

ASX RELEASE

31 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

Brazil

Lítio Niobium-Tantalum-REE
Project¹

Australia

Eyre Peninsula Kaolin-Halloysite-
REE Project

Musgrave Nickel-Copper-Cobalt-
PGE Project

Quarterly Activity Report for period ending 30 June 2024

Salta Lithium Project, Argentina

- Binding Term Sheet and Convertible Loan Agreement (CLA) for funding and development of Rincon Project
- Binding Term Sheet for Pular Lithium Project
- DLE Pilot Plant tests deliver lithium recoveries of up to 96% at Incahuasi Project
- Binding Term Sheets are in place for the three core projects within the Salta Project

Lítio Niobium, REE and Lithium Project, Brazil

- Technical due Diligence of Lítio Project completed and legal due diligence advancing
- High-grade niobium, tantalum and REE reported in initial sampling program undertaken as part of Power's due diligence program

Waterlander Niobium and REE Project, Western Australia

- Strategic expansion of project portfolio via the addition of the Waterlander Project (E80/6046) in the West Arunta province
- The Project provides Power with early entry into an emerging niobium province

Corporate

- Firm commitments received for \$2.4m Placement to advance exploration at South American assets
- Default Notice issued for full repayment of amounts outstanding under CLA with Ultra Lithium
- Cash position of \$0.449m at 30 June 2024

¹ Subject to option agreement

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 2024.

Power is a South American-focused exploration and development company, committed to developing the Salta Lithium Project in the lithium triangle in the Salta Province in Argentina. The Company entered into separate binding term sheets in respect of the Rincon Project and Pular Project at Salta in the quarter. It now has binding term sheet in place for the three main projects within the Salta Project – the Incahuasi, Rincon and Pular Projects – which outline the key commercial terms upon which the parties noted below have agreed, or propose to agree, to enter into incorporated joint venture agreements. These Projects cover the Salta Project’s total current JORC Mineral Resource base. Power also executed an option to acquire the Lítio Niobium, Rare Earth Elements (REE) and Lithium Project in Brazil. Power has complete technical due diligence on the Project and is advancing legal due diligence.

OPERATIONS

Salta Lithium Brine Project, Argentina

The Salta Lithium Brine Project is 100%-owned by Power and is located in the Salta province in northwest 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).

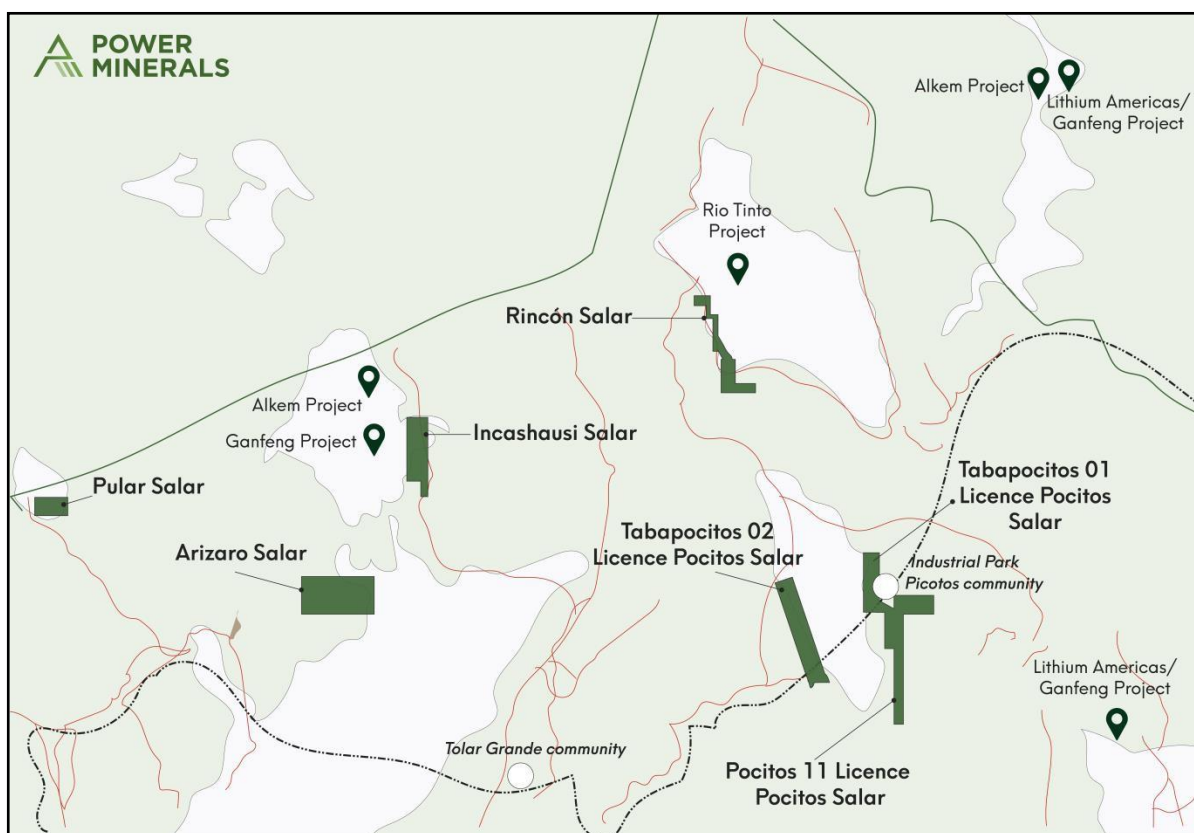


Figure 1: Salta Lithium Brine Project location map, north-west Argentina (PNN licences in green)

Binding Term Sheet Agreement for the funding and development of the Rincon Project

During the quarter, Power entered into a Binding Term Sheet (BTS) and Convertible Loan Agreement (CLA) as a pre-cursor for a formal joint -venture agreement for the strategic funding and development of the Rincon Project within the Salta Lithium Project.

