



Power Metals Announces Planned Drill Program at Paterson Lake

VANCOUVER, BRITISH COLUMBIA – (January 10th, 2018) - Power Metals Corp. ("Power Metals Corp." or the "Company") (TSX VENTURE:PWM)(FRANKFURT:OAA1)(OTC:PWRMF) is pleased to announce that it has started planning for a drill program at Paterson Lake, 60 km north of Kenora, northwestern Ontario. Power Metals has an approved Exploration Permit from Ontario Ministry of Energy, Northern Development and Mines for drilling at Paterson Lake.

Power Metals has two lithium drill targets at Paterson Lake located along two parallel northeast-southwest petalite pegmatite trends (Figure 1):

1. Marko's pegmatite
2. Jesse's pegmatite

Highlights of Marko's pegmatite include:

- over 268 m strike length on surface
- 3.36 to 4.43 % Li₂O range for 13 grab samples.
- 559 to 1398 ppm Ta range for 5 grab samples
- 19 historic drill holes on Power Metals' Paterson Lake Property
- historic drilling showed that there is both Lithium and Tantalum mineralization at depth on the Marko's pegmatite and it is not just one pegmatite dyke but two: Marko's and North Marko's.

The Marko's pegmatite is one of the top three pegmatites for Lithium and Tantalum mineralization in the Separation Rapid Greenstone Belt and is drill ready. On surface, Marko's pegmatite is along the contact of an iron formation and gabbro ridge. The historical drilling did not test the western extension of the Marko's pegmatite which is open along strike. It should be relatively easy to follow the edge of the iron formation and gabbro ridge to extend the strike length of the Marko's pegmatite.

Highlights of Jesse's pegmatite (Figure 2):

- discovered in June 2018 by Power Metals geologists
- consists of at least 4 parallel east-west trending dykes exposed on surface: North, Between North and Jesse's, Jesse's and South Dykes
- 190 m between North and South Dykes
- 1.01 to 3.26 % Li₂O for 12 grab samples



- Up to 271 ppm Ta in grab samples

All of Jesse's petalite dykes are deformed and sheared similar to that at Avalon's Separation Rapids Lithium Property located 3.7 km to the west. The dykes are characterized by recrystallization textures and banding. The pegmatite dykes are hosted by metasedimentary and mafic metavolcanics rocks which occur along ridges. The pegmatite dykes are zoned with fine-grained aplite outer zones enriched in Ta and coarse-grained petalite-K-feldspar-quartz-muscovite with trace garnet core zones enriched in Li. Stripping is recommended to extend the strike length of each dyke.

Jesse's Dykes all have the same roughly east-west strike as the other pegmatites in the Separation Rapids Greenstone Belt. Jesse's, Rhea's and Cook's pegmatites are along the same contact between mafic metavolcanics and metasediments as other petalite pegmatites historically mapped by Ontario Geological Survey: Draven, Black Bear, Ballpeen, Pegmatites # 5, 6, 7, 8, 9, 10 and 11.

About 236 m west of Jesse's North Dykes, along the same metasedimentary ridge, another petalite pegmatite was discovered with 0.94 % Li_2O . This West Dyke is a possible extension of the North Dykes. This West Dyke has the same mineralogy as Jesse's pegmatite indicating significant exploration potential to find more petalite dykes along this 236 m long ridge (Figure 2).

At Jesse's and Marko's pegmatites, petalite is the dominant lithium ore mineral, but spodumene is also present in the dykes. Petalite ($\text{LiAlSi}_4\text{O}_{10}$) is the high temperature lithium aluminosilicate whereas spodumene ($\text{LiAlSi}_2\text{O}_6$) is the low temperature/high pressure lithium aluminosilicate. Both petalite and spodumene can be used to produce lithium carbonate and lithium hydroxide for lithium batteries.

Paterson Lake Property occurs within the Separation Rapids Greenstone Belt which is also home to the Big Whopper and Big Mack petalite pegmatites. Separation Rapids Greenstone Belt is known as the Bird River Greenstone Belt in Manitoba which hosts the Tanco pegmatite.

Power Metals' Paterson Lake property consists of 106 cell claims within the Paterson Lake and Treelined Lake Areas. The Property is approximately 7 km x 3 km in size. Power Metals optioned the Paterson Lake property in 2017 because the property has multiple known petalite pegmatite dykes on surface, but yet is still underexplored.

Dr. Selway, VP of Exploration, stated "I am looking forward to a drill program at Paterson Lake on Marko's pegmatite and stripping and drilling on Jesse's Pegmatite. The last historic drilling on the Marko's pegmatite was in 2002. There is potential to extend both pegmatites along strike."

