



## Power Metallic (TSXV:PNPN)

### FLASH NOTE

### SUMMARY

Power Metallic reported additional drill results today from the Fall 2025 drill program on its 100% owned Nisk property. With hole PML-26-049 encountering 16.55m of 15.11% CuEqRec, the best intercept on Lion to date, the results improve continuity, strengthen the case for higher-confidence resource tonnes, enhance potential starter-pit economics, and also keep the expansion story alive.

### News Release Highlights

- Hole PML-26-049, resulted in the best copper intersection to date on the Lion Zone, intersecting massive to brecciated Cu sulphides over 16.55m @ 10.08% Cu (15.11% CuEqRec). This hole greatly expands the zone near surface that may be amenable to early open pit extraction in a possible future mining operation.
- Holes PML-25-035 and 038 were exploration holes drilled 700m and 250m east of Lion respectively. Though they encountered non-economic zones of mineralization, follow-up borehole electromagnetic testing will further narrow down additional exploration targets in the area.
- The market will be closely watching drill assays from upcoming high potential “elephant” and “tiger deep” borehole anomalies. With permits in hand management will likely release results in Q2 or early Q3.

RATING: **BUY**  
 TARGET: **\$2.75**  
 POTENTIAL RETURN: **133%**

March 11th, 2026  
 Metals & Mining

*Distributed on behalf of  
 Power Metallic*

#### KEY STATISTICS

Market Cap (C\$M): 273M  
 Enterprise Value (C\$M): 180M  
 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

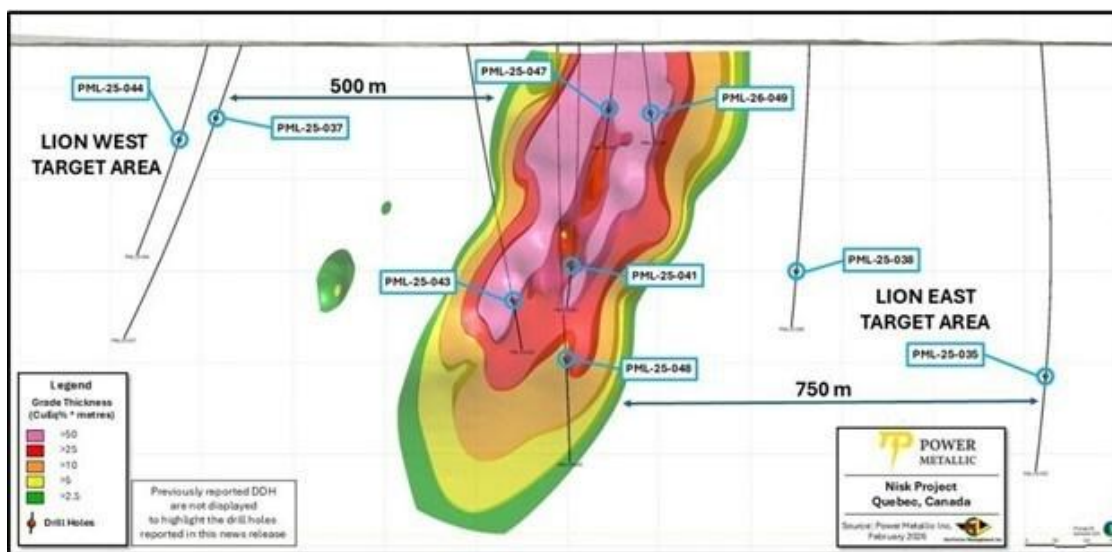
These are strong results because they do three important things at once for Power Metallic: they improve grade confidence inside the modeled Lion shell, they strengthen the case for near-surface starter tonnes, and they add evidence that Lion is not just a narrow high-grade one-off but a growing, internally consistent polymetallic system.

The headline hole, PML-26-049, is especially important. At 16.55 m of 15.11% CuEqRec with 10.08% Cu, it is better than many of the company's earlier standout Lion holes on a grade-thickness basis and is described by the company as the best copper intersection to date at Lion. That matters because prior 2025 highlights had already set a high bar, including PML-25-012a at 12.54 m of 10.99% CuEq and later summer infill holes such as PML-25-015 at 28.0 m of 4.28% CuEq including 3.4 m of 15.45% CuEq, and PML-25-020 at 22.66 m of 4.57% CuEq including 6.05 m of 9.70% CuEq. Against that backdrop, 25-049 is not just "good," it is one of the best proof points yet that very high-grade copper-rich massive sulphides persist within the zone and can occur over mineable widths.

What makes these results more valuable than a typical exploration hit is that they are tied to the company's stated 2025 objective: infill drilling to support a future mineral resource estimate and, specifically, to tighten spacing enough to push parts of Lion toward indicated confidence. Power Metallic said the summer 2025 Lion work was designed for infill on roughly 50 m centres for future resource estimation, while the broader 2025 Lion plan was to both extend the plunge and infill gaps to add tonnes.

The new release says the interpreted zone geometry is showing "high repeatability," which is exactly what you want to hear before the MRE, planned for some time later in 2026.

