

Letter to the Shareholders of Power Nickel Inc.

written by Raj Shah | January 16, 2025

January 16, 2025 ([Source](#)) – Dear Shareholders:

As you know, the shareholders of Power Nickel Inc. (“**Power Nickel**” or the “**Company**”) held their Annual General and Special Meeting on November 22, 2024 (the “**AGSM**”). During the AGSM, the shareholders approved a special resolution for a plan of arrangement whereby the Company will spin-out its Golden Ivan property and certain Chilean exploration assets to Chilean Metals Inc. (“**Chilean Metals**” or “**Spinco**”), a wholly owned subsidiary of the Company (collectively, the “**Arrangement**”). On November 27, 2024, the Company obtained a final order from the Supreme Court of British Columbia approving of the Arrangement.

Further to the Company’s press release dated December 5, 2024, the Company expects that the Arrangement will become effective around January 31, 2025 or shortly thereafter. The Company will issue a further news release confirming the effective date of the Arrangement (the “**Effective Date**”) and relevant date for which Power Nickel shareholders of record will receive, for each Power Nickel common share (a “**Power Nickel Share**”) held: (a) one new common share of Power Nickel (a “**New Power Nickel Share**”); and (b) 0.05 of one Spinco common share (each whole common share, a “**Spinco Share**”). Outstanding stock options to purchase Power Nickel Shares will also be adjusted pursuant to the Arrangement, such that the holders of options will receive new options to purchase New Power Nickel Shares and Spinco Shares, as described in more detail in the Company’s information circular dated October 21, 2024 (the “**Information Circular**”). As

set out in the Information Circular, Power Nickel has chosen to deal with its outstanding warrants for Power Nickel Shares outside of the Arrangement and under contractual adjustment provisions in the warrant certificates.

The Company's transfer agent, Endeavor Trust Corporation, will act as depositary for the Arrangement (the "**Depository**"). Additional information regarding the terms of the Arrangement, including a summary of the terms and conditions of the arrangement agreement, is set out in the Information Circular, which is filed under Power Nickel's SEDAR+ profile at www.sedarplus.ca.

Management of the Company wishes to provide updated guidance to the Company's shareholders with respect to the procedures to exchange their Power Nickel Shares for New Power Nickel Shares and Spinco Shares in advance of the Arrangement becoming effective.

To assist in the understanding of why the Board has taken this step and to communicate in a less legalese way, please watch the following video which helps explain our thinking and the process. We recommend you watch this and act on our recommendations as soon as possible.

Procedure to Exchange Power Nickel Shares

The procedure for a shareholder to exchange their Power Nickel Shares for New Power Nickel Shares and Spinco Shares depends on how their Power Nickel Shares are issued and registered.

Shareholders that hold any Power Nickel Shares directly with the Company in their name (a "**Registered Shareholder**") should refer to the section below entitled "*Registered Shareholders*" for information concerning the procedure to exchange those Power Nickel Shares. Please note it is possible for a Registered

Shareholder to also qualify as a **“Non-Registered Shareholder”**. A Non-Registered Shareholder is a shareholder that owns Power Nickel Shares which are not registered in their legal name and are instead registered in the name of a nominee or intermediary, such as: (a) a brokerage firm, bank, trust company, brokerage firm, trustee or administrator of a self-administered RRSP, RRIF, RESP, TFSA, FHSA or similar plan or a clearing agency (an **“Intermediary”**); or (b) in the name of a depository, such as CDS Clearing and Depository Services Inc. (**“CDS & Co.”**) or the Depository Trust Company (**“DTC”**), of which the Intermediary is a participant. If you qualify as a Non-Registered Shareholder, please refer to the section below entitled *“Non-Registered Shareholders”* for information concerning the procedure to exchange Power Nickel Shares held in the name of an Intermediary or other depository of which the Intermediary is a participant.

Registered Shareholders

The procedure to exchange Power Nickel Shares held by Registered Shareholders depends on whether their Power Nickel Shares are issued in:

- A certificated format, such as a share certificate evidencing Power Nickel Shares (**“Certificated Shares”**), in which case the Registered Shareholder is referred to the below section entitled *“(1) Certificated Shares”* for more information.
- An uncertificated format, such as a Direct Registration System advice statement (a **“DRS Advice”**) evidencing Power Nickel Shares (**“Uncertificated Shares”**), in which case the Registered Shareholder is referred to the below section entitled *“(2) Uncertificated Shares”* for more information.
- In both certificated and uncertificated format (e.g., the Registered Shareholder has both share certificate(s) and DRS Advice(s) evidencing Power Nickel Shares), in which

case the Registered Shareholder is referred to the below sections entitled “(1) *Certificated Shares*” and “(2) *Uncertificated Shares*” for more information.

