the Board of Power Minerals Limited.**

**-ENDS-**

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**About Power Minerals Limited**

Power Minerals Limited is an ASX-listed exploration and development company. We are committed to the development of our lithium assets in Argentina into significant lithium producing operations, the exploration of the Niobio Niobium Project in Brazil and delivering value from our non-core Australian assets.