

Power Metals Corp.

(TSXV:PWM)

Hardrock Lithium Explorer with Substantial Upside

Company Description

Power Metals Corp. ("Power Metals") is a hard rock lithium explorer focused on its flagship Case Lake property, comprising 38 mining claims for 7,136 Ha, located 100 km north of Kirkland Lake, NE Ontario. An all-seasons access road encircles the property. Although limited to 83 current drilled holes, work-to-date indicates that spodumene pegmatites may occur throughout the property in dykes hosted by domes. There are nine dome targets on the property, and only one has been drilled to-date, the Henry Dome, which hosts the Northeast and Main Dykes. Economic near-surface lithium and tantalum grades have indicated the potential for a significant open-pit hard rock deposit. There has been some historical work on the property, last completed in 2001. This work included only seven drill holes, six channel samples, outcrop mapping, and grab sampling. MGX Minerals Inc. (CSE:XMG) owns a 20% working interest in the property.

Investment Highlights

- Ambitious 2018 drill program could unlock significant value.** Beginning in April, Power Metals plans to start a mapping program on the domes, which will be followed by a 13,000m drill campaign, comprised of 8,000m in the spring and 5,000m or more in the fall. The Company expects to target six different areas, four of which have not been drilled before. PWM intends to start drilling with the two new spodumene dykes, which were discovered at the end of the 2017 winter drill program. This will be followed by drilling along the 900m strike length between the Main and Northeast Dykes. Further discovery in the other target areas could lead to a significant lithium-tantalum deposit. An active drill campaign should provide many catalysts for the stock throughout the remainder of the year.
- Results to-date have been successful, with results averaging 1.56% Li₂O and 143ppm Ta and up to 3.02% Li₂O and 735ppm Ta.** Highlights from the last batch of results released in January at Case Lake at the Main dyke include 2.07% Li₂O and 214ppm Ta over 18.0m from drill hole PWM-17-40. The winter 2017 drill program comprised of 5,400m over 50 holes on the Main and North Dykes. Additionally, the winter 2018 drill program consisted of 33 holes (3,020m) drilled on the Northeast Dyke. For context, PWM's lithium and tantalum grades are on the higher-end for hard rock lithium projects. For example, Critical Element's (TSXV:CRE) Rose Feasibility-Stage project located in Quebec is anticipated to mine ~4,400 tonnes per day at an average grade of 0.85% Li₂O and 133ppm Ta for a mine life of 17 years. As well, although significantly larger, Nemaska Lithium's (TSX:NMX) Feasibility-Stage Whabouchi project, located in Quebec, hosts P&P open-pit & underground reserves of 1.53% Li₂O and 1.16% Li₂O, respectively.

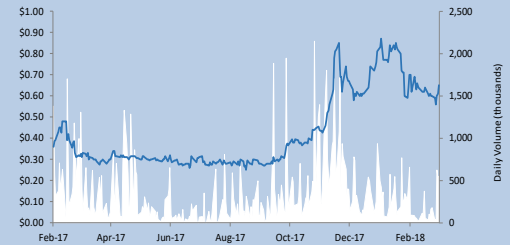
Financial Analysis

- Funded 2018 exploration program.** On January 15, 2018, Power Metals closed a \$3.5M bought deal at \$0.50/unit. Each unit comprises one two-year warrant with a strike price of \$0.70. For reference, PWM's 13,000m drill campaign is anticipated to cost \$2.6M. PWM also owns 3M shares of MGX Minerals, which represents ~\$3.8M at current prices.

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Price Performance



Market Data (TSXV:PWM)

Price (March 9, 2018)	\$0.65
52 Week Range	\$0.25 - \$0.88
Market Cap (M)	\$62.5
Current Shares Outstanding (basic, M)	96.2
Current Shares Outstanding (fully diluted, M)	114.4
Free Float	70%
Average Daily Volume (3 months)	229K
Last Reported Debt (M)*	\$0.7
Last Reported Cash (M)*	\$0.5
Total Assets (M)*	\$6.4

Headquarters

Vancouver, BC, Canada

Top Shareholders

Management & Insiders	30%
Marquest Asset Management Inc.	1%

Management

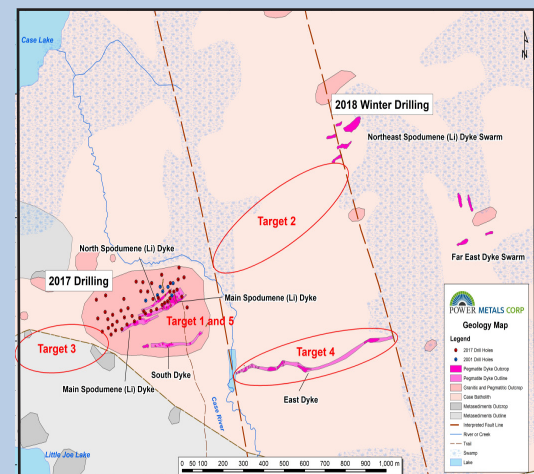
Johnathan More	Chairman
Brent Butler	CEO & Director
Cyrus Driver	CFO & Director
Julie Selway	VP Exploration
Rob Dardi	Director
Brian LaRocco	Director

*As of Aug. 31, 2017

All figures in CAD unless otherwise stated.

Source: Company Reports, Thomson Reuters

2018 Drill Targets



Source: Company Presentation

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