13 April 2026

Due diligence successfully completed at Morro do Ferro Rare Earths Project, Brazil

Highlights

- **Power has completed all due diligence requirements for the acquisition of the Morro do Ferro rare earths project in Minas Gerais state, Brazil, and now plans to move forward to complete the acquisition**
- **Power's technical evaluation to date has uncovered exceptional concentrations of magnetic rare earth oxides (MREO). The concentration of MREO is expected to drive the economics as these four elements account for >80% of the market value for all REE**
- **Historical drilling results have returned up to 35,332ppm (or 3.53% of whole rock) magnetic rare earth oxides (MREO) over a 2m interval in hole MFSR-47**

Other historical results include –

- 100.2m at 6,103ppm MREO from surface to EOH, including **21.35m at 14,438ppm (or 1.44%) MREO** from 41m (MFSR-04)
- **100.44m at 9,485ppm (or 0.95%) MREO from surface to EOH**, including **19.3m at 22,541ppm (or 2.25%) MREO from 25m** (MFSR-10)
- **60.6m at 13,129ppm (or 1.31%) MREO from surface to EOH** (MFSR-20)

- **Drilling conducted to date has only partially delineated the known extent of Morro do Ferro's main deposit to the northeast and southwest, providing exciting potential for expansion**
- **Morro do Ferro is located within the Poços de Caldas Alkaline Complex, a well-established rare earth province in Brazil that hosts several advanced REE projects**
- **Next steps: finalise definitive agreement followed by deep RC and diamond core drilling on the main high-grade deposit, and aircore drilling to test for surrounding satellite deposits in the large un-drilled areas**

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Power Minerals Limited (ASX: PNN | OTCQB: PEIMF) is pleased to announce the successful completion of due diligence for the high-grade Morro do Ferro rare earths (REE) project in southern Minas Gerais state, Brazil (**the MDF Project**).

Power has completed comprehensive corporate, financial and technical due diligence over the MDF Project, and will now move to complete the acquisition of the MDF Project.

The due diligence confirmed the MDF Project's substantial potential for the definition of a significant magnetic rare earth oxides (MREO) Mineral Resource Estimate (MRE), and its strategic alignment with Power's project portfolio. Power is confident that the acquisition of the MDF Project will position the Company as an emerging leader in the rare-earths sector and help address the rising global demand for these essential mineral elements.

Power entered into a Binding Letter of Intent (LoI) with private exploration company Mineração Terras Raras (MTR) to acquire the MDF Project last month[1]. The MDF Project is a very high-grade REE asset, strategically located within the Poços de Calders Complex, acknowledged as one of the world's leading REE precincts.

Findings from Power's technical due diligence have reinforced the remarkable concentrations of the Magnetic REEs, as part of the Total REEs concentration, intersected in drilling by the previous project owner[2].

With due diligence now successfully completed, Power will look to finalise the definitive agreement to complete the acquisition of the MDF Project in the next week.

The MDF Project's exceptionally high-grade Total REE drilling intercepts included the following s**ignificant weighted average results** for the **full length** of selected diamond cored drillholes[1]:

- **100.44m at 49,910ppm (or 4.99%) TREO from surface to EOH in drillhole MFSR-10**
- **100.2m at 29,417ppm (or 2.994%) TREO from surface to EOH in drillhole MFSR-04**
- **60.6m at 70,217ppm (or 7.02%) TREO from surface to EOH in drillhole MFSR-20**
- **41.0m at 22,820ppm (or 2.28%) TREO from surface to EOH in drillhole MFSR-29**
- **90.9m at 29,947ppm (or 2.99%) TREO from surface to EOH in drillhole MFSR-31**
- **70.7m at 45,028ppm (or 4.50%) TREO from surface to EOH in drillhole MFSR-32**
- **60.85m at 89,177ppm (or 8.92%) TREO from surface to EOH in drillhole MFSR-35**
- **100.05m at 39,818ppm (or 3.98%) TREO from surface to EOH in drillhole MFSR-36**

[1] PNN ASX Announcement dated 5 March 2026
[2] PNN ASX Announcement dated 8 April 2026

- **80.3m at 43,348ppm (or 4.33%) TREO from surface to EOH in drillhole MFSR-38**
- **70.75m at 27,823ppm (or 2.76%) TREO from surface to EOH in drillhole MFSR-40**
- **100.3m at 24,198ppm (or 2.42%) TREO from surface to EOH in drillhole MFSR-43**
- **70.9m at 79,997ppm (or 8.00%) TREO from surface to EOH in drillhole MFSR-44**
- **60.0m at 53,859ppm (or 5.39%) TREO from surface to EOH in drillhole MFSR-46**
- **60.35m at 33,983ppm (or 3.40%) TREO from surface to EOH in drillhole MFSR-47**
- **80.5m at 29,872ppm (or 2.99%) TREO from surface to EOH in drillhole MFSR-50**

