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If you have sold or otherwise transferred, or you sell or otherwise transfer, all of your Ordinary Shares in Power Metal Resources plc, please send this Document together with the accompanying Form of Proxy at once to the purchaser or transferee or to the stockbroker, bank or other agent through or by whom the sale or transfer was or is effected, for onward delivery to the purchaser or transferee, except that such documentation should not be sent into the United States.

Power Metal Resources plc



(incorporated and registered in England and Wales with registered number 07800337)

Notice of Annual General Meeting

Notice of an Annual General Meeting of Power Metal Resources plc to be held at 11:00 a.m. on 30 March 2023 at Suite 53, Temple Chambers, 3-7 Temple Avenue, London, England, EC4Y 0DT (**AGM**) is set out in this Document (**Notice of AGM**).

The Board is committed to providing an open AGM and those who wish to attend the meeting will be welcome. Any changes to the accessibility of the AGM will be communicated via RNS announcement and on the Company's website.

Voting

The Board encourages shareholders to vote by proxy whether attending in person or not. This will ensure that votes are registered in accordance with shareholders' wishes regardless of any disruption around the AGM.

To Vote by Post: A Form of Proxy is enclosed with this Document. To be valid, the completed Form of Proxy (and supporting documents if applicable) must be received by the Company's registrar, Share Registrars Limited, 3 Millennium Centre, Crosby Way, Farnham, Surrey, GU9 7XX as soon as possible but in any event no later than 11:00 a.m. on 28 March 2023.

To Vote Online: As an alternative to completing and returning a hard copy Form of Proxy, you can appoint a proxy or proxies electronically by visiting www.shareregistrars.uk.com. For an electronic proxy appointment to be valid, the appointment must be received by the Company's registrar, Share Registrars Limited, no later than 11:00 a.m. on 28 March 2023.

To Vote Using CREST: CREST members may also use the CREST proxy appointment service.

Further details on voting by proxy are set out in the Notes to the Notice of AGM at the end of this document.

Questions

Shareholders are also encouraged to register any questions in advance of the AGM by submitting these to: shareholders@powermetalresources.com by 11:00 a.m. on 28 March 2023. Questions will be responded to individually and any areas of significant shareholder interest will be addressed with answers on the Company's website as soon as practicable following the AGM.

Recommendation

The Board of Power Metal Resources plc considers all of the proposed resolutions set out in the Notice of AGM to be in the best interests of the Company and shareholders as a whole and, accordingly, recommends that shareholders vote in favour of all the resolutions proposed, as the Directors intend to do in respect of their own holdings currently amounting to 5.21% of the issued share capital of the Company.

Company Number: 07800337

NOTICE OF ANNUAL GENERAL MEETING
of
POWER METAL RESOURCES PLC
(the “Company”)

NOTICE is hereby given that the Annual General Meeting of Power Metal Resources plc will be held at 11:00 a.m. on 30 March 2023 at Suite 53, Temple Chambers, 3-7 Temple Avenue, London, England, EC4Y 0DT for the purpose of considering and, if thought fit, passing the following resolutions:

Ordinary resolutions

- 1 To receive the report and accounts for the year ended 30 September 2022.
- 2 To re-appoint PKF Littlejohn LLP as auditors to the Company to hold office until the conclusion of the next general meeting at which accounts are laid before the members.
- 3 To authorise the Directors to determine the auditors' remuneration.
- 4 To appoint Owain Morton as a director of the Company.
- 5 To re-appoint Edmund Shaw as a director of the Company.
- 6 THAT the directors of the Company be generally and unconditionally authorised, under and in accordance with section 551 of the Companies Act 2006 (“the Act”), to exercise all the powers of the Company to allot shares in the Company or grant rights to subscribe for or convert any security into shares in the Company (“equity securities”) up to an aggregate nominal amount of £1,000,000 provided that this authority shall expire (unless previously renewed, varied or revoked by the Company in a general meeting) on the earlier of 15 months from the passing of this resolution or the conclusion of the Company's next AGM save that the Company may before such expiry make an offer or agreement which would or might require relevant securities to be allotted after such expiry and the directors of the Company may allot relevant securities under such offer or agreement as if the authority conferred by this resolution had not expired.