The BTS is a multi-party agreement. The parties to the BTS are;

1. Singaporean entity Repenergy Investment Private Limited (REP);
2. Singaporean entity Legendary Star Investment Asia Pte Ltd (LS); and
3. Chinese entity Li Energy Technology Limited (LE).

The parties are associated with commercial-scale battery manufacturers and cathode material manufacturers, including Beijing Stock Exchange-listed BTR New Material Group Co., Ltd (Stock code: 835185). Further details on the parties are provided in ASX announcement of 17 May 2024.

Subject to entering into a formal joint venture agreement (Rincon JV), the parties propose to undertake the following obligations;

REP will organise and procure financing for the Rincon Project, including financing for the manufacture and installation of plant, equipment and requisite Project infrastructure. REP will also be responsible for the organisation and management of construction and operation of the proposed DLE plant at Rincon. REP will manage all interaction between the participating parties and Power;

LS will provide a US\$1 million convertible loan to Power (of which US\$500,000 has been provided); and

LE is the investor and party to the proposed Rincon JV (and will be the controlling shareholder), and will provide a US\$4 million equity investment into the Rincon JV. It will provide the processing technologies, processing capability for the proposed Rincon DLE operation.

Power will be responsible for ensuring the Rincon Project permits are maintained in good standing and that all licensing arrangements needed for the operation of the Rincon JV, and planned construction and production are in place. Power will be responsible for coordination of community relations and for managing project infrastructure requirements including water, electricity and gas.

Under the BTS and CLA, Power will initially receive strategic funding of US\$5 million, in two tranches as set out below:

Tranche 1: US\$1 million convertible loan payable on terms set out in the CLA. Details of which are included in ASX announcement of 17 May 2024. An instalment of US\$500,000 (of the US\$1 million first tranche) has been received. The second instalment of US\$500,000 is payable after the parties enter into a binding incorporated joint venture agreement with respect to the Rincon JVA.; and

Tranche 2: US\$4 million to be invested into the Rincon JV following successful completion of on-site due diligence, entry into a formal joint venture agreement, incorporation of the joint venture entity and receipt of required Chinese Overseas Direct Investment (ODI) approval for the investment.

Beyond the provision of funds as set down in the BTS, REP will be responsible for organising and procuring financing to fund the Rincon JV and construction of the proposed DLE processing plant at the Rincon Project.

On the successful incorporation of the joint venture entity, Power will transfer the Rincon project to the Rincon JV and will hold an initial 41% interest in the joint venture entity and LE, as the investor, will hold an initial 59% interest in the joint venture entity.

The parties initially agreed to negotiate with the objective of entering into the Rincon JVA by no later than 30 June 2024 but have subsequently agreed to extend this date to 13 August 2024.

Binding Funding and Development Agreement for Pular Lithium Project

Subsequent to the quarter, the Company entered into a binding term sheet with lithium extraction technology provider Heng Li Technology (HENG LI) which outlines the key commercial terms which will form the basis of negotiations in respect of the entry into an incorporated joint venture agreement in respect of the Pular Project at the Salta Lithium Project. The Pular Project is located on the Pular Salar in the northwest of Salta Province, in Argentina (Figure 2).

Power and HENG LI are both conducting a period of due diligence. Subject to the successful outcomes of the due diligence process, the parties plan to negotiate and execute a formal transaction agreement and form an incorporated Joint Venture (Pular JV).

The key commercial terms which will form the basis of negotiations in respect of the entry into a formal transaction agreement are summarised below;

- Power will be responsible for securing all permits and approvals required for the development of the Pular Project including environmental impact assessment approvals, permits for the export of lithium concentrates in the form of lithium chloride or lithium carbonate, permits for importation of chemicals and equipment and necessary approvals for the construction of an evaporation pond.
- HENG LI will be responsible for providing the required lithium enrichment and extraction technology and equipment for the Project, and for the installation of equipment onsite to deliver a lithium producing operation at the Project.
- HENG LI will also be granted an offtake right in respect of lithium chloride or lithium carbonate produced at the Project.