Significant weighted average results for the **full length** of selected auger drillholes:

- **9m at 117,706ppm (or 11.77%) TREO from surface to EOH in drillhole MFT-033**
- **10m at 71,904ppm (or 7.19%) TREO from surface to EOH in drillhole MFT-034**
- **10m at 22,854ppm (or 2.29%) TREO from surface to EOH in drillhole MFT-042**
- **10m at 26,610ppm (or 2.66%) TREO from surface to EOH in drillhole MFT-043**
- **10m at 60,109ppm (or 6.01%) TREO from surface to EOH in drillhole MFT-055**
- **10m at 65,337ppm (or 6.53%) TREO from surface to EOH in drillhole MFT-056**

Numerous drillholes have significant TREO grades at the end of the hole. Diamond core drillhole MFSR-36 was **drilled to a depth of 100.05m**, with the last sample from the hole (sample 814) over **2.05m still contained 28,674ppm (or 2.87%) TREO from 98m downhole**.

Individual very high-grade REE samples include:

- **2m at 241,301ppm (or 24.13%) TREO in sample 1156 from drillhole MFSR-44, 14-16m**
- **2m at 177,489ppm (or 17.75%) TREO in sample 1031 from drillhole MFSR-35, 44-46m**
- **2m at 169,825ppm (or 16.98%) TREO in sample 1028 from drillhole MFSR-35, 38-40m**
- **2m at 163,080ppm (or 16.31%) TREO in sample 409 from drillhole MFSR-20, 26-28m**

Power's technical due diligence highlighted very strong concentrations of magnetic rare-earth elements intersected in previous drilling, with results returning up to 35,332ppm (or 3.53% of whole rock) magnetic rare-earth oxides (MREO[3]) over a 2m interval in hole MFSR-47. The MREO grades are significantly higher than TREO grades in many other deposits.

Associated with very high-grade TREO values are corresponding **very high MREO** results:

- **2m at 34,835ppm (or 3.48%) MREO in sample 558 from drillhole MFSR-47, 9-11m**

[3] **MREO** (Magnet Rare Earth Oxide) is presented as the concentration (in ppm, or % of whole rock) for Nd_2O_3 + Pr_6O_{11} + Tb_4O_7 + Dy_2O_3

- **2m at 33,569ppm (or 3.36%) MREO in sample 1031 from drillhole MFSR-35, 44-46m**
- **2m at 31,860ppm (or 3,19%) MREO in sample 1028 from drillhole MFSR-35, 38-40m**
- **2m at 31,527ppm (or 3.15%) MREO in sample 17619 from drillhole MFSR-10, 13.95-33.95m**
- **2m at 30,329ppm (or 3.03%) MREO in sample 1240 from drillhole MFSR-32, 12-14m**

The significant weighted average MREO intercepts include:

- MFSR-04 100.2m at 6,103ppm MREO from surface to EOH, including 21.35m at **14,438ppm (or 1.44%) MREO** from 41m
- MFSR-05 200.0m at 1,584ppm MREO from Surface to EOH
- MFSR-10 100.44m at 9,485ppm (or 0.95%) MREO from surface to EOH, including 19.3m at **22,541ppm (or 2.25%) MREO** from 25m
- MFSR-12 100m at 3,033ppm MREO from surface to EOH, including 25m at 8,274 ppm MREO from 29m
- MFSR-13 100.95m at 1,822ppm MREO from surface to EOH
- MFSR-20 60.6m at **13,129ppm (or 1.31%) MREO** from surface to EOH
- MFSR-31 90.9m at 7,170ppm MREO from surface to EOH, including 19m at 11,504ppm (or 1.15%) MREO from 2m
- MFSR-32 70.7m at 9,082ppm MREO from surface to EOH, including 30m at 15,086ppm (or 1.51%) MREO from 10m
- MFSR-34 110.1m at 2,351ppm MREO from surface to EOH
- MFSR-35 60.85m at 14,912ppm (or 1.49%) MREO from surface to EOH, including 30.9m at 20,975ppm (or 2.10%) MREO from 15.1m
- MFSR-36 100.05m at 7,811ppm MREO from surface to EOH, including 8m at 15,460ppm (or 1.55%) MREO from 90m
- MFSR-38 80.3m at 6.512ppm MREO from surface to EOH
- MFST-40 70.75m at 5,579ppm MREO from surface to EOH
- MFSR-43 100.3m at 5,553ppm MREO from surface to EOH, including 3.7m at 12,307ppm (or 1.23%) MREO from 85m
- MFSR-44 70.9m at 12,958ppm (or 1.30%) MREO from surface to EOH
- MFSR-46 60m at 10,551ppm (or 1.05%) MREO from surface to EOH
- MFSR-47 60.35m at 7,206ppm MREO from surface to EOH, including 17.05m at 17,997ppm (or 1.80%) MREO from 5.95m

