

CVMR Investment to Fund Feasibility Program at Power Nickel Nisk Project

written by Raj Shah | August 15, 2023

August 15, 2023 ([Source](#)) – Power Nickel Inc. (the “**Company**” or “**Power Nickel**”) (TSXV:PNPN)(OTCQB:CMETF)(Frankfurt:IVV) Power Nickel is pleased to enter into an agreement with CVMR Corporation, one of the world’s leaders in Nickel Powder, Wire and Anode production and a key supplier to the Battery, Defence and Aerospace industry. CVMR will coordinate the production of advanced bench scale, piloting and engineering studies on the Nisk Nickel Sulfide project near Nemaska Quebec to determine project feasibility. The agreement is staged, allowing for Power Nickel and CVMR to work together on various stages of engineering studies.

CVMR® is a privately held, metal refining technology provider that is also engaged in mining and refining of its own mineral resources in 18 different countries. The company was established in 1986, with its head office and R & D Centre in Toronto, Canada.

CVMR® is one of the world leader in metal powder production used in 3D printing, Metal Injection Molding (MIM), super alloys, complex net shapes, electronics, rechargeable batteries, manufacture of aerospace and automotive parts, medical instruments, pharmaceuticals and dietary supplements.

In order to ensure this process was done in the least dilutive way possible Power Nickel has arranged to have WCPD Group organize a consortium of Quebec based investors who will make an initial investment of \$2.25 million representing 4,500,000 Flow

Through shares at \$0.50 per share. Wealth (WCPD Inc.) is one of the leading exempt market dealer offering efficient financing for Canadian resource and mineral exploration. As part of the process CVMR will acquire these shares from the front-end purchasers for \$0.25 per share.

“It’s been a creative collaboration working with CVMR on structuring this deal. Given their access to internal facilities and staff that is far less expensive than how we could expect to acquire this analysis from traditional suppliers. It also can be done much quicker than normal and will expedite our plans to commercialize Nisk as rapidly as humanly possible. The world needs a lot more Class 1 Nickel if we are to hit our Climate goals.¹ Miners and processors must think and act creatively working with our government and native partners on ways to do this. This is a major step forward for Nisk” commented Power Nickel CEO Terry Lynch

“We were excited to discover the Nisk project and believe Power Nickel has a very exciting Nickel project on its hands. We do not yet know how big it can be but we see enough there today to believe it has the potential to be a commercial mine. Our initial focus will be on a 10,000 ton a day plant. The way we like to develop our processing facilities is to approach them on a modular basis. In this way we can rapidly scale to match both demand for our products and the availability of supply of the raw material. In this way we believe we can produce a study that will show robust economics to justify the commercialization of Nisk. As Terry pointed out in his comments the world needs a lot more Class 1 Nickel if we are to meet our climate goals” commented CVMR CEO Kamran Khozan

Power Nickel signed the contract with CVMR on August 2 and CVMR will commence work on the project immediately and look to produce a various reports and deliverables over a nine-month

period. The Company will pay an initial deposit of \$2,250,000 to CVMR to commence work.

“Initial Industry investment is a note worthy moment. We believe this study will show there is enough in what we have discovered to become a commercial mine and we believe in working with CVMR and their scalable approach to manufacturing extremely high-end Nickel Products. The more we discover the more modules we could add and the more products. Products that obtain prices 2- and 3-times LME Nickel. This slide from the CVMR website provides some context on this point. <https://www.cvmr.ca/>



We believe these products will help us showcase robust economics that will justify rapid development. The proposed Federal Budget has a 30% tax credit to develop and build new Critical Mineral mines² and provincially the Government of Quebec in its budget is providing for up to a 25% tax credit³. Our governments are doing their part in trying to build our new energy future with their advanced support of exploration and now development. Now it's our turn to show creativity, ingenuity and good old fashioned hard work to move Nisk rapidly along our stated goal of building the worlds first Carbon Neutral Nickel Mine.” Commented Power Nickel CEO Terry Lynch

In addition, Power Nickel has also closed on the previously announced \$200,000 private placement of 800,000 units issued at \$0.25 per unit will consist of one common share and one share purchase warrant. Each warrant will consist of one common share exercisable for five years at \$0.25, subject to an accelerated expiry provision. The warrants are subject to an acceleration clause that entitles the Company to notify holders that the warrants will expire 30 days from the date the Company provides the acceleration notice. The Company can only provide the acceleration notice if the closing price of the Company's common

shares on the TSX Venture Exchange is equal to or greater than \$0.50 for ten consecutive trading days. The acceleration notice can be provided at any time after the statutory hold period. Before the expiry date of the warrants. The funds raised will be used for general corporate purposes.