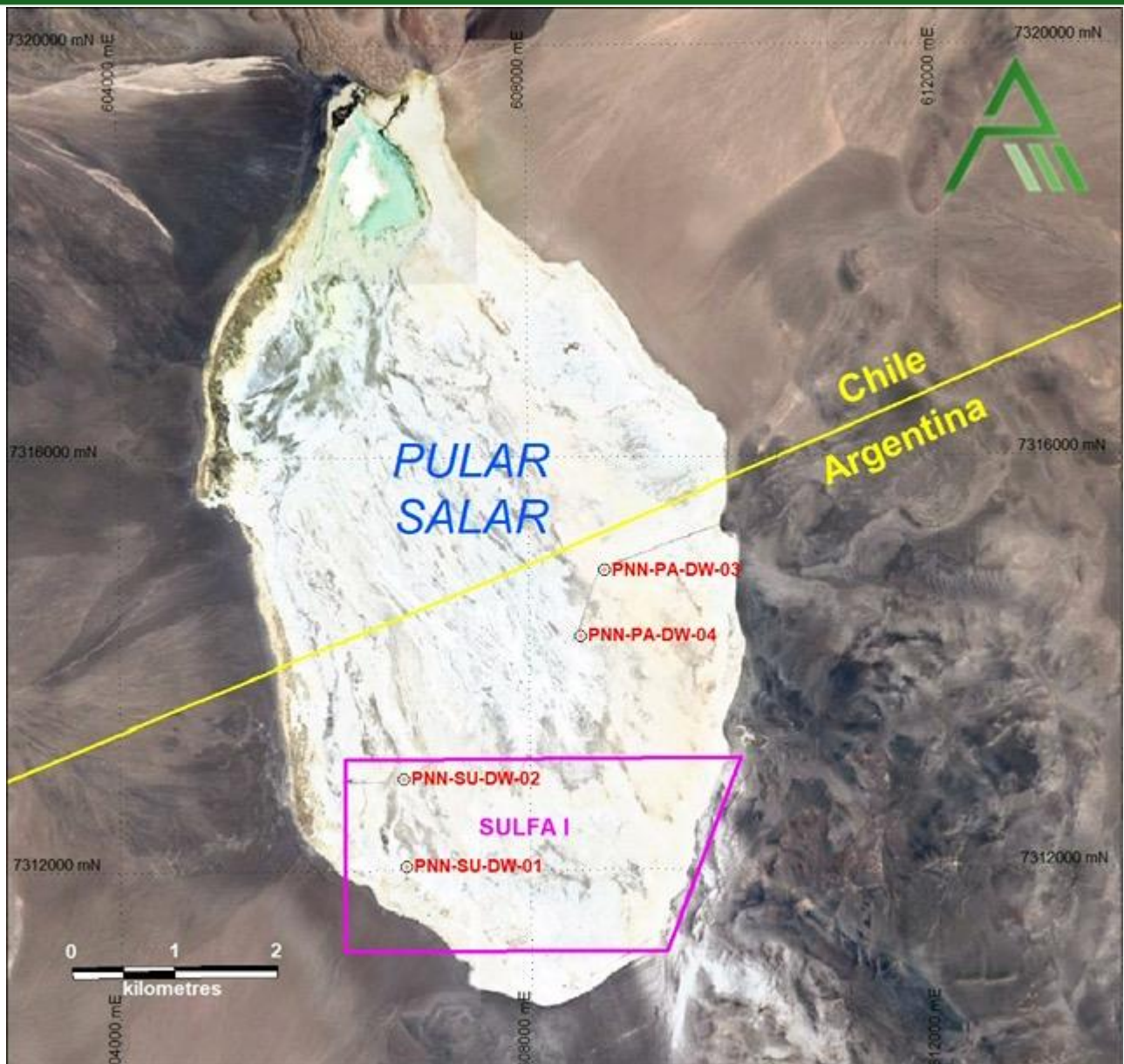


Figure 2: Pular Lithium Project location map.

Following execution of the binding term sheet, the parties have commenced due diligence investigations on each other and, in respect of HENG LI, on the Project. Further updates will be provided to the market in due course.

DLE Pilot Plant tests deliver lithium recoveries of up to 96% at Incahuasi Project

Power has a Binding Term Sheet for the funding and development of the Incahuasi Project with Canadian DLE technology provider Summit Nanotech Corporation (BN 753314913) (Summit). The parties aim to develop Incahuasi into a significant lithium producing operation, and Power has received the first tranche of Summit's strategic investment – an amount of AUD\$3.125 million (US\$2 million).

Development continued to progress during the quarter, with excellent interim results reported from DLE Pilot Plant tests conducted by Summit at its DLE Pilot Plant facility in Chile on lithium brines from the Incahuasi Project (ASX announcement 17 April 2024) (Figure 3).

Stability trials processed 4,324 litres of brine from Incahuasi over a 10 day period, and returned positive summary interim performance results, including:

- Sorbent Capacity Deviation: 5%
- Lithium Recovery: 95.3%*
- Lithium Yield: 91.1%
- Impurity Rejection: 99.3%

* Peak lithium recovery at 96% to date during steady-state extraction.

The DLE tests achieved up to 96% lithium recovery with 91% lithium yield to eluate from 50 cycle runs, and also returned a rejection of impurities of greater than 99%.



Figure 3: Summit Nanotech's DLE pilot plant facility near Santiago, Chile

Steady-state DLE tests are ongoing and will provide data for process flowsheet development, mass balances on inputs (reagent chemicals, power, water) and outputs (waste streams) and design parameters for proposed future lithium chemical production at the Incahuasi Project. The DLE tests will also provide important supporting data for a proposed Pre-Feasibility Study (PFS) at Incahuasi.

Lítio Niobium, REE and Lithium Project, Brazil

Power entered into a binding Heads of Agreement pursuant to which it was granted an option to acquire the Lítio Project, subject to a 60-day due diligence period. Key acquisition terms and Project details were provided in ASX announcement of 3 July 2024. Power has completed technical due diligence and is progressing its legal due diligence at the Lítio Project and will provide the market with updates in due course.

The Lítio Project is considered highly prospective for niobium, REE and lithium and is located immediately adjacent to, and contiguous to Summit Minerals' (ASX: SUM) Equador Niobium Project (Figure 4), which recently returned sampling laboratory results of up to; **53.07% Nb₂O₅, 47.17% Ta₂O₅ and 24,760ppm (2.47%) partial rare earth oxides (PREO)** (SUM: ASX Announcement, 24 June 2024). The geology of Summit's Equador Project is interpreted to continue into the Lítio Project.