Paterson Lake

Paterson Lake Property is located in Paterson Lake and Treelined Lake Areas, 60 km north of Kenora, NW Ontario close to the Ontario-Manitoba border. Paterson Lake Property is located within the Separation Rapids Greenstone Belt and hosts multiple petalite-bearing pegmatite dykes. The Property was optioned from Exiro Minerals Corp. in 2017 (Power Metals press release dated April 20, 2017). Avalon Advanced Materials Separation Rapids Lithium Project with 8.12 Mt at 1.37 % Li_2O measured + indicated resources as of November 15, 2017 is located 1.2 km from the Paterson Lake Property.

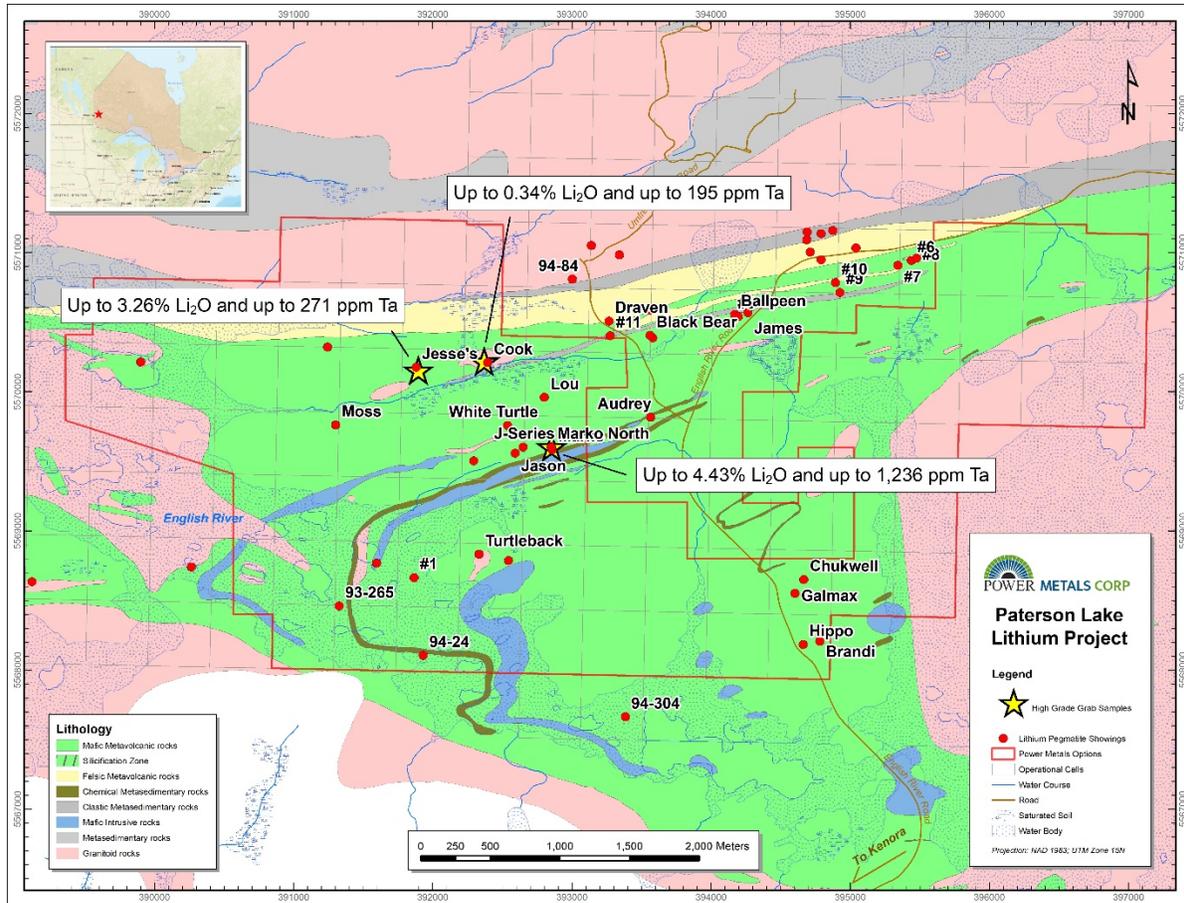


Figure 1 Geology map of Marko's, Jesse's and other petalite pegmatite occurrences in Separation Rapids Greenstone Belt, northwestern Ontario.