(1) Certificated Shares

For a Registered Shareholder that holds Certificated Shares (below, a “**Certificated Shareholder**”), Power Nickel, through the Depositary, will mail a letter of transmittal (the “**Letter of Transmittal**”) in respect of such Certificated Shares to each Certificated Shareholder, which will be used by the Certificated Shareholder to exchange their Certificated Shares for a share certificate or DRS Advice representing their New Power Nickel Shares and a DRS Advice representing their Spinco Shares. **As soon as practicable following the Effective Date, such Certificated Shareholder must submit his/her/its Power Nickel Shares which are Certificated Shares to the Depositary with a duly completed Letter of Transmittal in order to receive their New Power Nickel Shares and Spinco Shares in exchange for such Certificated Shares.** Thereafter, the Depositary will cause to be delivered to such Certificated Shareholders, in accordance with the Letter of Transmittal, a share certificate or DRS Advice representing the New Power Nickel Shares and a DRS Advice representing the aggregate Spinco Shares to which such Certificated Shareholders are entitled to receive in exchange for their Certificated Shares.

Until such Certificated Shares are exchanged by the Certificated Shareholder with the Depositary by using the Letter of Transmittal in accordance with the terms and conditions thereof, each share certificate representing Power Nickel Shares issued prior to the Effective Date will, after the Effective Date, represent only the right of the Certificated Shareholder to receive, upon surrender to the Depositary of the Certificated Shares in accordance with the Letter of Transmittal, a share

certificate or DRS Advice representing the New Power Nickel Shares and a DRS Advice representing the Spinco Shares to which such Certificated Shareholder is entitled to receive in exchange for such Certificated Shares.

If any Certificated Shareholder fails to deliver to the Depositary their Certificated Shares and all other required documents required to be delivered pursuant to the terms of the Letter of Transmittal on or before the sixth (6th) anniversary of the Effective Date, then on the sixth (6th) anniversary of the Effective Date: (a) such Certificated Shareholder will be deemed to have donated and forfeited to Power Nickel or its successor any New Power Nickel Shares or Spinco Shares held by the Depositary in trust for such Certificated Shareholders; and (b) any certificate representing Power Nickel Shares held by the Certificated Shareholder will cease to represent a claim of any nature whatsoever and will be deemed to have been surrendered to Power Nickel and will be cancelled.

(2) Uncertificated Shares

For a Registered Shareholder that holds Uncertificated Shares, the completion and submission of a Letter of Transmittal to the Depositary is not required to exchange such Uncertificated Shares for New Power Nickel Shares and Spinco Shares. A Registered Shareholder will receive New Power Nickel Shares and Spinco Shares in exchange for such Uncertificated Shares by way of DRS Advices evidencing the New Power Nickel Shares and Spinco Shares to which they are entitled in exchange for such Uncertificated Shares. The distribution of such DRS Advices to the Registered Shareholders, in exchange for the applicable Uncertificated Shares, will occur automatically on the Effective Date as the Depositary will have custody of such New Power Nickel Shares and Spinco Shares.

Non-Registered Shareholders

Alternatively, shareholders of the Company who qualify as “Non-Registered Shareholders” have a different procedure with respect to their Power Nickel Shares which are registered to an Intermediary or in the name of a depositary, such as CDS & Co., of which the Intermediary is a participant (the “**Non-Registered Power Nickel Shares**”).

For a Non-Registered Shareholder, the New Power Nickel Shares and the Spinco Shares to which a Non-Registered Shareholder is entitled to receive in exchange for their Non-Registered Power Nickel Shares will be delivered to their Intermediary through the procedures in place for such purposes between CDS & Co., DTC or similar entities and such Intermediary. In particular, their Power Nickel Shares will be exchanged for: (a) New Power Nickel Shares using a permanent CUSIP; and (b) Spinco Shares using a temporary CUSIP assigned to the Spinco Shares for the purposes of facilitating the Arrangement. After completion of the Arrangement, due to the temporary nature of the CUSIP assigned to the Spinco Shares, the Spinco Shares will no longer be able to be registered in the name of a depositary, such as CDS & Co., of which an Intermediary is a participant.

