

3 July 2020

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

Kisinka Project – Preliminary Results of Field Programme

Power Metal Resources plc (LON:POW) the AIM listed metals exploration and development company is pleased to announce an update in respect of its 70% owned Kisinka Copper-Cobalt Project located some 30km East of the regional capital of Lubumbashi in the southern part of the Katangan Copperbelt in the Democratic Republic of the Congo.

HIGHLIGHTS

- Following the discovery of a large 6.8km copper anomaly running north west to south east in the 2019 field programme, in February 2020 POW launched a follow-up pitting and mapping exploration programme across the identified target area;
- The programme was carried out over 40 days to 25 May 2020, and 21 out of 24 planned pits were dug for 174.3 metres of pitting, with 16 reaching target depth and 5 pits stopped in the lateritic cover due to water return and 3 pits not attempted due to wet conditions in the field;
- The overburden profile was less than expected at 5-10m, with the water table higher than expected; two types of soil were detected, with a 0.5-3.8m argillaceous soil layer and a lateritic horizon of 1-9m, followed by saprolitic rocks including dolomitic and brecciated siltstones down to bedrock;
- 211 samples including 11 field duplicates were collected and after sample preparation at the Preparation Laboratory of the University of Lubumbashi one batch was subjected to x-ray fluorescence ("XRF") testing by an XRF Niton analyzer at the Minex Consulting offices (a correlation with R2 coefficient of 0.8835 for Co and 0.9661 for Cu was obtained, indicating good precision);
- Another batch of samples will be sent to the ALS laboratory in Johannesburg for Inductively Coupled Plasma ("ICP") multi-element testing once the airline route is re-opened;
- Results from the XRF testwork confirm the copper anomalous zones identified in the previous geochemical survey, with higher values and a wider zone detected, and open to the north west and south east;
- Copper anomalous zones are quite well correlated with major structures inferred from the detailed mapping, and in the south east with a brecciated zone situated between two strike-slip faults;

- Cobalt anomalism was indicated in both zones, more strongly to the north west, and analysis of the weathering-related elements (Mn and Fe), and the vertical distribution analysis showing copper and cobalt values increasing downwards, give evidence of a leaching process, which the spatial relationship of the anomalous zones suggests is towards the south east;
- The next steps will be planned after receipt of the ICP laboratory test results, but Minex Consulting expects to recommend a ground magnetic survey and a ground electromagnetic survey, to detect both low magnetic and chargeable lithologies and indicate structures and faulting and areas of carbonate rocks, and further pitting;

Paul Johnson Chief Executive Officer of Power Metal Resources plc commented:

“The confirmation and in fact enlargement of the copper anomalous areas detected in previous exploration enables us now to go forward with confidence. The laterization and leaching that we encountered support the theory that there may be supergene enriched mineralisation at a lower level, so we particularly want to investigate this.

The presence of cobalt partly correlated with the copper is another positive indication. After confirmation from the ICP analysis, which we may extend to include samples from the earlier termite mound sampling, we will release the data on cobalt and copper levels in the anomalies.

We were able to relate some mineralisation areas to structures and faulting, and to build on that work and generate the best drill targets we will need to carry out some geophysics.

The lockdown and interruptions to travel impacted this programme, and we are grateful to Minex Consulting and the geological team in the DRC for carrying on their work. The same factors may impact the speed at which we can go forward. But as we have reason to be optimistic, we want to get on with the work as soon as possible”.

FURTHER INFORMATION

Power Metal has completed all elements of the follow up programme at the Kisinka Project, including pitting and mapping, but excepting laboratory analysis which awaits reopening of the air routes. The programme was focussed on the target area containing the 6.8 km copper anomaly (“Target Area”), as shown in Figure 6 of the 11 July 2019 RNS announcement. There were no injuries reported and all personnel returned safely to base.