### Assays Map from March 10<sup>th</sup> Press Release



Source: Power Metallic

Economically, the biggest improvement is the strengthening of the shallow part of Lion. Management explicitly says 25-049 expands a near-surface zone that may be amenable to early open-pit extraction. That could be highly meaningful because shallow, very high-grade tonnes can improve a future mine plan by lowering initial stripping intensity, accelerating payback, and boosting early cash flow.

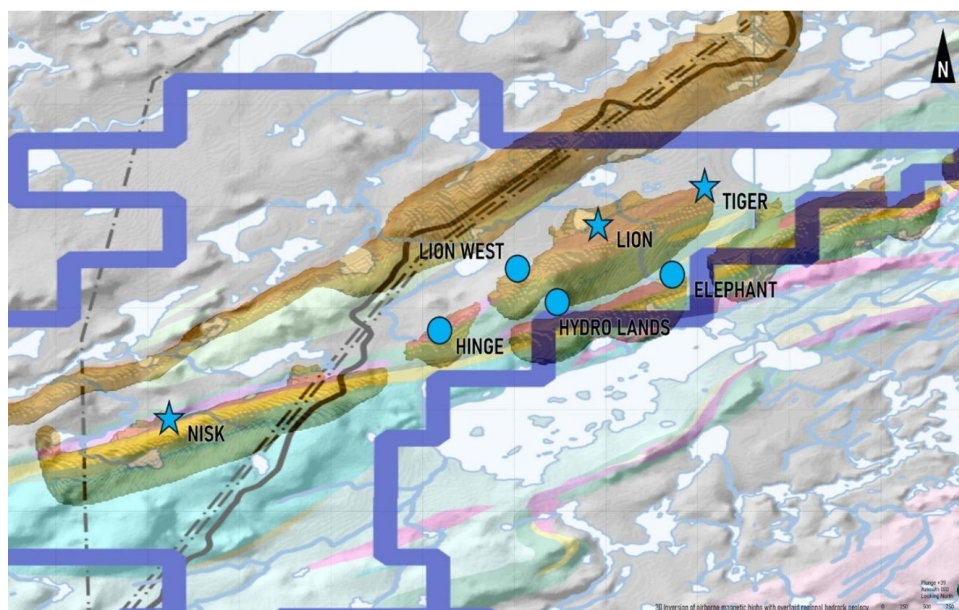
Table 1: Lion Results - Fall 2025 and First Hole 2026

Hole	From	To	Length	Au	Ag	Cu	Pd	Pt	Ni	CuEq Rec*
	(m)	(m)	(m)	(g/t)	(g/t)	(%)	(g/t)	(g/t)	(%)	(%)
<b>LION MRE Near Surface</b>										
<b>PML-25-047</b>	114.50	123.50	9.00	0.15	4.42	0.36	3.22	0.00	0.00	1.85
<b>and</b>	<b>143.35</b>	<b>147.50</b>	<b>4.15</b>	<b>0.32</b>	<b>27.94</b>	<b>4.16</b>	<b>3.69</b>	<b>0.97</b>	<b>0.17</b>	<b>6.80</b>
<b>PML-26-049</b>	<b>147.00</b>	<b>162.55</b>	<b>16.55</b>	<b>1.64</b>	<b>47.40</b>	<b>10.08</b>	<b>5.54</b>	<b>1.13</b>	<b>0.42</b>	<b>15.11</b>
<b>LION MRE Deep</b>										
<b>PML-25-041</b>	426.90	429.23	2.83	0.07	2.02	0.23	0.66	0.44	0.09	0.90
<b>and</b>	436.73	444.25	7.52	0.24	5.05	0.89	1.22	0.58	0.12	2.06
<b>Including</b>	<b>437.73</b>	<b>442.35</b>	<b>4.62</b>	<b>0.37</b>	<b>7.70</b>	<b>1.39</b>	<b>1.93</b>	<b>0.73</b>	<b>0.17</b>	<b>3.10</b>
<b>PML-25-043</b>	459.00	477.00	18.00	0.23	12.86	0.86	3.99	0.86	0.05	3.18
<b>Including</b>	<b>465.00</b>	<b>472.60</b>	<b>7.60</b>	<b>0.45</b>	<b>27.00</b>	<b>1.86</b>	<b>9.35</b>	<b>1.98</b>	<b>0.10</b>	<b>7.20</b>
<b>LION Extension</b>										
<b>PML-25-048</b>	496.50	512.00	15.50	0.14	5.38	0.39	0.45	0.23	0.05	0.89
<b>Including</b>	501.00	505.50	4.50	0.22	9.55	0.47	0.86	0.69	0.07	1.44
<b>LION West Exploration</b>										
<b>PML-25-037</b>	159.62	160.62	1.00	0.04	2.80	0.42	0.43	0.18	0.17	1.05
<b>PML-25-044</b>	202.02	203.02	1.00	0.01	1.60	0.22	0.51	0.06	0.19	0.84
<b>LION East Exploration</b>										
<b>PML-25-035</b>	Minor Palladium									
<b>PML-25-038</b>	410.25	410.87	0.62	0.12	8.00	1.50	1.41	1.13	0.37	3.36

## High Potential Exploration to Continue

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 with results likely coming in Q2 or Q3.

### Visual of Upcoming High-Value Exploration Targets



Source: Power Metallic

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.

Its worth mentioning that 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\$1.18/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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