

13 August 2019

Power Metal Resources plc ("POW" or the "Company")

Kalahari Key Botswana – Completion of Ground Geophysics

Power Metal Resources plc (LON:POW) the AIM listed African focused metals exploration and development company is pleased to confirm the completion of ground geophysics by Kalahari Key Mineral Exploration Pty Ltd ("Kalahari Key" or "KKME") at the Molopo Farms Complex project ("MFC" or the "Project") a Botswana Nickel-Copper-PGMs exploration project 100% owned by Kalahari Key.

Power Metal Resources has an 18.26% shareholding in Kalahari Key and also has a right by 31 December 2019 to elect to earn into a 40% direct project interest in the Molopo Farms Complex project, through an investment of US\$500,000 in the Project by 31 December 2020 (the "Earn-in").

Should the Company elect to earn in, Power Metal Resources will hold an effective economic interest of 50.96% in the Project.

The Company's Kalahari Key acquisition agreement was announced on 13 May 2019 and readers can review this announcement through the following link:

<https://www.powermetalresources.com/n/n104/acquisition-and-earn-in-agreement-botswana-project>

Paul Johnson, Executive Director of Power Metal Resources plc commented: "I am pleased to advise that, as previously indicated, the KKME team have now completed the ground geophysics programme.

The extensive data collected from the 11 loops, covering the 10 best target areas, will now be interpreted with a view to designing a drill programme to test the key targets.

I look forward to receiving the results of that interpretation process which are expected to be received by the Company later this month."

Highlights:

- Spectral Geophysics, Gaborone, Botswana have now completed the ground geophysics programme over targets for Ni-PGM mineralization identified by a recently completed helicopter-supported, High-resolution electro magnetic survey (the "EM Survey");
- In total 11 loops were conducted on 10 of the best target areas from the 17 target areas identified from the EM survey;
- The data from the programme is now being interpreted and the KKME team will be hosting a technical review meeting shortly to review the findings;

- KKME expect to have defined top priority drill targets by the end of August 2019;
- In parallel and in preparation for the planned drill programme KKME are preparing the relevant environmental submissions required in Botswana prior to commencement of drilling;
- Also, KKME are in discussions with drilling companies to ensure, subject to environmental approvals, that the drilling contractors are in place and able to undertake the required drill programme;
- POW will provide a further update outlining the top priority drill targets and next steps, when this information becomes available to the Company.

GROUND GEOPHYSICS FURTHER INFORMATION

The system employed was the High-Power Electro-Magnetic ("HPEM") transmitter capable of transmitting up to 200A together with the ultra-sensitive Supracon Jesse-Deep SQUID ("superconducting quantum interference device ") sensor hooked up to the industry standard EMIT Smartem24 receiver.

Transmitter loops of approximately 1km by 1km were laid out using 35mm² aluminium wire and lines (100 or 200m spacing) were surveyed at either 50m or 100m reading interval, depending on depth to target.

In total 11 loops were undertaken around 10 individual targets from the original helicopter EM Survey.

BACKGROUND TO KALAHARI KEY AND THE MFC PROJECT

Kalahari Key, registered in Botswana, is a mineral exploration and geological consultancy company that was established by Roger Key, Andy Moore, Simon Bate and Rick Bonner in November 2014.

In November 2016 the company acquired two mineral exploration licences (PL310/2016 and PL311/2016) from the Botswana Government. The licences cover the eastern and central parts of a shear/feeder zone through the centre of the Bushveld-related Molopo Farms Complex in southern Botswana. A third licence (PL202/2018) was acquired in early 2018 immediately to the south of PL311/2016.

The target mineralization is Ni-PGM in the shear/ feeder zone. Re-processing and re-interpretation of existing high-resolution airborne magnetic data and regional gravity data was initially used to identify target areas. Selected core from previous exploration programmes has also been examined to better understand the geology of the Complex.

Towards the end of 2018, NRG™ was contracted to complete a high-resolution airborne magnetic and Electro Magnetic survey over the feeder/shear zone using their Xcite™ methodology. The preliminary analysis of the new geophysical data has to date identified 17 conductor targets within the feeder/shear zone.

PROJECT LEVEL 40% EARN-IN TO THE MFC PROJECT

Not later than 31 December 2019 POW may elect, at its sole discretion, to earn-in to 40% of the MFC Project by entering into and then fulfilling a commitment to spend US\$500,000 ("Committed Spend") during the period to 31 December 2020.

Upon POW entering into the Earn-in (or earlier with the agreement of all parties) an MFC Project operational committee (the "Committee") will be established comprising members Roger Key (Kalahari Key Director), Andrew Bell (POW Director) and Andrew Moore (Kalahari Key Director). The Committee will determine the allocation of the Committed Spend and management of operational activities. Upon completion of the Earn-in expenditure requirement POW will hold 40% of the MFC Project

The Committed Spend will be applied primarily to the completion of drilling of four targets at the MFC Project.

Also, upon POW entering into the Earn-in (or earlier if agreed by all parties) Paul Johnson (POW Director) will join the Board of Kalahari Key.

Neither the Committee members nor the existing or new directors of Kalahari Key will be remunerated for their services.

Also, upon the Company entering into the Earn-in, a Joint Venture Agreement will be established between the parties which will determine strategy, operational management and corporate structuring. This will include the usual fund or dilute provisions unless an alternate structure is agreed by the parties.

The information contained within this announcement is considered to be inside information prior to its release, as defined in Article 7 of the Market Abuse Regulation No.596/2014 and is disclosed in accordance with the Company's obligations under Article 17 of those Regulations.

For further information please visit <https://www.powermetalresources.com/> or contact:

Power Metal Resources plc

Paul Johnson (Executive Director)

+44 (0) 7766 465 617

SP Angel Corporate Finance (Nomad and Joint Broker)

Ewan Leggat

+44 (0) 20 3470 0470

SI Capital Limited (Joint Broker)

Nick Emerson

+44 (0) 1483 413 500

Notes to Editors:

Power Metal Resources plc (LON:POW) is an AIM listed African focused metals exploration and development company exploring for the key metals used in power generation, transmission, storage and utilisation. The Board and team of advisors, who have proven expertise in exploration, mining

and project generation, have identified an opportunity to utilise the Company's position to become a leader in the London market for investors to gain exposure to the power metal commodity suite, particularly cobalt, lithium, copper and nickel.