



## **Winsome Resources Signs Binding Agreement to Purchase Hong Kong-Based Sinomine's Interests in Power Metals Corp**

### **Highlights:**

- Winsome Resources signs binding agreement to purchase Hong Kong-based Sinomine's interests in Power Metals Corp's Case Lake Project
- Case Lake hosts high-grade lithium, cesium and tantalum deposits<sup>1</sup> in which Winsome has gained the rights to all offtake
- Located across provincial border but in proximity to Winsome's Quebec assets

**VANCOUVER, BRITISH COLUMBIA – (December 2<sup>nd</sup>, 2022) - Power Metals Corp. ("Power Metals" or the "Company")** (TSX VENTURE:PWM)(FRANKFURT:OAA1)(OTCQB:PWRMF) is pleased to announce that Winsome Resource Limited (ASX:WR1) ("Winsome") has agreed to acquire shares in TSX-V listed Power Metals Corp. that are currently owned by Hong Kong-based Sinomine Rare Metals Resources Co Ltd ("Sinomine").

Under this agreement, Winsome has also agreed to acquire Sinomine's offtake rights for the lithium, cesium and tantalum from the highly prospective Case Lake Project ("the Project"), located in Ontario, Canada.

The Project is 100% owned by Power Metals and hosts high-grade deposits of cesium, lithium and tantalum. All three minerals are included on the latest US and Canadian critical minerals lists.

Located in north-eastern Ontario approximately 100km north of Kirkland Lake, the Project is accessible year-round via the Translimit Road which connects Ontario and Quebec.

As previously directed by the Canadian government (See press release dated November 3, 2022), Sinomine is required by recent changes to Canadian law to divest its interests in the Project.

Under the terms of the agreement, for a total cash consideration of CAD\$2,000,000 (AUD\$2,220,000)(CAD \$0.27 per share of Power Metals stock) Winsome will acquire Sinomine's total interests in Power Metals and the Case Lake Project, including:

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<sup>1</sup> See Power Metals (TSX-V:PWM) Announcements dated 8 September 2022, 13 October 2022 and 19 October 2022



- 7,500,000 common shares; and
- 7,500,000 share purchase warrants, which can be converted into shares on a one-for-one basis at CAD\$0.40 per Share, expiring on 17 March 2025,

(together, the “Sale Securities”)

Winsome has also agreed to assume all of Sinomine’s rights and obligations under the offtake agreement that was signed between Sinomine and Power Metals dated 16 March 2022 (“Offtake Rights”).

Winsome’s acquisition of the Sale Securities is subject to the following conditions precedent:

- Execution and delivery of a deed of assignment by Sinomine and Winsome in relation to the Offtake Rights, effective from completion of Winsome’s acquisition of the Sale Securities; and
- Sinomine obtaining all necessary shareholder and regulatory and approvals and third-party approvals and consents necessary to lawfully complete the matters set out in this Agreement.

It is expected that the Company’s acquisition of the Sale Securities and the Offtake Rights will occur on or about 2 December 2022

Winsome will utilize its existing cash reserve to fund the acquisition. This is consistent with the Company’s announcement dated 15 August 2022, in which it is stated that, to the extent that Winsome is presented with additional acquisition opportunities, Winsome’s working capital will fund the acquisition costs.

Winsome and Power Metals have commenced strategic discussions aimed at utilizing the resources available to both Companies to facilitate the rapid development of the Case lake Project and build upon the >13,000m of drilling already completed at the site to publish a maiden resource as soon as possible. Additionally, the Companies are in negotiations regarding Winsome assuming the position currently held by Sinomine on the Power Metals Board of Directors.

**WINSOME RESOURCES MANAGING DIRECTOR CHRIS EVANS STATED:**

*“This is an exciting opportunity for Winsome to expand its interests in the Canadian critical minerals space and to enter the established mining province of Ontario, which neighbours Quebec.*

*“The Case Lake Project is located in relatively close proximity to a number of our assets, in particular Mazerac and Decelles, with similar geological characteristics and strong drill results showing high-grade caesium, lithium and tantalum mineralisation.*

*“The minerals are all in high demand within North America and the rights to the offtake agreement are another positive step in the Winsome journey. We look forward to working with Power Metals to assist in developing this impressive project”*



Chairman & CEO, Johnathan More stated, "Power Metals is thrilled to welcome Winsome Resources to the family. We look forward to jointly developing our tremendous Case Lake property. Furthermore, we will also be providing more drill results from our ongoing drill program in the very near future."

### **Case Lake Property**

Case Lake Property is located 80 km east of Cochrane, northeastern Ontario close to the Ontario-Quebec border. Case Lake Property consists of 585 cell claims in Steele, Case, Scapa, Pliny, Abbotsford and Challies townships, Larder Lake Mining Division. 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. The Case Lake Property is owned 100% by Power Metals Corp. A National Instrument 43-101 Technical 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](http://www.powermetalscorp.com)

ON BEHALF OF THE BOARD,

*Johnathan More, Chairman & CEO*

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Power Metals Corp.  
Johnathan More



515-401-7479

info@powermetalscorp.com

**Cautionary Note Regarding Forward-Looking Information**

*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](http://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.*