- MFSR-50 80.5m at 5,999ppm MREO from surface to EOH, including 17m at 11,924ppm (or 1.19%) MREO from 47m

Total rare-earth oxides (TREO) values from previous drilling are notable. However, the concentrations of the magnetic rare-earth oxides (MREO) in these drilling results are even more significant, with results of neodymium (Nd), praseodymium (Pr), dysprosium (Dy), and terbium (Tb) exceeding TREO levels found in many other deposits. These four REEs are crucial for magnet production, accounting for an estimated 80% or more of the total value of all REEs combined. Power's intent is to focus on the MREOs in any future mining operation at the MDF Project, which may simplify the recovery process.

A key differentiating feature of the MDF Project is its 'manifesto de mina' title, which provides direct ownership rights over the land. This allows for ground-disturbing exploration activities (subject to environmental approvals) and reduces permitting complexity, supporting efficient project advancement. The native vegetation over the project has been removed as the area is currently covered by a eucalyptus plantation (associated with the vendors).

In addition, the MDF Project's main deposit is strategically situated along the top-sloping crest of a steep hill, boasting more than 100 metres of topographic relief. This elevated position presents a remarkable opportunity for any proposed open-cut operations, enhancing accessibility and simplifying the mine design process.

Power Minerals Managing Director Mena Habib said:

"With the successful completion of our corporate, financial and technical due diligence at Morro do Ferro, we are pleased to announce that we will now progress to finalise the definitive agreement to complete the acquisition. The exploration data we have gathered show strong promise for the region's resource potential, indicating significant opportunities for growth. Power believes the deposit itself not only presents incredible upside for expansion but also offers favourable topographical advantages for future development.

Having bolstered our management team to include Alistair Stephens as CEO, whose extensive experience in rare earths exploration and development will be invaluable to our endeavours, we are excited to execute this transaction with vendor Mineração Terras Raras (MTR). We look forward to completing the acquisition and moving ahead to uncover the full potential of Morro do Ferro."

Acquisition terms for the project are included in the ASX announcement dated 5 March 2026.

Next steps

Finalising of the definitive agreement in the next week.

There are significant traverse spacings of 250 to 480 metres in previous very shallow (≤10m) auger drilling, and Power plans to infill and extend this drilling (probably using aircore). The aim is to discover new REE target areas previously not identified. In the highly prospective main deposit, Power will complete deep (>200m) diamond core and RC drilling to complete the definition of the deposit. The primary REE deposit mineralisation of the Ree deposit remains open at depth and along strike, with much of its extent still poorly defined.

Authorised for release by the Board of Power Minerals Limited.

