

19 February 2020

Power Metal Resources PLC
(“Power Metal” or “POW” or “Company”)

Director Appointment and Issue of Director Share Options

Power Metal Resources PLC (LON:POW) the AIM listed metals exploration and development company is pleased to announce a new director appointment. In addition, POW announces the issue of share options to Directors.

New Non-executive Director Appointment

POW announces the appointment of Edmund (“Ed”) Charles Frederick Shaw as a Non-Executive Director, with immediate effect.

As part of the terms of his appointment and in line with the previous grant of share options to Directors in 2019, Mr Shaw will be awarded with options over 5 million ordinary shares of 0.1 pence each in the Company (“Ordinary Shares”) at an exercise price of 1.0p per Ordinary Share vesting immediately, however subject to the hurdle condition that the volume weighted average share price of POW must trade in excess of 1.5p for five consecutive trading days before the options become exercisable. The options will have a three year life to expiry and, in addition, Mr Shaw must complete twelve months service to the Company before the options become exercisable.

Further information on Ed Shaw:

Edmund Charles Frederick Shaw, aged 47, is or has been a Director of the following companies in the last five years:

Current Directorships

NewPeak Capital LLP
Hutton Capital LLP

Previous Directorships

Dunton Capital LLP
Manders & Shaw Limited
ShawCap Limited

In addition to the share options outlined above Mr Shaw currently holds 5 million Ordinary Shares representing 0.905% of POW’s issued share capital and a warrant over 5 million Ordinary Shares with an exercise price 0.70p.

New Non-Executive Director Share Options

POW announces that Non-executive Directors Iain MacPherson and Scott Richardson Brown have each been awarded share options over 5 million Ordinary Shares vesting immediately and with a three year life to expiry. These options, commensurate with the options awarded to Ed Shaw above, have an exercise price of 1.0p, however these are subject to the hurdle condition that the volume weighted average share price of POW must trade in excess of 1.5p for five consecutive trading days before the options become exercisable.

Reissue of Executive Director Options under an EMI Scheme

Paul Johnson (POW CEO) and Andrew Bell (POW Chairman) were each awarded share options over 13,613,929 Ordinary Shares as part of the POW restructuring and refinancing in February 2019, approved by shareholders at General Meeting.

These options have been cancelled and the same number reissued on exactly the same terms as the original options awarded to Paul Johnson and Andrew Bell. This includes a 1.0p exercise price, a volume weighted average hurdle price of 1.5p for five consecutive trading days and an expiry date of 15 February 2022.

This cancellation and reissue has enabled the options to be issued within Enterprise Management Incentive tax efficient wrappers, which enables Directors to exercise options providing additional working capital to the Company but without the risk of penal income tax charges on exercise.

Overall Summary of Director Options

Following the above option issues the following director options are held:

Director	Number of Ordinary Shares under option	Terms
Andrew Bell (Chairman)	13,613,929	1.0p exercise price, 1.5p hurdle before exercise, expiry 15/02/2022
Paul Johnson (CEO)	13,613,929	1.0p exercise price, 1.5p hurdle before exercise, expiry 15/02/2022
Scott Richardson Brown (NED)	5,000,000	1.0p exercise price, 1.5p hurdle before exercise, expiry 19/02/2023
	500,000	5.0p exercise price, expiry 28/08/2023
	500,000	5.0p exercise price, expiry 28/08/2023 (vest on 28/08/2020)
Iain MacPherson	5,000,000	1.0p exercise price, 1.5p hurdle before exercise, expiry 19/02/2023
Edmund Shaw	5,000,000	1.0p exercise price, 1.5p hurdle before exercise, expiry 19/02/2023. Only exercisable after 12 months service.
Total	43,227,858	

Paul Johnson, Chief Executive Officer of Power Metal Resources PLC, commented:

“I am pleased to announce Ed’s appointment to the board at this key time in the Company’s development, notably as we move into the planned drilling phase at the Molopo Farms Complex project in Botswana.

I am also pleased to announce the issue of options to the non-executive directors, with a 1.0p exercise price but importantly with a 1.5p hurdle before they can be exercised. That means the

share price of POW must increase from the current mid-market price by 300%, at least for 5 consecutive trading days, before the options become exercisable. I believe this demonstrates alignment of the interests of Directors with shareholder interests.