Special resolutions

- 7 THAT, subject to and conditional upon the passing of Resolution 6 above, the directors of the Company be empowered under section 570 of the Act to allot equity securities (within the meaning of Section 560 of the Act) up to an aggregate nominal amount of £1,000,000 for cash pursuant to the authority conferred under Section 551 of the Act by Resolution 6 above as if section 561 of the Act did not apply to any such allotments. Such power shall expire on the earlier of 15 months from the passing of this resolution or the conclusion of the Company's next AGM provided that the Company may before such expiry make offers or agreements which would or might require equity securities to be allotted after such expiry and the directors of the Company may allot equity securities under such offers or agreements as if the power conferred by this resolution had not expired.
- 8 THAT the Company be and is generally and unconditionally authorised to make market purchases (within the meaning of Section 693(4) of the Act) of its ordinary shares of 0.1 pence on such terms the directors think fit, provided that in doing so it:
 - (a) purchases no more than in aggregate 100,000,000 ordinary shares;
 - (b) pays not less than 1.5 pence (excluding expenses) per ordinary share; and
 - (c) pays a price not more than 5.0 pence (excluding expenses) per ordinary share.

The authority conferred by this resolution shall expire on the earlier of 15 months from the passing of this resolution or at the conclusion of the Company's next AGM save that the Company may, before the expiry of the authority granted by this resolution, enter into a contract to purchase ordinary shares which will or may be executed wholly or partly after the expiry of such authority; and

the directors may hold any such ordinary shares in Treasury and are then entitled to resell the same, satisfy the issue of new ordinary shares or cancel any such ordinary shares so acquired.

By Order of the Board

ONE Advisory Limited

ONE Advisory Limited
Company Secretary

3 March 2023

Registered Office:
201 Temple Chambers
3-7 Temple Avenue
London
EC4Y 0DT

NOTES TO THE NOTICE OF ANNUAL GENERAL MEETING

Entitlement to vote

1. In accordance with regulation 41 of the Uncertificated Securities Regulations 2001, entitlement to attend, speak and vote at the meeting and the number of votes which may be cast thereat will be determined by reference to the register of members of the Company at 11.00 a.m. on the day two days before the time appointed for the meeting or any adjournment thereof. Changes to entries on the Register of Members after that time shall be disregarded in determining the rights of any person to attend and vote at the meeting.
2. In the case of joint holders, the vote of the person first named in the register of members of the Company tendering a vote will be accepted to the exclusion of the votes of the other joint holders.
3. Shareholders can register their proxy vote(s) for the AGM either:
 1. by submitting a hard copy Form of Proxy in accordance with the instructions on the enclosed Form of Proxy and Note 7 below;
 2. online in accordance with the instructions in Note 10 below; or
 3. for CREST members, by utilising the CREST electronic proxy appointment service in accordance with the procedures set out in Note 11 below.

In order for a proxy appointment to be valid the proxy must be received by Share Registrars Limited by 11:00 a.m. on 28 March 2023 or no later than 48 hours (excluding non-business days) before any adjourned meeting.

Appointment of proxies

4. If you are a member of the Company at the time set out in note 1 above, you are entitled to appoint a proxy to exercise all or any of your rights to attend, speak and vote at the Annual General Meeting. You can only appoint a proxy using the procedures set out in these notes and the notes to the Form of Proxy. A proxy does not need to be a shareholder of the Company but must attend the meeting to represent you. You can only appoint a proxy using the procedures set out in these notes and the notes to the proxy form.
5. Details of how to appoint the Chairman of the Annual General Meeting as your proxy using the Form of Proxy are set out in the notes to the Form of Proxy. To abstain from voting on a resolution, select the relevant "Vote withheld" option. A vote withheld is not a vote in law, which means that the vote will not be counted in the calculation of votes for or against the resolution. If no voting indication is given, your proxy will vote or abstain from voting at his or her discretion. You may not appoint more than one proxy to exercise rights attached to any one share.
6. If you submit more than one valid proxy appointment, the appointment received last before the latest time for the receipt of proxies will take precedence.

Appointment of proxy by post

7. To be effective, the Form of Proxy, completed and signed, and any power of attorney or other authority under which it is signed or a notarially certified copy of such power or authority, must be lodged at the office of the Company's registrars at 3 Millennium Centre, Crosby Way, Farnham, Surrey, GU9 7XX by 11:00 a.m. on 28 March 2023. In the case of a shareholder which is a company, this proxy form must be executed under its common seal or signed on its behalf by an officer of the company or an attorney for the company.
8. To direct your proxy on how to vote on the resolutions, mark as appropriate on the Form of Proxy.
9. Any alterations made to the Form of Proxy should be initialled.