High-grade niobium, tantalum and REE reported in sampling program at Lítio Project

Power reported results from its initial sampling program at the Lítio Project (undertaken as part of its due diligence) subsequent to the quarter, which confirmed the presence of high-grade niobium, tantalum and REE (ASX announcement: 22 July 2024). The samples were collected from close to the Lítio Project's southern boundary, which is adjacent to Summit Minerals' Equador Project. Highlight results included:

- **63.7% Nb₂O₅ and 9.5% Ta₂O₅ with 2,354ppm partial REO in sample P0487/24**
- **43.5% Ta₂O₅ and 17.5% Nb₂O₅ with 1,062ppm partial REO in sample P0456/24**
- **48.4% Nb₂O₅ and 6.3% Ta₂O₅ with 4,975ppm partial REO in sample P0485/24**
- **41.3% Nb₂O₅ and 11.99 % Ta₂O₅ with 1,793 ppm partial REO in sample P0488/24**

Note: Partial REO includes only values available for La₂O₃, CeO₂, Pr₆O₁₁ and Nd₂O₃. Values for other REO are available but are qualitative only (simply confirming their presence) and can't be relied upon.

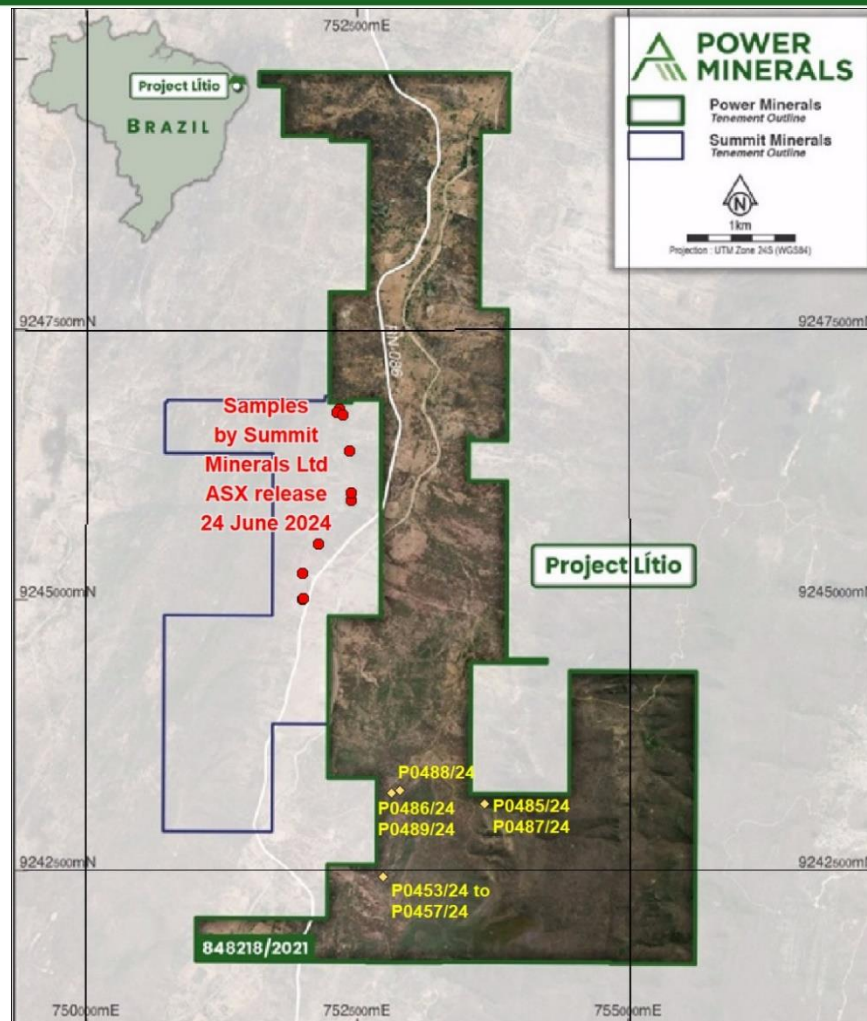


Figure 4: Lítio project location map, showing sampling area at Lítio and the sampling locations at Summit Minerals adjacent Equador Project.

Waterlander niobium and REE prospective project, Western Australia

Power announced the strategic expansion of its project portfolio via the addition of the Waterlander Project (E80/6046) in the West Arunta province in the north-west of Western Australia (ASX announcement 13 May 2024).

The Waterlander Project is considered prospective for niobium and REE is located immediately adjacent to WA1 Resources' (ASX: WA1) Luni niobium discovery at its West Arunta Project, approximately 420km south of Halls Creek. The Project expands Power's REE and niobium footprint, and provides it with an exciting opportunity to secure an early entry to an emerging niobium province.

E80/6046 is currently under application. Once the licence is granted, Power proposes to commence targeted field work designed to define drill targets (subject to exploration results). Initial planned activities will include ground gravity surveys and geophysical (passive seismic) surveys, which are aimed at

identifying drill targets associated with magnetic features within the Project area. Detailed magnetic surveys are also planned to assist in mapping concealed basement lithology.

The Company will focus on niobium-REE targets within the Arunta basement, similar to the carbonatites defined by WA1. WA1's highly successful exploration results will be used to assist in defining priority targets for initial drill testing at the Waterlander Project.