About Power Nickel Inc.

Power Nickel is a Canadian junior exploration company focusing on developing the High-Grade Nisk project into Canada's first Carbon Neutral Nickel mine.

On February 1, 2021, Power Nickel (then called Chilean Metals) completed the acquisition of its option to acquire up to 80% of the Nisk project from Critical Elements Lithium Corp. (CRE: TSXV). Subsequently Power Nickel has exercised its option to acquire 50% of the Nisk Project and delivered notice to Critical Elements that it intends to exercise its second option to bring its ownership to 80%. The last remaining commitment to activate this exercise of the option is the delivery of a NI-43-101 Technical report which is anticipated to occur at latest in Q4 2023.

The NISK property comprises a large land position (20 kilometers of strike length) with numerous high-grade intercepts. Power Nickel is focused on expanding the historical high-grade nickel-copper PGE mineralization with a series of drill programs designed to test the initial Nisk discovery zone and to explore the land package for adjacent potential Nickel deposits.

In addition to the Nisk project, Power Nickel owns significant land packages in British Columbia and Chile. Power Nickel is expected to reorganize these assets in a related public vehicle through a plan of arrangement.

Power Nickel announced on June 8th, 2021, that an agreement had

been made to complete the 100% acquisition of its Golden Ivan project in the heart of the Golden Triangle. The Golden Triangle has reported mineral resources (past production and current resources) in 130 million ounces of gold, 800 million ounces of silver, and 40 billion pounds of copper (Resource World). This property hosts two known mineral showings (gold ore and Magee), and a portion of the past-producing Silverado mine, reportedly exploited between 1921 and 1939. These mineral showings are described to be Polymetallic veins that contain quantities of silver, lead, zinc, plus/minus gold and plus/minus copper.

Power Nickel is also 100 percent owner of five properties comprising over 50,000 acres strategically located in the prolific iron-oxide-copper-gold belt of northern Chile. It also owns a 3-per-cent NSR royalty interest on any future production from the Copaquire copper-molybdenum deposit sold to a subsidiary of Teck Resources Inc. Under the terms of the sale agreement, Teck has the right to acquire one-third of the 3-per-cent NSR for \$3 million at any time. The Copaquire property borders Teck's producing Quebrada Blanca copper mine in Chile's first region.

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This message contains certain statements that may be deemed "forward-looking statements" with respect to the Company within the meaning of applicable securities laws. Forward-looking statements are statements that are not historical facts and are generally, but not always, identified by the words "expects", "plans", "anticipates", "believes", "intends", "estimates", "projects", "potential", "indicates", "opportunity", "possible" and similar expressions, or that events or conditions "will", "would", "may", "could" or "should" occur. Although the Company believes the expectations expressed in such forward-looking statements are based on reasonable assumptions, such statements are not guarantees of future performance, are subject to risks and uncertainties, and actual results or realities may differ materially from those in the forward-looking statements. Such material risks and uncertainties include, but are not limited to, among others, the timing for the Company to close the private placement with WCPD investors, the timing for Company to complete various engineering studies with CVMR or risk that such transactions or studies do not complete at all on the anticipated terms; raise sufficient capital to fund its obligations under its property agreements going forward; to maintain its mineral tenures and concessions in good standing; to explore and develop its projects; changes in economic conditions or financial markets; the inherent hazards associates with mineral exploration and mining operations; future prices of nickel and other metals; changes in general economic conditions; accuracy of mineral resource and reserve estimates; the potential for new discoveries; the ability of the Company to obtain the necessary permits and consents required to explore,

drill and develop the projects and if obtained, to obtain such permits and consents in a timely fashion relative to the Company's plans and business objectives for the applicable project; the general ability of the Company to monetize its mineral resources to result in an eventual mine; and changes in environmental and other laws or regulations that could have an impact on the Company's operations, compliance with environmental laws and regulations, dependence on key management personnel and general competition in the mining industry.

¹. <https://www.goldmansachs.com/intelligence/pages/gs-research/nickels-class-divide/report.pdf>

². <https://www.lexology.com/library/detail.aspx?g=97a49303-40f5-453c-a818-fa1612769f02>

³. https://www.lavery.ca/en/publications/our-publications/4332-2023_quebec-budget-tax-holiday-for-investments-in-critical-and-strategic-minerals.html

SOURCE: Power Nickel Inc.