Appointment of proxy electronically

10. You can appoint a proxy online by logging on to www.shareregistrars.uk.com, clicking on the "Proxy Vote" button and then following the on-screen instructions.

Appointment of proxies through CREST

11. CREST members who wish to appoint a proxy or proxies through the CREST electronic proxy appointment service may do so for the meeting (and any adjournment of the meeting) by following the procedures described in the CREST Manual available on the website of Euroclear UK & International Limited ("Euroclear") at www.euroclear.com. CREST Personal Members or other CREST sponsored members (and those CREST members who have appointed a voting service provider) should refer to their CREST sponsor or voting service provider, who will be able to take the appropriate action on their behalf. In order for a proxy appointment or instruction made by means of CREST to be valid, the appropriate CREST message (a "CREST Proxy Instruction") must be properly authenticated in accordance with Euroclear's specifications and must contain the information required for such instructions, as described in the CREST Manual. The message (regardless of whether it constitutes the appointment of a proxy or an amendment to the instruction given to a previously appointed proxy) must, in order to be valid, be transmitted so as to be received by Share Registrars Limited, (whose CREST ID is 7RA36), by 11:00 a.m. on 28 March 2023.

Termination of proxy appointments

12. In order to revoke a proxy instruction, you will need to inform the Company using one of the following methods:
 - (a) By sending a signed hard copy notice clearly stating your intention to revoke your proxy appointment to the Company's registrars at 3 Millennium Centre, Crosby Way, Farnham, Surrey, GU9 7XX. In the case of a member which is a company, the revocation notice must be executed under its common seal or signed on its behalf by an officer of the company or an attorney for the company. Any power of attorney or any other authority

under which the revocation notice is signed (or a duly certified copy of such power or authority) must be included with the revocation notice.

- (b) In either case, the revocation notice must be received by Share Registrars Limited no later than 48 hours (excluding non-business days) prior to the Meeting.
13. If you attempt to revoke your proxy appointment but the revocation is received after the time specified then, subject to the paragraph directly below, your proxy appointment will remain valid.
 14. Appointment of a proxy does not preclude you from attending the meeting and voting in person. If you have appointed a proxy and attend the Meeting in person, your proxy appointment will automatically be terminated.

Issued shares and total voting rights

15. As at 2 March 2023, the Company's total number of shares with voting rights in the Company is 1,727,574,806 ordinary shares. Each ordinary share carries the right to one vote at a general meeting of the Company and, therefore, the total number of voting rights in the Company as at 2 March 2023, is 1,727,574,806.

Explanatory Notes to the Notice of Annual General Meeting

References to the Company's issued share capital below are to the Company's issued ordinary share capital as at the close of business on 2 March 2023 (being the latest practicable date prior to the publication of this document). No shares are held in treasury.

The notes on the following pages give an explanation of the proposed resolutions. Resolutions 1-6 are proposed as ordinary resolutions. This means that for each of those resolutions to be passed, more than half of the votes cast must be in favour of the resolution. Resolutions 7 and 8 are proposed as special resolutions. This means that for each resolution to be passed, at least three-quarters of the votes cast must be in favour of that resolution.

Resolution 1: Report and Accounts

The Directors are required to present to shareholders at the AGM the audited accounts of the Company for the financial period ended 30 September 2022 together with the Auditors' report and the Directors' reports thereon. Resolution 1 addresses this requirement.

Resolutions 2 and 3 Auditors and Auditors' Remuneration

Resolution 2: Company law requires the Company, at each general meeting at which accounts are laid, to appoint the auditors who will remain in office until the conclusion of the next general meeting at which accounts are laid. PKF Littlejohn LLP has indicated its willingness to continue in office and Resolution 2 proposes to make this appointment.

Resolution 3: Authorises the Directors to agree the auditors' remuneration. It is normal practice for shareholders to resolve at the AGM that the Directors decide on the level of remuneration of the Auditor for the audit work to be carried out by it in the next financial year. The amount of remuneration paid to the Auditor for the next financial year will be disclosed in the next audited accounts.

