



Power Metals Signs LOI with Sinomine Resource Group Ltd. to Develop Cesium, Lithium and Tantalum Assets

VANCOUVER, BRITISH COLUMBIA – (September 8th, 2020) - Power Metals Corp. (the “Company” or “PWM”) (TSXV: PWM) (OTC: PWRMF) (Frankfurt: OAA1) is very pleased to announce that it has entered into a letter of intent with Sinomine Resource Group Co., Ltd. of Beijing, China (“Sinomine”) whereby Sinomine will partner with PWM to further the exploration and development of PWM's mineral property interests in Canada. Sinomine is principally interested in PWM's Case Lake, Paterson Lake, and Gullwing-Tot Lakes properties which are prospective for cesium, lithium and tantalum elements.

The LOI contemplates that Sinomine will finance PWM's further exploration, either through a potential direct investment or joint venture, for the development of its mineral properties, on terms to be negotiated, along with (i) establishing an operating committee to set work programs and budgets, (ii) the right for Sinomine to have representation on PWM's board, (iii) the right for Sinomine to participate in any future financings undertaken by PWM, and (iv) a right of first refusal to match any unsolicited third party offer to acquire the shares of PWM. We are also discussing the possibility of PWM working jointly with Sinomine to explore and develop some of Sinomine's mineral properties in Canada.

Johnathan More, Chairman of Power Metals states, “Every shareholder should share in our excitement on this major development for Power Metals. Sinomine are industry giants for producing and processing cesium, lithium and tantalum. We now look forward to the next steps in developing our assets jointly with Sinomine and also the potential joint development of Sinomine's Canadian assets. I want to thank our team for this significant accomplishment as well as the opportunity presented by Sinomine.”

WANG Pingwei, Chairman & President of Sinomine said, “We are pleased to sign this LOI with PWM. Sinomine's goal is to find further mineral resources for commercial mining other than TANCO, such as Cesium, Lithium, etc, through this strategic partnership with PWM. We Look forward to seeing the results of our cooperation soon.”

On June 28, 2019, Cabot Corporation sold its Specialty Fluids business including the Tanco Lithium, Cesium, Tantalum mine, Manitoba to Sinomine (Hong Kong) Rare Metals Resources Co. Limited, a wholly owned subsidiary of Sinomine Resource Group Co., Ltd.. The Tanco mine is located about 180 km east-northeast of Winnipeg, close to the Manitoba-Ontario border. The Tanco pegmatite has been mined for tantalum ore concentrates, pyroceramic spodumene, pollucite and rubidium since the late 1960's.

In January 2020, Power Metals' strategic review committee decided to focus on our cesium mineralization in the spodumene pegmatites at Case Lake. Cesium is valuable as there are only three cesium mines in the world and Power Metals owns three of the five cesium occurrences in Ontario: West Joe, Tot Lake and Marko's pegmatites. Power Metals' West Joe Dyke at Case Lake was discovered in August 2018 at the end of a drill program. The 2018 drill program intersected high grade cesium



mineralization in six drill holes at West Joe: PWM-18-111, 112, 116, 123, 124 and 126 with up to 14.70 % Cs_2O over 1.0 m in drill hole PWM-18-126 (Power Metals Corp., press release dated Oct. 9, 2018 and Nov. 13, 2018). Case Lake has a 12 km long lithium mineralization trend from West Joe pegmatite to Main Dyke pegmatite to Northeast Dyke to Dome 9 to the newly acquired Abbotsford Dome. Cesium mineralization has been identified in drill core at West Joe Dyke, new dyke below Main Dyke and Northeast Dyke. Elevated Cs contents has also been identified in surface samples on Dome 9.

Dr. Julie Selway stated “I am pleased with Power Metals’ upcoming cooperation with Sinomine. There is a lot of potential for synergy between the two companies.”

All terms are subject to negotiation, and due diligence investigations by Sinomine. There is no assurance a definitive agreement will be reached on the terms outlined above, or at all.

Quality Control

The drill core was sampled so that 1 m of the Case Batholith tonalite host rock was sampled followed by 1 m long samples of the pegmatite dyke and 1 m of the Case Batholith. The sampling followed lithology boundaries so that only one lithology unit is within a sample, except for the < 20 cm pegmatite veins in tonalite which were merged into one sample. The drill core samples were delivered to SGS preparation lab in Cochrane by Power Metals’ geologists. The core was then shipped to SGS analytical lab in Lakefield, Ontario which has ISO 17025 certification. Every 20 samples included one external quartz blank, one external lithium standard and one core duplicate. The ore grade $\text{Li}_2\text{O}\%$ was prepared by sodium peroxide fusion with analysis by ICP-OES with a detection limit of 0.002 % Li_2O . A QA/QC review of the standards and blanks for this drill program indicate that they passed and the drill core assays are accurate and not contaminated.