Power also announced plans to expand the Waterlander Project, via the option to acquire exploration licence applications E80/6005 and E80/6045 (ASX announcements 24 May and 21 May 2024). It advises that it will not proceed with the acquisition of these two licences.

Eyre Peninsula Kaolin-Halloysite Project, South Australia

The Eyre Peninsula Project consists of four Exploration Licences (EL6677, EL6681, EL6689 and EL6961) covering a total area of 1,860km². It is strategically located adjacent to Andromeda Metals' (ASX: ADN) Kaolin-Halloysite projects on the western side of the Eyre Peninsula (Figure 6).

The Company has previously reported high-grade REE results from its drilling programs at the Eyre Peninsula Project. Details of the most recent drilling results were provided in ASX announcement of 2 February 2024. Power has also previously highlighted the Project's uranium potential, and expanded its uranium prospective footprint via the grant of the Whichelby licence (EL6961) in previous quarter.

Musgrave Nickel-Copper-Cobalt Project, South Australia

The Musgrave Project comprises two Exploration Licences and eight Exploration Licence Applications (ELAs) held, or under farm-in, 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 7).

The priority target at the Project is the Pink Slipper geophysical anomaly, which is part of a Farm-in and Joint Venture Agreement (FJVA) with Rio Tinto Exploration Pty Ltd (a wholly owned subsidiary of Rio Tinto Ltd) covering four ELAs. Pursuant to the FJVA with Rio Tinto Exploration, Power has the right to earn a 51% equity in the four FJVA ELAs by progressing the Pink Slipper ELA to grant and meeting certain farm-in expenditure obligations.

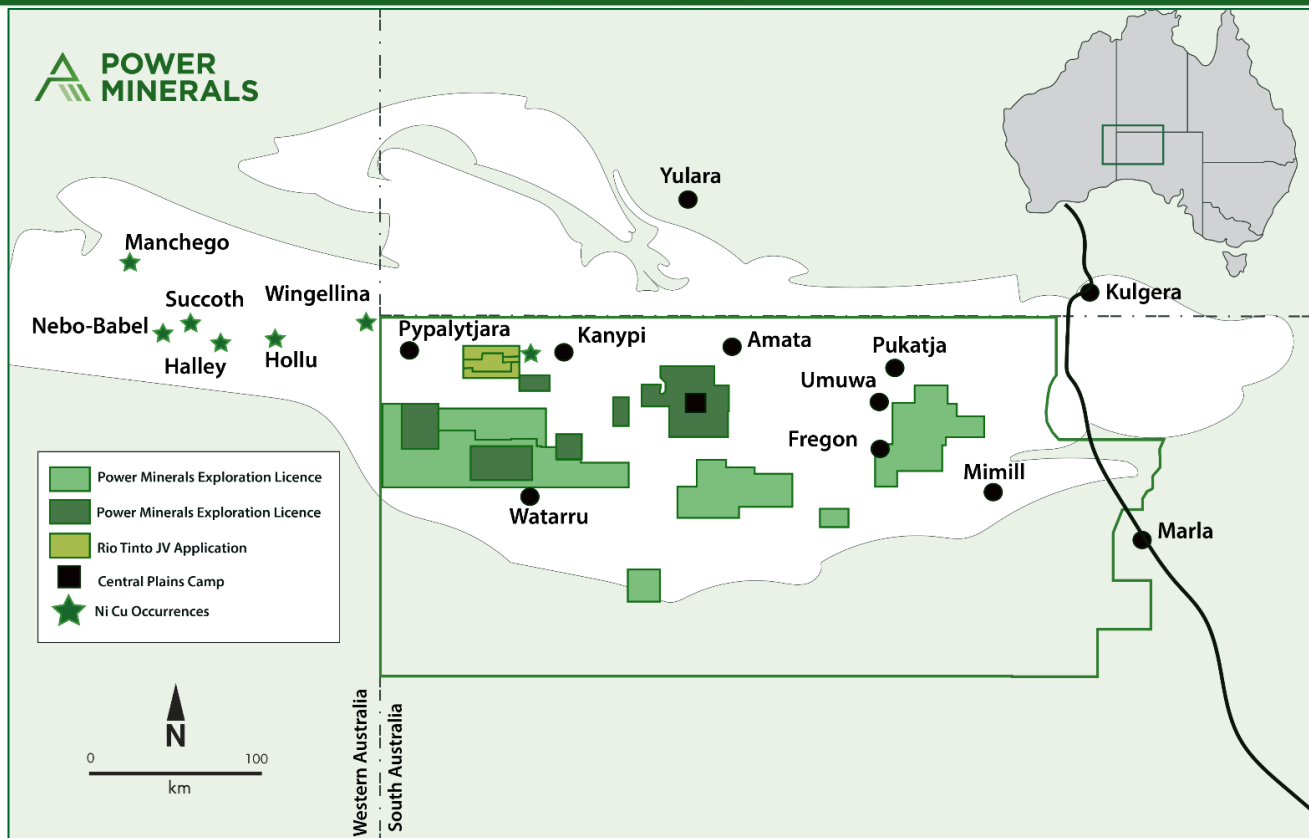


Figure 7: Musgrave Nickel-Copper-Cobalt Project, Musgrave province, South Australia

New copper targets identified

Power reported positive outcomes of a reassessment of historical drill samples from the Musgrave Project during the quarter, which confirmed new areas prospective for copper mineralisation at the Mt Harcus and Mt Caroline targets (ASX announcement 9 April 2024). The Company has systematically analysed historical drill samples for a wider range of elements than was included in the initial analysis. To date, more than 4,500 detailed full three-beam portable XRF analyses – approximately 30% of the stored samples – have been completed.