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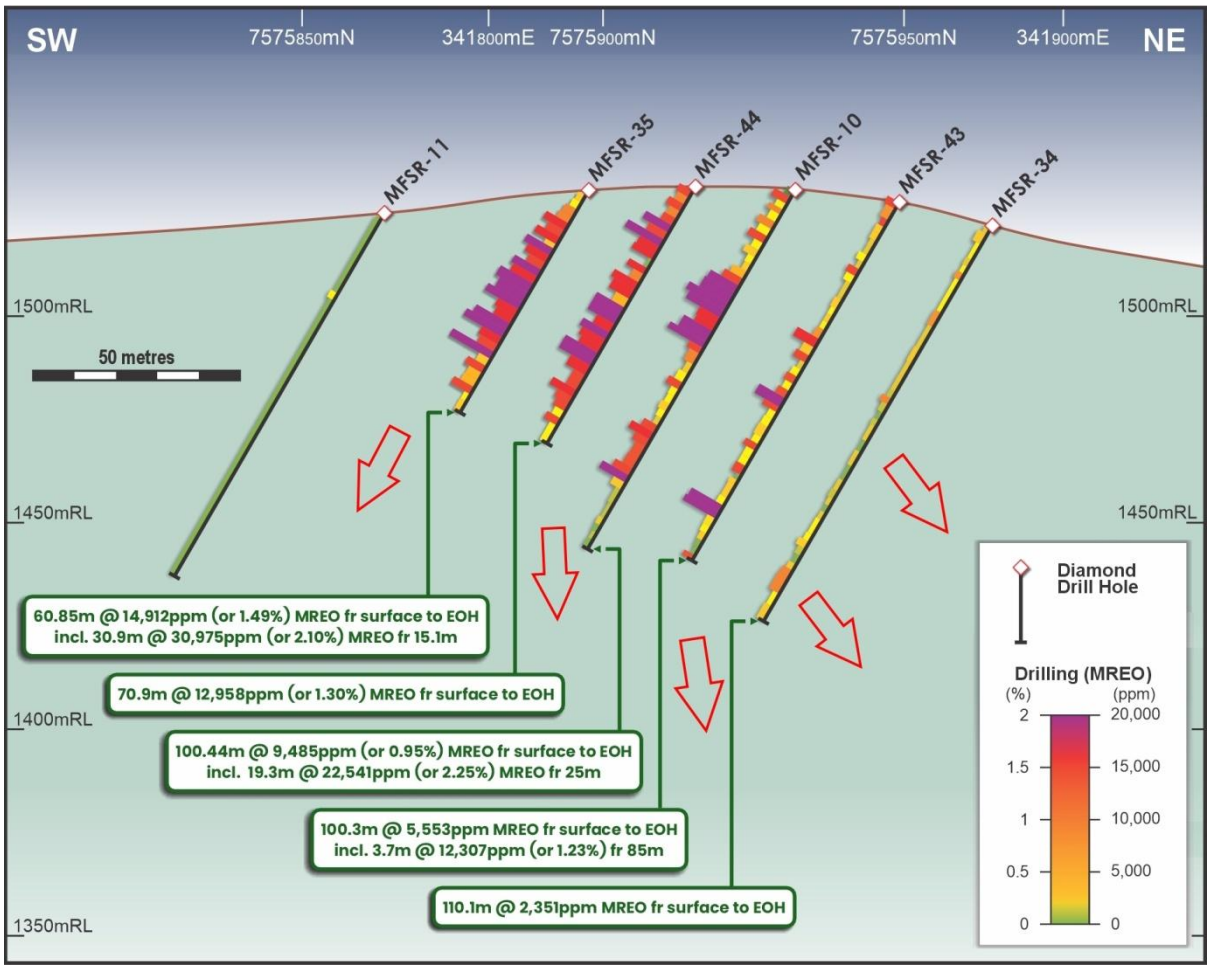

Figure 1 *Cross-section showing significant weighted average MREO. Section looking northwest, H/V is 1:1 and location in Figure 2.*

About Power Minerals Limited

Power Minerals Limited is an ASX-listed exploration and development company. We are focused on transforming our lithium brine resources in Argentina, exploring our promising REE, niobium and other critical mineral assets in Brazil, and maximising value from our Australian, Canadian, and other Argentinian assets.

Competent Persons Statement

The information in this announcement that relates to exploration results in respect of the Morro do Ferro REE Project in Brazil is based on and fairly represents information and supporting documentation prepared by Steven Cooper, FAusIMM (No 108265), FGS (No.1030687). Mr Cooper is the Exploration Manager and is a full-time employee of the Company. Mr Cooper has sufficient experience that 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 Cooper 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 contains references to exploration results that have been released previously on the ASX. Power Minerals confirms that it is not aware of any new information or data that materially affects the information included in the original market announcements and that all material assumptions and technical parameters underpinning the estimates continue to apply and have not materially changed as per Listing Rule 5.23.2. The Company confirms that the form and context in which the Competent Person's findings are presented have not been materially modified from the original market announcements.

The interval results reported in this announcement are the weighted average by distance of all samples over the entire length reported, with no upper or lower cut-offs. Depths reported are downhole distances and may not represent true thickness. Full Morro do Ferro drillhole details are provided in Power Minerals ASX announcements dated 5 March and 8 April 2026.

Power Minerals uses the following definitions:

TREO (Total Rare Earth Oxides) = $[La_2O_3]$ + $[CeO_2]$ + $[Pr_6O_{11}]$ + $[Nd_2O_3]$ + $[Sm_2O_3]$ + $[Eu_2O_3]$ + $[Gd_2O_3]$ + $[Tb_4O_7]$ + $[Dy_2O_3]$ + $[Ho_2O_3]$ + $[Er_2O_3]$ + $[Tm_2O_3]$ + $[Yb_2O_3]$ + $[Lu_2O_3]$ + $[Y_2O_3]$

MREO (Magnet Rare Earth Oxides) = $[Nd_2O_3]$ + $[Pr_6O_{11}]$ + $[Tb_4O_7]$ + $[Dy_2O_3]$

Forward-Looking Statements

This announcement contains forward-looking statements based on current expectations and assumptions, which are subject to risks and uncertainties that may cause actual results to differ materially. These include project acquisition and divestment, joint venture, commodity price, exploration, development, operational, regulatory, environmental, title, funding and general economic risks. The Company undertakes no obligation to update these statements except as required by law.

