

Maiden Diamond Drilling Commences at Morro do Ferro REE Project, Brazil

Highlights

- Power has commenced its maiden diamond drilling campaign at Morro do Ferro Rare Earths Project (MDF Project), Brazil
- Drilling campaign designed to expand the Project's high-grade rare earth mineralised footprint and upgrade the Company's geological understanding of the Project area
- Drilling is planned to consist of:
 - Approximately 4000m of diamond core drilling to target depth and expansion of existing high-grade mineralisation; and
 - 800m of larger diameter diamond core drilling to provide samples for metallurgical test work
- Drilling will test previous high-grade drilling results, including¹:
 - 60.85m at 89,177ppm (8.92%) TREO from surface to EOH in drillhole MFSR-35
 - 70.9m at 79,997ppm (8.00%) TREO from surface to EOH in drillhole MFSR-44
 - 60.6m at 70,217ppm (7.02%) TREO from surface to EOH in drillhole MFSR-20
- And ultra-high-grade MREO samples include²:
 - 2m at 34,835ppm (3.48% of whole rock) MREO in drillhole MFSR-47 (9-11m)
 - 2m at 33,569ppm (3.36%) MREO in drillhole MFSR-35 (44-46m)
 - 2m at 31,860ppm (3.19%) MREO in drillhole MFSR-35 (38-40m)
- Drilling is expected to be completed in the following quarter, with initial assay results anticipated ~3-4 weeks following receipt of samples by the laboratory
- Drilling results expected to support future resource estimation and commencement of development studies for the MDF Project

Power Minerals Limited (ASX: PNN | OTCQB: PEIMF) is pleased to announce that its maiden drilling campaign at the high-grade Morro do Ferro Rare Earths Project (MDF Project) in southern Minas Gerais state, Brazil, has commenced.

¹ See Power Minerals ASX announcement dated 5 March 2026

² See Power Minerals ASX announcement dated 9 April 2026

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The MDF Project is a very high-grade REE asset, strategically located within the centre of the Poços de Caldas alkaline complex, an emerging global rare-earth hub.

The commencement of drilling is a key step in Power's pathway to unlock the Project's value, and comes after the Company completed the acquisition of the Project on 27 April³. Power has completed the acquisition, mobilised resources and equipment to site, and commenced drilling at MDF all within seven weeks.

With drilling now commenced, Power has entered a period of sustained news flow. The drilling campaign will consist of:

- **4000 metres of NQ3/HQ3 diamond core drilling** designed to target depth and extensions of existing very high-grade Magnet Rare Earth Oxides (MREO) and Total Rare Earth Oxides (TREO) mineralisation; and
- **800 metres of larger diameter PQ diamond core drilling** to obtain representative material for comprehensive metallurgical test work.

The drilling campaign will cover priority targets within the Project's main deposit (see Figure 1) and is expected to be completed in July, with assay results anticipated to be released progressively, approximately 3-4 weeks after sample submission and laboratory analysis.

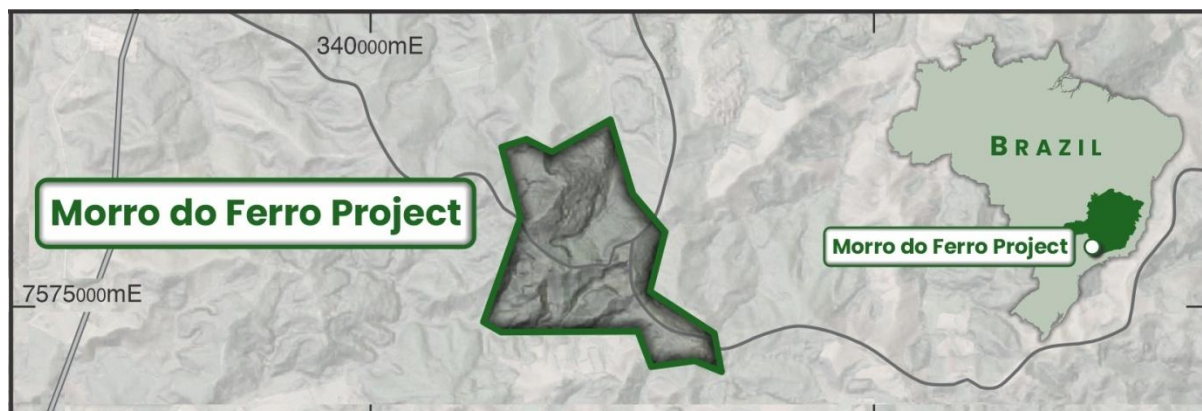


Figure 1: Drilling area over the Morro do Ferro tenement 005.444/1946 held 100% by Power Minerals.

Power completed the acquisition of the MDF Project after a comprehensive due diligence process. Technical due diligence validated the MDF Project's significant potential to host a substantial Magnet Rare Earth Oxide (MREO) Mineral Resource Estimate (MRE), and this extensive maiden drilling campaign is the first towards realising this objective.