Recent analyses of historical drill chips from Mt Harcus returned up to 1.06% Cu by pXRF in drillhole RC06HAR012, in the 10-11 metre interval. This shallow copper result follows the initial drilling and sampling results at Mt Harcus which returned a maximum copper result of 0.457% Cu from drillhole RC06HAR009, 49-50 metre depth (ASX Announcement 5 February 2007). Previous diamond drilling at Mt Harcus returned 0.744% Cu over 0.9m from 224.5 metres in drillhole DD07HAR008 (ASX Announcement 5 March 2008). The re-analyses confirmed that further exploration is warranted at Mt Harcus.

At Mt Caroline South, the copper results are associated with probable colluvial material. As such, Power has not reported the absolute copper values, as they cannot be used for quantitative assessment. The current interpretation of the copper distribution at this target shows it is associated with the contact margin of the concealed ultramafic.

Both these copper target areas are located within granted exploration licence areas, held 100% by Power. These licences have approved Deeds of Exploration.

Retention Status application

With assistance from SA's Department of Energy and Mining (DEM), Power was granted Retention Status over its two granted, 100%-owned Musgrave tenements on 12 April 2024. The Retention Status application aims to simplify the administration of the licences in the APY Lands. This is the first application for retention status in South Australia. It is designed to assist exploration companies with exploration licences considered highly prospective and which have not been fully explored, but where exploration is delayed beyond the company's control.

Santa Ines Copper-Gold Project, Argentina

As announced on 16 May 2023, Power executed a binding sale and purchase agreement with Fuyang Mingjin New Energy Development Co., Ltd (Mingjin) for the sale of the Santa Ines Project for an all-cash consideration of A\$1.5 million (ASX announcement, 16 May 2023).

As previously reported, Mingjin has completed its due diligence process, and regulatory steps in China required to complete the transaction continue to be progressed towards completion.

CORPORATE

\$2.4m Placement to advance South America exploration

The Company received firm commitments to raise \$2.4 million in a share placement to sophisticated and professional investors (**Placement**) subsequent to the quarter (ASX announcement 8 July 2024).

The funds raised will be predominantly used to accelerate exploration and development of Power's South American assets (including the Ltio Project if Power elects to exercise the option to acquire this project).

Under the Placement Power issued 17,142,858 fully paid ordinary shares at a price of \$0.14 per share using its placement capacity under ASX Listing Rules 7.1 and 7.1A. The issue price represented a ~10% discount to Power's five-day VWAP of \$0.156 per share and a ~1% discount to the 15-day VWAP of \$0.142 per share.

Subject to shareholder approval, the Company will also issue 17,142,858 attaching options exercisable at \$0.30 expiring on 5 June 2029 to participating investors on a one-for-one basis.

Power Managing Director Mena Habib subscribed for \$50,000 worth of shares in the Placement. The issue of 357,142 shares and 357,142 attaching options to Mr Habib are subject to shareholder approval.

Boutique capital management firm Peak Asset Management were Joint Lead Managers to the Placement with Sydney-based GBA Capital Pty Ltd.

Power will convene a general meeting of Shareholders to consider resolutions relating to the Placement.

Loyalty Option Shortfall

The non-renounceable entitlement issue of loyalty options announced on 10 April 2024 (Entitlement Issue) closed on 29 May 2024. The Entitlement Issue offered eligible shareholders registered on the record date the ability to subscribe for options on the basis of one option for every three shares held at an issue price of \$0.01 per option to raise up to \$308,683 before costs (Loyalty Options).

Total applications received for the Loyalty Options were 12,083,179 (\$120,831.79) leaving a shortfall of 18,786,489 (\$187,864.89). The shortfall was placed by GBA Capital Pty Ltd on 13 June 2024.

Update on loan repayment from Ultra Lithium Inc.

Subsequent to the quarter, Power initiated steps to secure the full repayment of the amounts outstanding under a convertible loan agreement (Ultra CLA) between Power and Ultra Lithium Inc. (TSXV: ULT) (Ultra Lithium). Further information in relation to the initial entry into the Ultra CLA are set out in the ASX announcements of 16 May 2023.

On 1 July 2024, Power issued a **Cash Notice** to Ultra Lithium for the full repayment of the amounts outstanding under the CLA. The Cash Notice was issued under the CLA and demands that Ultra Lithium repay AUD \$1,098,246 (being the amount due as at 30 June 2024) within 10 business days of receipt of the Cash Notice. Failure to pay within this timeframe would 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. Further information in relation to the issue of the Cash Notice is set out in the ASX announcement released on 1 July 2024.

Ultra Lithium did not repay the amount outstanding under the CLA within the 10-business day period. On 17 July 2024 Power issued a **Default Notice** to Ultra Lithium for the full repayment of the amounts outstanding under the CLA. The Default Notice notified Ultra Lithium that it was now in default under the CLA and outlined Power's rights generally to recover the debt, enforce the security interests held against Ultra Lithium's Argentinian and Canadian mineral projects and be indemnified in relation to enforcement actions under the CLA. Further information in relation to the issue of the Default Notice is set out in the ASX announcement released on 17 July 2024.

As at the date of this release, the debt remains unpaid.

