



Power Metallic (TSXV:PNPN)

FLASH NOTE

SUMMARY

Power Metallic reported additional drill results today from the summer 2025 drill program on its 100% owned Nisk property. Though the market is still waiting for the next lion discovery to emerge, Power Metallic continues to find success, expanding the Lion Zone which is already world class.

A busy winter drill program is kicking off before Christmas which will offer a number of potential meaningful drilling catalysts to the stock throughout 2026.

News Release Highlights

- Hole PML-25-029b intersected mineralization below the central high-grade zone of Lion, including High-grade sulphide intersections of 4.40m @ 14.34% CuEqRec included within 20.40m of 3.58% CuEqRec1, and 1.59m @ 27.92% CuEqRec in hole PML-25-025, included in 19.8m of 2.71% CuEqRec. These holes have positively confirmed high grade mineralization down-plunge, increasing the potential size of the Lion Zone.
- Management has decided to test the west side of the Nisk deposit after acquiring additional land that is on trend with the Lion Zone. This could be a smart move as it will test the extension of the current Nisk deposit which could yield similar results to step-outs on the east side while taking on lower geological risk.
- The market will be closely watching drill assays from the high potential “Lion Deep” borehole anomaly. With permits in hand management will break ground before Christmas with first assays to come in the first quarter of 2026.

RATING: **BUY**
 TARGET: **\$2.75**
 POTENTIAL RETURN: **195%**

December 2nd, 2025
 Metals & Mining

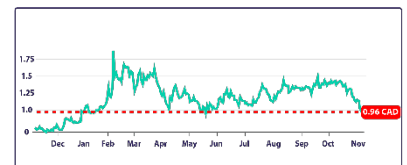
*Distributed on behalf of
 Power Metallic*

KEY STATISTICS

Market Cap (C\$M): 216M
 Enterprise Value (C\$M): 167M
 Common Shares (M): 233M
 Diluted Shares (M): 284M
 Inst. Ownership (%): 48%
 Avg Volume (30 Days): 1.04M shares

VALUATION

NPV/PS (Est): C\$1.40/sh
 P/NPV (Est): 0.66x
 EV/t (Resources US\$/t): \$16.76



KEY ASSETS



Our Thoughts

While the drill results released today didn't contain the second big polymetallic hit investors have been looking for, the company continues to methodically and successfully define a larger resource at the Lion Zone while working through the remaining 80,000 meters of fully funded drilling planned for the next 12 months.