The drilling campaign represents a significant milestone in the Company's strategy to advance Morro do Ferro as a potentially significant rare-earth development opportunity. The project is characterised by extensive near-surface mineralisation and has demonstrated the potential to host high-grade rare-earth mineralisation enriched in magnet rare-earth elements.

³ See Power Minerals ASX announcement dated 27 April 2026

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Power Minerals Chief Executive Officer Alistair Stephens said:

"In just six weeks since completing the acquisition of the Morro do Ferro Project, we have successfully mobilised our team and commenced drilling. This rapid transition from acquisition to execution demonstrates our commitment to advancing the project and creating value for shareholders. We are confident that Morro do Ferro has the potential to become one of the world's most significant magnet rare-earth projects, and this drilling program marks the crucial first step in realising that opportunity. We look forward to progressively sharing results of this maiden drilling campaign as they become available, and to some exciting developments ahead as we advance the Project."



Figure 2: Drilling underway at Morro do Ferro Project.

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Drill Campaign Overview

Power's maiden drilling campaign at the MDF Project will target the depth and expansion of the known MREO and TREO mineralisation within the Project area. Drilling will include approximately 4000m of diamond core drilling and an additional 800m of wider-diameter diamond core drilling for metallurgical test work purposes.

As the boundaries of the deposit are not clearly defined or limited by the previous drilling, allowances within Power's drill planning have been made for additional drilling.

Drilling is expected to be completed in two months, with drilling results released progressively as they become available.

The campaign aims to evaluate the mineralisation within the main deposit, which remains open at depth, along strike and the side margins. This will build upon the recent results from verification sampling, providing a strong technical foundation for a maiden Mineral Resource Estimate (subject to results). Additionally, wider-diameter drilling is planned to collect larger, representative samples, facilitating the swift initiation of studies to optimise the metallurgical process.

The current drilling campaign is expected to generate a steady flow of news and technical results over the coming months as the Company seeks to expand its understanding of the project's scale, grade and development potential.

Rapid Advancement Following Acquisition Completion

Commencement of drilling follows the successful completion of MDF's acquisition on 27 April 2026. Since completing the transaction, Power Minerals has rapidly mobilised its technical and operational teams to advance exploration activities and establish a clear pathway toward resource growth and project development.

Key milestones achieved since acquisition completion include:

- Completion of resources planning and drill program design
- Engagement of drilling contractors and mobilisation of equipment to site
- Establishment of field operations and logistical support
- Geological review and targeting of priority drill areas
- Commencement of the Company's maiden drilling campaign at MDF

Power is excited by the opportunity presented by this drilling campaign to follow up on previous exceptional MREO drill intercepts⁴ which fall from surface to End-of-Hole (EOH) with no minimum cuts. Previous highlight results include:

- 60.85m at 14,912ppm (**1.49% of whole rock**) **MREO** from surface to EOH, including 30.9m at **20,975ppm (or 2.10%) MREO** from 15.1m in drillhole MFSR-35

⁴ See Power Minerals ASX announcement dated 9 April 2026

- 70.9m at 12,958ppm (**1.30%** of whole rock) MREO from surface to EOH in drillhole MFSR-44
- 60.6m at **13,129ppm (1.31%** of whole rock) **MREO** from surface to EOH in drillhole MFSR-20
- **100.2m** at 6,103ppm MREO from surface to EOH, including 21.35m at **14,438ppm (1.44%) MREO** from 41m in drillhole MFSR-04
- **100.44m** at 9,485ppm (**0.95%** of whole rock) MREO from surface to EOH, including 19.3m at **22,541ppm (2.25%) MREO** from 25m in drillhole MFSR-10

With growing global demand for magnet rare-earth elements driven by artificial intelligence, robotics, electrification and advanced manufacturing, Power Minerals believes Morro do Ferro is well-positioned to become a strategically important source of critical minerals for future technologies.

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 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.



Figure 3: MDF Project location map in Minas Gerais State

About the Morro do Ferro Project

The Morro do Ferro Project is located within the Poços de Caldas Alkaline Complex in Minas Gerais, Brazil, one of the world's most prospective rare earth provinces. The project hosts extensive rare earth mineralisation and is strategically positioned to supply critical materials required for artificial intelligence, robotics, electrification, energy storage and advanced manufacturing technologies.

The MDF Project sits on a unique 'Manifesto de Mina' mining licence, which grants direct ownership over the land, facilitating an expedited exploration process by allowing ground-disturbing activities (subject to environmental approvals) and simplifying permitting requirements.

Disclaimers

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.

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The interval results referred to in this announcement are weighted averages by distance of all samples over the entire length reported, with no upper or lower cutoffs applied. 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, and Power sampling results in the announcement dated 28 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 4: Drill pad site and access track at MDF Project. Note, there is no native vegetation in the project area; the vegetation is a eucalyptus plantation due for harvest in the near future.