I look forward to reporting further business developments to shareholders as we continue our planned work programmes.”

NOTIFICATION AND PUBLIC DISCLOSURE OF TRANSACTIONS BY PERSONS DISCHARGING MANAGERIAL RESPONSIBILITIES AND PERSONS CLOSELY ASSOCIATED WITH THEM

1	Details of the person discharging managerial responsibilities / person closely associated	
a)	Name	1. Andrew Bell
2	Reason for the notification	
a)	Position/status	1. Executive Chairman
b)	Initial notification /Amendment	Initial Notification
3	Details of the issuer, emission allowance market participant, auction platform, auctioneer or auction monitor	
a)	Name	Power Metal Resources Plc
b)	LEI	213800VNXOUPHTX53686
4	Details of the transaction(s): section to be repeated for (i) each type of instrument; (ii) each type of transaction; (iii) each date; and (iv) each place where transactions have been conducted	
a)	Description of the financial instrument, type of instrument	options over ordinary shares of 0.1p each
	Identification code	ISIN: GB00BYWJZ743

b)	Nature of the transaction	1. Issue of 13,613,929 director options					
c)	Price(s) and volume(s)	<table border="1"> <thead> <tr> <th>Price(s)</th> <th>Volume(s)</th> </tr> </thead> <tbody> <tr> <td>1.0 pence</td> <td>13,613,929</td> </tr> </tbody> </table>		Price(s)	Volume(s)	1.0 pence	13,613,929
Price(s)	Volume(s)						
1.0 pence	13,613,929						
d)	Aggregated information						
	- Aggregated volume	13,613,929					
	- Price	1.0p					
e)	Date of the transaction	19 February 2020					
f)	Place of the transaction	XLON					

1	Details of the person discharging managerial responsibilities / person closely associated		
a)	Name	1. Paul Johnson	
2	Reason for the notification		
a)	Position/status	1. Chief Executive Officer	
b)	Initial notification /Amendment	Initial Notification	
3	Details of the issuer, emission allowance market participant, auction platform, auctioneer or auction monitor		

a)	Name	Power Metal Resources Plc				
b)	LEI	213800VNXOUPHTX53686				
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d)	Aggregated information - Aggregated volume - Price	13,613,929 1.0p				
e)	Date of the transaction	19 February 2020				
f)	Place of the transaction	XLON				

1	Details of the person discharging managerial responsibilities / person closely associated
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a)	Name	1. Scott Richardson Brown				
2	Reason for the notification					
a)	Position/status	2. Non-executive Director				
b)	Initial notification /Amendment	Initial Notification				
3	Details of the issuer, emission allowance market participant, auction platform, auctioneer or auction monitor					
a)	Name	Power Metal Resources plc				
b)	LEI	213800VNXOUPHTX53686				
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d)	Aggregated information - Aggregated volume	5,000,000				

	- Price	1.0 pence
e)	Date of the transaction	19 February 2020
f)	Place of the transaction	XLON

1	Details of the person discharging managerial responsibilities / person closely associated	
a)	Name	1. Iain Macpherson
2	Reason for the notification	
a)	Position/status	1. Non-executive director
b)	Initial notification /Amendment	Initial Notification
3	Details of the issuer, emission allowance market participant, auction platform, auctioneer or auction monitor	
a)	Name	Power Metal Resources plc
b)	LEI	213800VNXOUPHTX53686
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a)	Description of the financial instrument, type of instrument	Options over ordinary shares of 0.1p each
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d)	Aggregated information						
	- Aggregated volume	5,000,000					
	- Price	1.0 pence					
e)	Date of the transaction	19 February 2020					
f)	Place of the transaction	XLON					

1	Details of the person discharging managerial responsibilities / person closely associated	
a)	Name	1. Edmund Shaw
2	Reason for the notification	
a)	Position/status	1. Non-executive director
b)	Initial notification /Amendment	Initial Notification
3	Details of the issuer, emission allowance market participant, auction platform, auctioneer or auction monitor	

a)	Name	Power Metal Resources plc				
b)	LEI	213800VNXOUPHTX53686				
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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.powermetresources.com/> or contact:

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Notes to Editors:

Power Metal Resources plc (LON:POW) is an AIM listed 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.