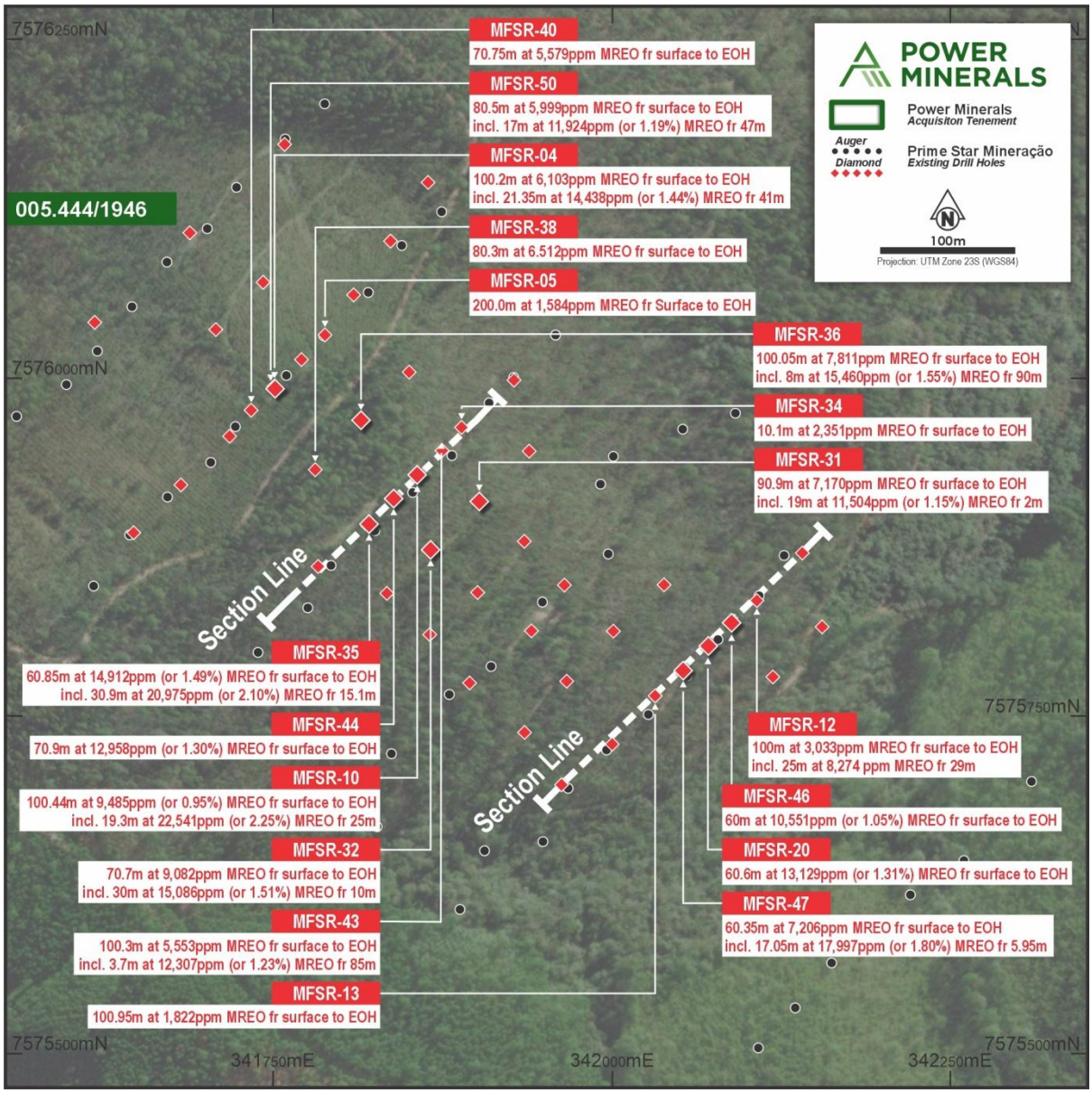

Figure 2 *Location map showing significant MREO weighted average intercepts. The southeast cross-section is provided in ASX announcement dated 8 April 2026.*

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