Assays from December 2nd Press Release

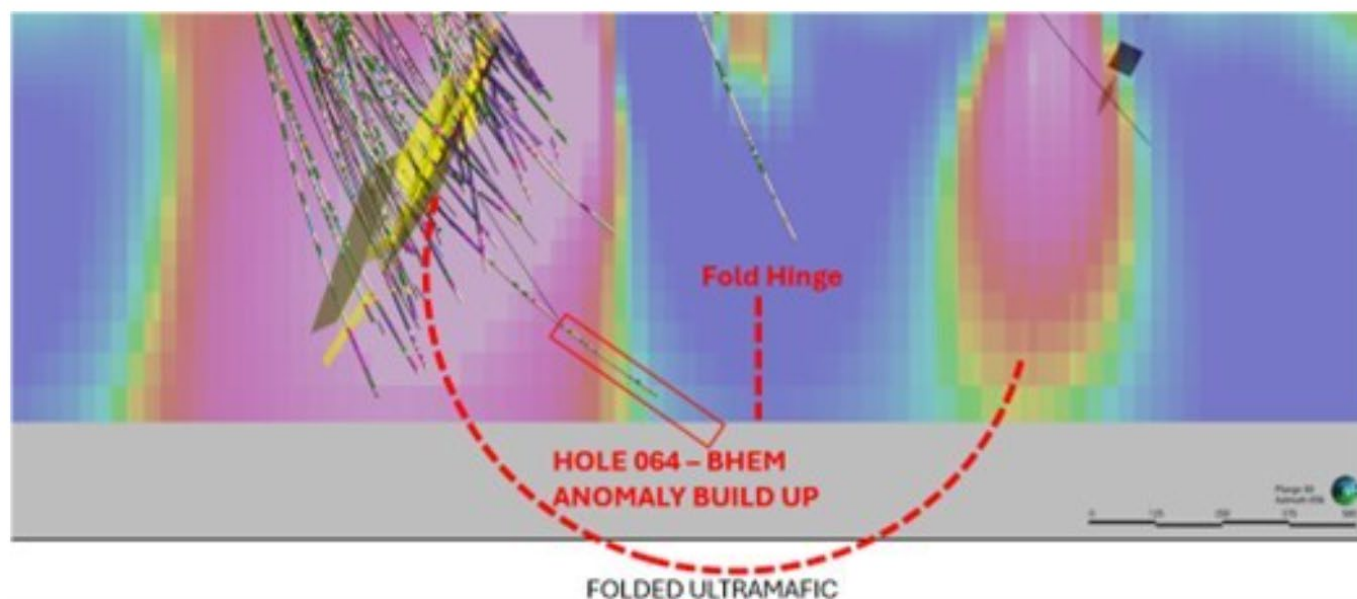
Hole	From (m)	To (m)	Length (m)	Au (g/t)	Ag (g/t)	Cu (%)	Pd (g/t)	Pt (g/t)	Ni (%)	CuEq Rec* (%)
LION										
PML-25-025a	355.00	374.80	19.80	1.50	8.25	0.98	1.52	0.19	0.10	2.71
Including	369.46	371.05	1.59	18.06	82.45	10.55	15.74	0.32	0.34	27.92
and	390.60	391.60	1.00	6.09	20.10	3.50	12.10	0.10	0.30	12.10
PML-25-029b	499.00	519.40	20.40	0.39	19.79	2.91	0.93	0.10	0.21	3.58
Including	514.00	518.40	4.40	0.69	73.25	12.18	3.77	0.48	0.95	14.34
PML-25-031	483.40	491.50	8.10	4.38	11.32	1.12	5.68	2.76	0.14	7.13
Including	484.35	487.00	2.65	13.12	10.13	1.80	13.84	6.36	0.23	17.79
NISK EAST										
PMN-25-005	411.00	412.00	1.00	0.02	0.90	1.54	0.20	0.02	0.39	2.25
and	425.70	431.70	6.00	0.03	0.46	0.18	0.53	0.02	0.64	1.86
including	425.70	429.70	4.00	0.04	0.55	0.20	0.68	0.03	0.81	2.34
PMN-25-006	no significant results									
PMN-25-007	no significant results									
PMN-25-008	no significant results									
PMN-25-009	441.00	442.00	1.00	0.01	0.90	0.19	0.32	0.04	0.78	2.10
PMN-25-010	no significant results									
PMN-25-011	398.00	406.00	8.00	0.01	0.44	0.05	0.11	0.03	0.21	0.58

Note: Reported length is downhole distance; true width based on model projections is estimated as 85% of downhole length

Source: Power Metallic

What we are watching even more closely than additional Lion drill holes is the company's exploration of three strategic target areas supported by geology and borehole EM that look promising to deliver our next big breakthrough. Specifically, what the company is calling "Tiger Deep" looks to be a large conductor that was previously not accessible due to it lying on the border of lands owned by both Power Metallic and the province of Quebec. With the recent land acquisition out of the way and drilling permits in hand, management seems excited to begin testing this anomaly before Christmas break.

Cross section from Lion to southern Hydro land showing magnetic inversion and interpreted ultramafic structures including fold.



Source: Power Metallic

Tiger Deep is based on reinterpretation of previous Tiger drilling that suggests Tiger is made up of 'rip-up' blocks of massive Ni-Cu sulphides carried in a tonalitic intrusion from a deeper larger deposit. This is supported by the fact that Tiger massive sulphides are hosted in a late tonalitic intrusion, and that recent surface mapping in the area discovered similar 'rip-up' blocks in outcrop of both massive sulphides, and ultra-mafic in tonalite intrusions. Based on what the geology team knows about the Tiger zone so far, they believe the fold hinge anomaly holds great promise.

Power Metallic has already found one of the highest-grade polymetallic deposits of the last decade, but if they can discover one more Lion zone, spread across their 212 square kilometer land package, the market will start valuing the company like the next Voisey's Bay, not just another mid-tier nickel developer.

As we mentioned in our [initiation report](#) from November, the stock is pricing in only another 2.5Mt of resource above the current 7.1Mt. We think the Nisk property could ultimately hold 9-73Mt, offering investors a heavily discounted entry point at the current stock price of C\$0.93/sh.

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Qualified Person

Douglas L. Beahm, P.E., P.G., principal engineer at BRS Inc. and the Chief Operating Officer of the Company, is a Qualified Person as defined in NI 43-101 and has reviewed and approved the technical content of this report.

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