Case Lake

Case Lake Property is located in Steele and Case townships, 80 km east of Cochrane, NE Ontario close to the Ontario-Quebec border. The Property is 10 km x 9.5 km in size with 14 identified tonalite domes. The Case Lake pegmatite swarm consists of six spodumene dykes: North, Main, South, East and Northeast Dykes on the Henry Dome and the West Joe Dyke on a new tonalite dome. Case Lake Property consists of 556 cell claims in Steele, Case, Scapa, Pliny, Abbotsford and Challies townships, Larder Lake Mining Division. The Case Lake Property is owned 100% by Power Metals. The claims have enough available exploration reserve to keep them in good standing for the next 4 years.

Paterson Lake

Paterson Lake Property is located in Paterson Lake and Treelined Lake Areas, 60 km north of Kenora, NW Ontario close to the Ontario-Manitoba border. Paterson Lake Property is located within the Separation Rapids Greenstone Belt and hosts multiple petalite-bearing pegmatite dykes. The Property was optioned from Exiro Minerals Corp. in 2017 (Power Metals press release dated April 20, 2017).

Gullwing-Tot Lakes

Gullwing-Tot Lakes Property is located in Drope and Webb townships, 30 km northeast of Dryden, NW Ontario with excellent road access. Gullwing and Tot Lakes pegmatites contain spodumene. The Property was optioned from Exiro Minerals Corp. in 2017 (Power Metals press release dated April 20,



2017). The Property is located 5.5 km northeast of Pioneer Resources' Mavis Lake spodumene pegmatite field.

Qualified Person

Julie Selway, Ph.D., P.Geo. supervised the preparation of the scientific and technical disclosure in this news release. Dr. Selway has verified the data included in this news release. Dr. Selway is the VP of Exploration for Power Metals and the Qualified Person ("QP") as defined by National Instrument 43-101. Dr. Selway is supervising the exploration program at Case Lake. Dr. Selway completed a Ph.D. on granitic pegmatites in 1999 and worked for 3 years as a pegmatite geoscientist for the Ontario Geological Survey. Dr. Selway also has twenty-three scientific journal articles on pegmatites. A National Instrument 43-101 report has been prepared on Case Lake Property and filed on July 18, 2017.

About Power Metals Corp.

Power Metals Corp. is a diversified Canadian mining company with a mandate to explore, develop and acquire high quality mining projects. We are committed to building an arsenal of projects in both lithium and high-growth specialty metals and minerals. We see an unprecedented opportunity to supply the tremendous growth of the lithium battery and clean-technology industries. Learn more at www.powermetalscorp.com

About Sinomine Resources Group Co., Ltd.

Sinomine Resource Group (Shenzhen Stock Exchange: 002738) is a public company, headquartered in Beijing, China. Sinomine has more than twenty subsidiaries globally. The company's core business includes solid mineral prospecting services, international projects, mineral rights investment, logistic services and international trade. For more information on Sinomine, please visit the following website at: sinomine.cn

ON BEHALF OF THE BOARD,

Johnathan More, Chairman & Director

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Power Metals Corp.
Johnathan More
646-661-0409
info@powermetalscorp.com

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This press release contains forward-looking information based on current expectations, including the use of funds raised under the Offering. These statements should not be read as guarantees of future performance or results. Such statements involve known and unknown risks, uncertainties and other factors that may cause actual results, performance or achievements to be materially different from those implied by such statements. Although such statements are based on management's reasonable assumptions, Power Metals assumes no responsibility to update or revise forward-looking information to reflect new events or circumstances unless required by law.

Although the Company believes that the expectations and assumptions on which the forward-looking statements are based are reasonable, undue reliance should not be placed on the forward-looking statements because the Company can give no assurance that they will prove to be correct. Since forward-looking statements address future events and conditions, by their very nature they involve inherent risks and uncertainties. These statements speak only as of the date of this press release. Actual results could differ materially from those currently anticipated due to several factors and risks including various risk factors discussed in the Company's disclosure documents which can be found under the Company's profile on www.sedar.com.

This press release contains "forward-looking statements" within the meaning of Section 27A of the Securities Act of 1933, as amended, and Section 21E the Securities Exchange Act of 1934, as amended and such forward-looking statements are made pursuant to the safe harbor provisions of the Private Securities Litigation Reform Act of 1995. The TSXV has neither reviewed nor approved the contents of this press release.