The programme was launched earlier this year as outlined in the Company’s 12 February 2020 announcement. The hardness of the material encountered during the pitting process, and late rains, caused some delay to completion, although overall the field programme accomplished its goals and we are pleased with progress at this stage.

In total 21 pits totalling 174.3 metres were dug on 9 cross-sections across the Target Area for copper, with 16 reaching target depth and 5 stopped in the lateritic overburden at around 6m due to water table contact.

From the pits 209 channel samples of 2kg each were taken, including 3 samples from the bottom end bedrock in certain pits, and including 11 QA/QC duplicate samples. After preparation at the Preparation Laboratory of the University of Lubumbashi, where samples were dried, crushed to <2mm and pulverized to -75 microns, and two pulp samples of 50g produced from each sample, one batch of which was subjected to x-ray fluorescence testing by an XRF Niton analyzer at the Minex Consulting offices together with the duplicates. A correlation with R2 coefficient of 0.8835 for Co and 0.9661 for Cu was obtained, indicating good precision. Two certified reference material samples (CRMs) of oxidised carbonate rocks containing Co and Cu were tested and performance of the XRF Niton analysis fell within the standard deviation limits.

In addition to the 16 pits reaching target depth and 5 pits stopped in the lateritic cover, 3 pits were left for possible later completion when conditions are drier.

Progress was slowed by the hardness of the massive haematitic ironstone intercepted in some pits, as well as by the water return.

The regolith in the Kisinka region is characterised by four types of saprock that were intercepted in the pits, including saprock after siltstone, brecciated siltstone, haematitic ironstone, and sandstone.

Based on the existence of the ironstone discovered overlying the siltstone, the lithological units intercepted from the pitting programme in the Kisinka region belong to the Lower Mwashya (R4.1) Formation of the Mwashya Subgroup of the predominantly dolomitic rocks of the Roan Group, itself part of the Katangan Supergroup. Notable deposits in this Formation include the Mutanda cobalt mine.

Traces of malachite copper ore in replacement mode were observed in one pit.

A detailed mapping of lithological units has been carried out and is shown with pitting locations in a detailed geological map produced from the bedrock intercepted from the pitting programme at Kisinka.

The addition of results from the pitting and XRF testing to the data from previous programmes has resulted in an enlargement of the mapped copper anomalous zone as can be seen in a Kisinka pitting Geochem Cu contour map.

Both maps may be viewed through the following link:

<https://www.powermetalresources.com/p/213/kisinka-images>

Competent Person Statement

The technical and related information in this report relates to exploration results based on information from third parties and data compiled by Steffen Kalbskopf Pr.Sci.Nat, FGSSA and Barry Kazadi (MSc), Pr.Sc.Nat, MGSSA. who are members of the South African Council for Natural Scientific Professions. Mr. Kalbskopf and Mr Kazadi have sufficient experience in the style of mineralisation and type of deposit under consideration. Mr. Kalbskopf and Mr Kazadi consent to the inclusion in this announcement of the matters based on their information in the form and context in which it

appears. Mr Kazadi is a managing Director of Mineral Exploration Associates SARL, Consultants (Under the name Minex Consulting) to the Company. Mr Kalbskopf is a self-employed consultant and managing director of Hidden Treasure Consulting and a senior associate of Minex Consulting, both independent of Power Metal Resources plc].

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:

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Notes to Editors:

Power Metal Resources plc (LON:POW) is an AIM listed metals exploration and development company seeking a large scale discovery of precious or base metals.

The Company has a portfolio including key interests in Australia, Botswana, Cameroon, The DRC and Tanzania. The interests represent large scale exploration projects targeting mainly cobalt, copper, gold, nickel and platinum group metals. Project interests range from early stage greenfield exploration to later stage drill ready prospects.

The Board and its team of advisors have expertise in project generation, exploration and development and have identified an opportunity to utilise the Company's position to become a leader in the London market for investors wishing to gain exposure to proactive metals exploration.