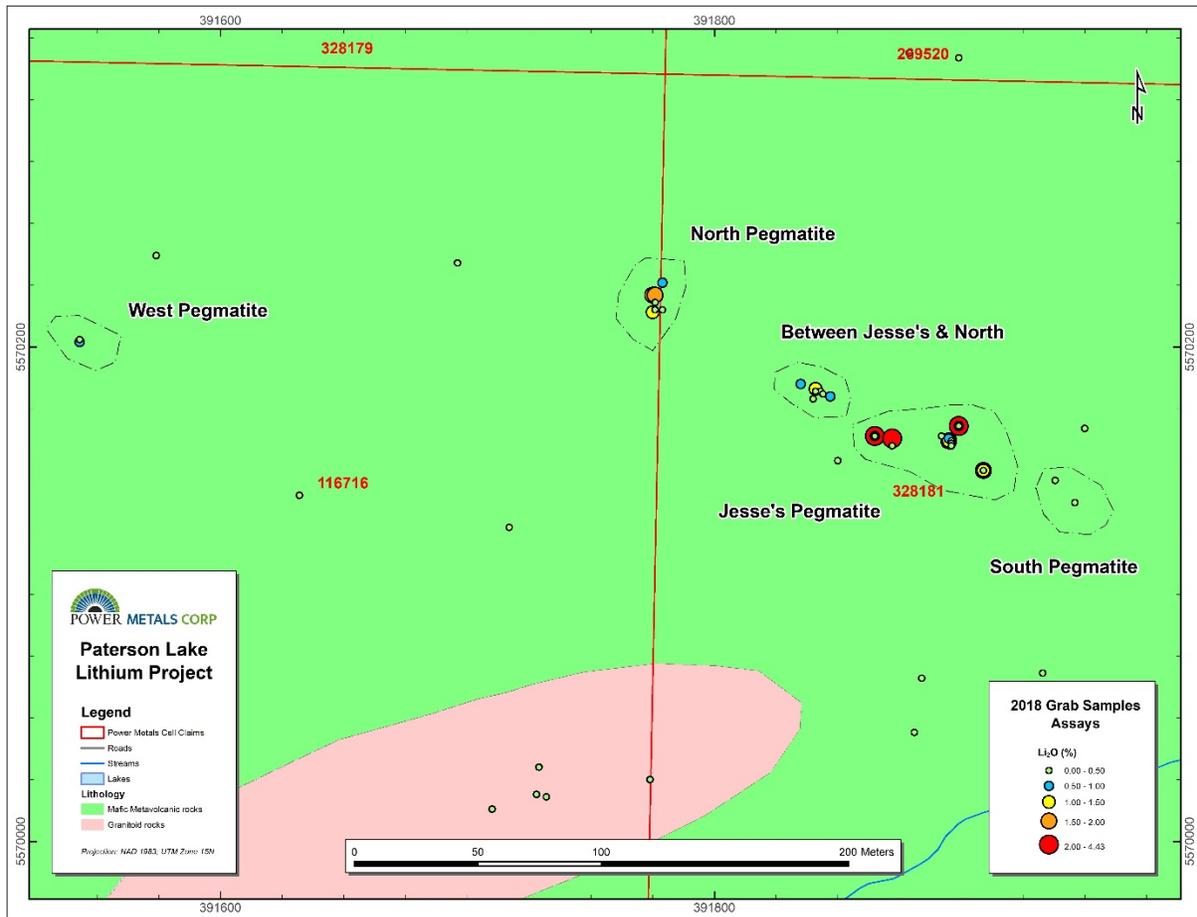


Figure 2 Map of surface samples colour coded by lithium grade at Jesse's pegmatite, Paterson Lake Property.

Case Lake

Case Lake Property is located in Steele and Case townships, 80 km east of Cochrane, NE Ontario close to the Ontario-Quebec border. The Case Lake pegmatite swarm consists of six spodumene dykes: North, Main, South, East and Northeast Dykes on the Henry Dome and the West Joe Dyke on a new tonalite dome.

Qualified Person

Julie Selway, Ph.D., P.Geo. supervised the preparation of the scientific and technical disclosure in this news release. Dr. Selway is the VP of Exploration for Power Metals and the Qualified Person ("QP") as defined by National Instrument 43-101. Dr. Selway is supervising the exploration program at Case Lake. Dr. Selway completed a Ph.D. on granitic pegmatites in 1999 and worked for 3 years as a pegmatite geoscientist for the Ontario Geological Survey. Dr.



Selway also has twenty-three scientific journal articles on pegmatites. A National Instrument 43-101 report has been prepared on Case Lake Property and filed on July 18, 2017.

About Power Metals Corp.

Power Metals Corp. is a diversified Canadian mining company with a mandate to explore, develop and acquire high quality mining projects. We are committed to building an arsenal of projects in both lithium and high-growth specialty metals and minerals. We see an unprecedented opportunity to supply the tremendous growth of the lithium battery and clean-technology industries. Learn more at www.powermetalscorp.com

ON BEHALF OF THE BOARD,

Johnathan More, Chairman & Director

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