Managing Director Consultancy Agreement

The Company entered into a consultancy agreement with Managing Director, Mena Habib and Excelhealth Pty Ltd (a company controlled by Mr Habib) which replaces Mr Habib's existing executive services agreement with effect from 1 April 2024. Mr Habib will receive a fee of \$288,092 (excl GST) payable per annum in equal monthly instalments. Either party may, at any time, terminate the consulting agreement without cause by providing six months' written notice. Further details are provided in the ASX announcement released on 24 May 2024.

Loan Agreement

Power Managing Director, Mena Habib agreed to extend the maturity date of the \$1m financing facility that he has provided to the Company by an additional six months to 24 January 2025. Further details in respect of the facility are set out in the ASX announcement released on 25 January 2024.

Cash Position

The Company maintained a strong cash position of \$0.449 million as at 30 June 2024.

ASX Listing Rule Information

The Company provides the following information pursuant to ASX Listing Rule requirements:

- ASX Listing Rule 5.3.1 - Approximately A\$0.97 million was spent on exploration expenditure during the quarter, primarily relating to the Salta Lithium Brine Project.
- ASX Listing Rule 5.3.2: Mining production and development activity expenditure for the quarter was nil and there were no substantive mining exploration activities for the quarter.
- ASX Listing Rule 5.3.5: As outlined in the attached Appendix 5B (section 6.1), during the Quarter, approximately \$99,000 in payments were made to related parties and their associates for director salaries, superannuation and consultancy fees associated with services provided from 1 March 2024 to 30 June 2024.

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 and delivering value from our non-core Australian assets.

Tenement Schedules

Mining tenement interests held at the end of the quarter and their location

Australia

Project	Tenement	Name	Type	Granted	Area km ²	Power Interest	Title Holder	Expiry
South Australia								
Musgrave	EL6597	Mt Harcus	Exploration Licence	25/10/2020	1607	100	NiCul	24/10/2025
Musgrave	EL6148	Mt Caroline	Exploration Licence	25/02/2018	1918	100	NiCul	24/02/2029
Musgrave	ELA1996/0118	Anerinna Hills	Licence Application		2415	100	NiCul	
Musgrave	ELA1996/0185	Willugudinna	Licence Application		823	100	NiCul	
Musgrave	ELA2009/0367	Mt Caroline West	Licence Application		46	100	NiCul	
Musgrave	ELA2009/0368	Hanging Knoll	Licence Application		34	100	NiCul	
Musgrave	ELA2015/0189	Katalina	Licence Application		2360	100	NiCul	
Musgrave	ELA2015/0190	Mt Agnes	Licence Application		1342	100	NiCul	
Musgrave	ELA2015/0191	Krewinkel Hill	Licence Application		1256	100	NiCul	
Musgrave	ELA2015/0197	Ironwood Bore	Licence Application		2202	100	NiCul	
Musgrave	ELA2015/0211	Tjintalka	Licence Application		184	Earning 51%	Rio Tinto	
Musgrave	ELA2015/0212	Kapura	Licence Application		160	Earning 51%	Rio Tinto	
Musgrave	ELA2015/0213	Jalukana	Licence Application		234	Earning 51%	Rio Tinto	
Musgrave	ELA2015/0214	Tjalukana	Licence Application		37	Earning 51%	Rio Tinto	
Eyre	EL6689	Kapinnie	Exploration Licence	1/11/2021	548	80	PNK	31/10/2027
Eyre	EL6681	Cungena	Exploration Licence	1/10/2021	581	80	PNK	30/09/2027
Eyre	EL6677	Yeelanna	Exploration Licence	24/09/2021	284	100	PRC	23/09/2027
Eyre	EL6961	Whichelby	Exploration Licence	18/12/2023	447	100	PRC	17/12/2029
Western Australia								
Arunta West	E80/6046	Waterlander	Licence Application		76.2	100	PPR	
Total					19			
					16,554			

Argentina								
Project	Tenement	Name	Type	Granted	Area Ha	Power Interest	Title Holder	
Salta Metals								
Santa Ines Cu-Au	1201	Mina Santa Ines	Mina	20/09/2011	18	100	SIC SA	Perpetual
Santa Ines Cu-Au	22074	Santa Ines VIII	Mina	28/08/2014	3000	100	SIC SA	Perpetual
Santa Ines Cu-Au	22373	Santa Ines XII	Mina	30/11/2015	2609	100	SIC SA	Perpetual
Santa Ines Cu-Au	22372	Santa Ines XIII	Mina	9/09/2015	514	100	SIC SA	Perpetual
					6141	Subtotal		
Salta Lithium Brine								
Salar de Pular	19188	Sulfa 1	Mina	30/06/2016	657	100	PNN SA	Perpetual
Salar del Rincon	19565	Villanovena 1	Mina	22/10/2016	1586	100	PNN SA	Perpetual
Salar del Rincon	20088	Josem	Mina	4/01/2010	1415	Option to 100%	Rodrigo Castaneda Nordmann	Perpetual
Salar Pocitos	20017	Tabapocitos 02	Mina	25/10/2016	2970	100	PNN SA	Perpetual
Salar Pocitos	19565	Tabapocitos 01	Mina	14/05/2021	994	100	PNN SA	Perpetual
Salar Pocitos	22741	Pocitos 11	Mina	18/08/2017	3000	100	PNN SA	Perpetual
Salar de Arizaro	19607	La Maderita	Mina	21/05/2020	3000	100	PNN SA	Perpetual
Incahuasi Salar	20545	Sisifo	Mina	29/04/2019	2000	100	PNN SA	Perpetual
					15622	Subtotal		
	Total		11		21,763			
Brazil								
Project	Tenement	Name	Type	Granted	Area Ha	Power Interest	Title	
Litio Nb-Ta	848.218/2021	Borborema Sul	Permit	27/12/2021	1560	Option to 100%	ITA Iron	26/12/2024
Litio Nb-Ta	846.244/2021	Borborema Central	Permit	11/05/2022	328	Option to 100%	ITA Iron	10/05/2025
Litio Nb-Ta	848.219/2021	Borborema Norte	Permit	8/10/2021	821	Option to 100%	ITA Iron	7/10/2024
	Total		3		2,709			

The mining tenement interests acquired during the quarter and their location:

The Waterlander ELA E80/6046 was acquired during the quarter.

