

ASX RELEASE

1 July 2024

ASX CODE

PNN

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BOARD**Stephen Ross**

Non-Executive Chairman

Mena Habib

Managing Director

James Moses

Non-Executive Director

PROJECTS**Argentina**

Salta Lithium Project

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

West Arunta Nb-REE Project

Power issues Cash Notice to Ultra Lithium for loan repayment

Power Minerals Limited (ASX: **PNN**, **Power** or **the Company**) advises that it has issued a cash notice to Ultra Lithium Inc. (TSXV: ULT) (**Ultra Lithium**) for the full repayment of the amounts outstanding under a convertible loan agreement (**CLA**) between the two companies (ASX announcement 16 May 2023) (**Cash Notice**).

The Cash Notice was issued under the CLA and demands that Ultra Lithium repay AUD \$1,098,246 within 10 business days of receipt of the notice (**Debt**).

Failure to pay within this timeframe will constitute a default under the CLA and will allow Power to initiate enforcement actions to recover the Debt, including by enforcing the security interests held against Ultra Lithium's Argentinian and Canadian mineral projects (**Security Interests**).

Power Minerals and Ultra Lithium entered into a binding term sheet on 11 May 2023 (**BTS**) which contemplated the entry into the CLA. In accordance with the BTS, Power attempted to complete the BTS transaction. However, as per PNN ASX announcement dated 19 July 2023, Power confirmed that it had identified key matters of concern, which, in conjunction with Ultra Lithium's lack of substantive engagement in respect of the BTS transaction, had caused serious concerns as to whether the BTS transaction would complete.

Under the CLA, Power advanced an interest-bearing loan of AUD \$1.13 million to Ultra Lithium on 12 May 2023. The loan, together with accrued interest, is repayable on demand by the Company at any time by the issue of shares in Ultra Lithium Inc. or in cash at any time after 30 June 2024. On 25 October 2023, Power received a pre-payment of AUD \$150,000 under the CLA.

On 1 July 2024, Power issued a Cash Notice to Ultra Lithium demanding full repayment of the Debt.

The Debt specified in the Cash Notice as AUD \$1,098,246 already accounts for the pre-payment of AUD \$150,000 received in October 2023. The Cash Notice also specified that the Debt must be repaid within 10 business days of receipt of the Cash Notice.

If Ultra Lithium fails to repay the Debt in accordance with the Cash Notice, Power will issue a default notice in accordance with the CLA. If Ultra Lithium defaults in respect of repayment of the Debt, Power intends to enforce recovery of the Debt to ensure full repayment under the CLA, including by enforcing its rights under the Security Interests.

The CLA and BTS between Power and Ultra Lithium will remain in full force and effect until the claim for repayment under the CLA is resolved to the reasonable satisfaction of Power.

Authorised for release by the Board of Power Minerals Limited.

-ENDS-

For further information please contact:

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Additional information is available at www.powerminerals.com.au

About Power Minerals Limited

Power Minerals Limited is an ASX-listed lithium-focused exploration and development company, committed to the systematic exploration and development of its core asset, the Salta Lithium Brine Project in the prolific lithium triangle in the Salta Province in Argentina. It is currently undertaking a JORC Mineral Resource expansion drilling campaign at Salta, and is focused on expediting development of the Project to a potential, future lithium producing operation. Power also has a portfolio of other assets in key, demand-driven commodities including; kaolin-halloysite-REE, nickel-copper-cobalt and PGEs plus copper-gold.

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. You are cautioned that such forward looking statements involve known and unknown risks, uncertainties, assumptions and other important factors, many of which are beyond the control of the Company and which may cause actual results, performance or achievements to differ materially from those expressed or implied by such statements. Forward looking statements

are provided as a general guide only, and should not be relied on as an indication or guarantee of future performance. Given these uncertainties, you are cautioned to not place undue reliance on any forward looking statement. Subject to any continuing obligations under applicable law the Company disclaims any obligation or undertaking to disseminate any updates or revisions to any forward looking statements in this announcement to reflect any change in expectations in relation to any forward looking statements or any change in events, conditions or circumstances on which any such statement is based.