Resolutions 4 to 5: Reappointment of Directors

In accordance with Article 103 of the Company's Articles of Association, any Director who was not elected or re-elected at either of the two preceding AGMs shall retire and be eligible to offer himself or herself for re-election. Additionally, any Director who has been appointed to the Board since the conclusion of the last AGM must accordingly retire and offer themselves for re-election. Consequently, Owain Morton who was appointed since the last AGM (Resolution 4) is retiring and seeking re-election at the Meeting and Edmund Shaw (Resolution 5) is retiring by rotation and offering himself for re-election. Brief biographies of all Directors can be found in the Annual Report and Accounts for the year ended 30 September 2022 and on the Company's website: <https://www.powermetalresources.com/company/the-board/>

Resolutions 6 & 7: Authority to Allot Ordinary Shares and Disapplication of Statutory Pre-Emption Rights

Under UK company law, directors of a company incorporated in England & Wales must have specific authority from shareholders to allot and issue any of the Company's ordinary shares. Additionally, when the directors of a company incorporated in England & Wales determine that it is in the best interests of the Company to issue shares for cash, the Company must first offer those shares on the same terms to existing shareholders of the Company on a pro-rata basis (often referred to as a statutory pre-emption right) unless this statutory pre-emption right is disapplied, or opted out of, by the approval of shareholders.

Resolutions 6 and 7 are asking shareholders to renew, until the conclusion of the 2024 AGM, the share issuance authorities approved at the last AGM to enable the issue of securities (which include the Company's ordinary shares of 0.1 pence each) for cash up to a nominal value of £1,000,000 free of statutory pre-emption rights. This is equivalent to approximately 58 percent of the current issued share capital. Resolution 6 grants authority to allot securities and resolution 7 grants authority to issue securities authorised for allotment under resolution 6 for cash, free of statutory pre-emption rights. Resolution 7 is subject to resolution 6 being passed.

The Company is seeking these authorities to ensure that we are able to respond rapidly to opportunities as they arise and execute our business strategy in a timely and competitive manner.

The Company finances and manages global resource projects and is seeking large-scale metal discoveries. In the event that any mineralisation is identified, or other opportunities to broaden the scope of the Company's activities within its overall strategy are identified, the Company will in the future require additional funds. In light of its size and status, the Board believes that equity financings are an appropriate method for the Company to support any potential future funding requirements.

Equity financings in the United Kingdom are now routinely done via private placings or an accelerated book build process. This can be a rapid process with transactions often announced and closed within a matter of hours. It is therefore important that in the event of an equity financing, the Company has authorities already in place for the disapplication of pre-emption rights to permit it to raise funds as efficiently as possible on the best terms available and in a timely fashion that may help to avoid unnecessary dilution of existing shareholders.

While the Company would still have the ability to seek shareholder approval in connection with a specific issuance of shares should resolutions 6 and/or 7 not be approved by shareholders, the Board considers that this would introduce elements of uncertainty, delay and additional cost which could compromise the Company's ability to take advantage of and/or optimise opportunities that arise. Specifically, the requirement to first offer shares that we propose to issue for cash to all of our existing shareholders in time-consuming and expensive pro-rata rights offerings would considerably reduce the speed at which we could complete capital-raising activities as we seek to execute our growth strategy, would increase our costs, might otherwise make it difficult to complete such transactions, and could put your business at a distinct competitive disadvantage.

The Company has no immediate plans, arrangements or understandings to use the authorities granted by resolutions 6 and 7 at the date hereof.

UK market practice is that resolutions to dis-apply pre-emption rights are typically limited to 20% of share capital, irrespective of the cash flows, funding needs, development stage or sector of the business. In practice, this means that resolution 7 would likely receive a negative voting recommendation from proxy advisory agencies. For the reasons set out above, the Company respectfully disagrees with this approach in respect of its own circumstances.

In summary, it is the belief of the Board that the proposals contained in resolutions 6 and 7 are appropriate for the needs of the Company and are in the best interests of shareholders as a whole.

The authority granted in each of resolutions 6 and 7 will expire at the conclusion of the Company's next Annual General Meeting or fifteen months after the date on which the resolutions are passed, whichever is the earlier.

Resolution 8 – Authorisation for the Company to Purchase its Own Shares

If passed, this resolution will grant the Company authority, for a period of up to 15 months from the date of passing of the resolution, to buy its own shares in the market. The resolution limits the number of shares that may be purchased to an aggregate of 100,000,000 ordinary shares. The price per ordinary share that the Company may pay is set at a minimum amount (excluding expenses) of 1.5 pence per ordinary share and a maximum amount (excluding expenses) of 5.0 pence per ordinary share.

The Company has no immediate plans, arrangements or understandings to use the authorities granted by resolution 8 at the date hereof.