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 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 an experienced and highly qualified hydrologist engaged by PNN Argentina. Ms Casini 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 announcement 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 2024
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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		60
1.2 Payments for		
(a) exploration & evaluation		
(b) development		
(c) production		
(d) staff costs	(181)	(739)
(e) administration and corporate costs	(149)	(1,617)
1.3 Dividends received (see note 3)		
1.4 Interest received	4	48
1.5 Interest and other costs of finance paid		(90)
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	(326)	(2,338)

2. Cash flows from investing activities		
2.1 Payments to acquire or for:		
(a) entities		
(b) tenements	(132)	(132)
(c) property, plant and equipment		(27)
(d) exploration & evaluation	(970)	(8,457)
(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		150
2.4	Dividends received (see note 3)		
2.5	Other (provide details if material) (cash gains on converting USD to Argentinian Pesos. Based on the official rate converted at the market rate)	98	1,294
2.6	Net cash from / (used in) investing activities	(1,004)	(7,172)

3.	Cash flows from financing activities		
3.1	Proceeds from issues of equity securities (excluding convertible debt securities)	789	6,765
3.2	Proceeds from issue of convertible debt securities	756	756
3.3	Proceeds from exercise of options		37
3.4	Transaction costs related to issues of equity securities or convertible debt securities	(124)	(280)
3.5	Proceeds from borrowings	200	2,200
3.6	Repayment of borrowings	(250)	(1,750)
3.7	Transaction costs related to loans and borrowings		(135)
3.8	Dividends paid		
3.9	Other (provide details if material)		
3.10	Net cash from / (used in) financing activities	1,371	7,593

4.	Net increase / (decrease) in cash and cash equivalents for the period		
4.1	Cash and cash equivalents at beginning of period	430	2,373
4.2	Net cash from / (used in) operating activities (item 1.9 above)	(326)	(2,338)
4.3	Net cash from / (used in) investing activities (item 2.6 above)	(1,004)	(7,172)
4.4	Net cash from / (used in) financing activities (item 3.10 above)	1,371	7,593

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
4.5	Effect of movement in exchange rates on cash held	(22)	(7)
4.6	Cash and cash equivalents at end of period	449	449

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	449	430
5.2	Call deposits		
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)	449	430

6.	Payments to related parties of the entity and their associates	Current quarter \$A'000
6.1	Aggregate amount of payments to related parties and their associates included in item 1	57
6.2	Aggregate amount of payments to related parties and their associates included in item 2	42

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	1,000	500
7.2 Credit standby arrangements		
7.3 Other (please specify)		
7.4 Total financing facilities	1,000	500
7.5 Unused financing facilities available at quarter end		500
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.		
The Company secured a \$1 million funding facility (ASX Announcement 25 January 2024). This is a loan from the managing director, Mena Habib. The unsecured loan is for 12 months and repayment of the loan will be due in full at this time. The interest payable is at a rate of 5% per annum and will be capitalised and payable at this time.		

8. Estimated cash available for future operating activities	\$A'000
8.1 Net cash from / (used in) operating activities (item 1.9)	(326)
8.2 (Payments for exploration & evaluation classified as investing activities) (item 2.1(d))	(970)
8.3 Total relevant outgoings (item 8.1 + item 8.2)	(1,296)
8.4 Cash and cash equivalents at quarter end (item 4.6)	449
8.5 Unused finance facilities available at quarter end (item 7.5)	500
8.6 Total available funding (item 8.4 + item 8.5)	949
8.7 Estimated quarters of funding available (item 8.6 divided by item 8.3)	0.7
<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: The entity expects that it will continue to have this level of net operating cash flows for the time being.	

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

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: The company received \$2.4M share placement funds in July 2023, and is due to receive \$0.050M director share placement proceeds in August 2024. Refer to ASX Announcement 8 July 2024.

The Company received \$3.125M in October 2023 for the strategic share placement to Summit Nanotech Corporation (Summit). Refer to ASX Announcement 14 August 2023, shareholder approval on 26 October 2023, and ASX Announcement 31 October 2023, and will also receive an additional USD\$1M for the second tranche of the strategic investment to for the funding and development of the Incahuasi project.

There is also an additional \$1.5M cash before costs due for the sale of the Company's non-core Santa Ines Copper Gold project to Fuyang Mingjin New Energy Development Co. Ltd.

The Company is owed \$980,000 principal plus interest from Ultra Lithium Inc for a loan advanced to them in May 2023, refer to ASX Announcement 16 May 2023. The Company has issued a default notice and is considering enforcement options to facilitate Ultra repaying the loan plus interest.

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: The entity expects that it will be able to continue its operations and to meet its business objectives on the basis that it can continue to raise cash from strategic capital placements.

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.

31 July 2024

Date:

The Board

Authorised by:
(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".

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

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.