Accordingly, Intermediaries that hold Power Nickel Shares registered in the name of a depositary (e.g., CDS & Co. or DTC) of which they are a participant must obtain from the Depositary a DRS Advice representing the aggregate number of Spinco Shares to which all of the Intermediary’s respective underlying Non-Registered Shareholders are entitled to receive in exchange for their Power Nickel Shares.

Additionally, the Intermediary and its respective Non-Registered Shareholders may arrange to have such Spinco Shares re-registered either (1) directly in the name of its respective

Non-Registered Shareholder, or (2) in the name of the Depositary to be held in a pooled trust account on behalf of the Non-Registered Shareholder.

(1) Re-register the Spinco Shares directly in the name of a Non-Registered Shareholder

For a Non-Registered Shareholder to have the Spinco Shares re-registered in their name, the following steps must be completed:

(i) The Non-Registered Shareholder must complete and submit the attached stock power form (attached here as Schedule "B") or an acceptable instruction letter to their Intermediary.

(ii) The Intermediary will then provide instructions to the Depositary to facilitate the re-registration of the Spinco Shares directly to the Non-Registered Shareholder's name as a Registered Shareholder.

(2) Re-register the Spinco Shares in the name of the Depositary

For a Non-Registered Shareholder to have the Spinco Shares re-registered in the name of the Depositary to hold the Spinco Shares in a pooled trust account on behalf of the Non-Registered Shareholder, the following steps must be completed:

(i) The Non-Registered Shareholder must complete and submit the attached stock power form (attached here as Schedule "B") or an acceptable instruction letter to their Intermediary.

(ii) The Intermediary will then provide instructions to the Depositary to facilitate the re-registration of the Spinco Shares directly to the Non-Registered Shareholder's name as a Registered Shareholder.

(iii) The Non-Registered Shareholder must then complete and submit the attached stock power form (attached here as Schedule

"C") to the Depositary to transfer the Spinco Shares from the Non-Registered Shareholder's name to the Depositary's pooled trust account.

As soon as practicable following such process, the Depositary will cause to be delivered to the Intermediary or the Non-Registered Shareholders, as applicable, the DRS Advice(s) representing the aggregate Spinco Shares to which the applicable Intermediaries or Non-Registered Shareholders are entitled to receive in exchange for the applicable Non-Registered Power Nickel Shares.

To facilitate the distribution of the Spinco Shares to Non-Registered Shareholders in exchange for their Non-Registered Power Nickel Shares, management of the Company advises that Non-Registered Shareholders send their Intermediary (or Intermediaries) a letter substantially in the form attached here as Schedule "A" requesting that their Non-Registered Power Nickel Shares be re-registered under their legal name, such that they become a "Registered Shareholder" holding Uncertificated Shares in advance of the Effective Date of the Arrangement. Please note that Non-Registered Shareholders who re-register such Non-Registered Power Nickel Shares will not be able to trade such Power Nickel Shares, or New Power Nickel Shares received in exchange, through the Intermediary unless such Power Nickel Shares, or New Power Nickel Shares received in exchange, are deposited back to the Intermediary.

Company Report on Investigation into Improper Trading Activities

Why does management provide this advice? Well, it's a long story. The objective of securities regulation is to protect investors from unfair, improper or fraudulent practices; to foster fair and efficient capital markets; and to reduce risks to the market's integrity and to investor confidence in the

markets.

Through our press release dated December 12, 2023, we have provided data of improper trading activities that has been used as evidence in 11 court cases that resulted in settlements for the plaintiff. We filed this data with appropriate authorities at FINRA and CRO and other than acknowledgement letters, we heard nothing further.

It is management's position that the review process on these complaints should be transparent and fulsome, and seek to uphold the objectives of securities regulation mentioned above. It is management's view that FINRA and CRO have not properly investigated the complaints and the evidence submitted to them regarding improper trading activities. Nonetheless, this is our regulatory regime and pathway for recourse against possible naked short selling, other manipulative actions to lower share prices, and improper trading activity.

This is something that Save Canadian Mining, an organization I founded with industry icons like Eric Sprott, Rob McEwen, and Keith Neumeyer, along with thousands of disgruntled investors are desperately trying to change.

For more on Save Canadian Mining check out the following video where Terry Lynch and industry legend Eric Sprott and a number of legal and regulatory experts discuss the naked shorting problem:

In addition, please watch the follow up video on the naked shorting issue and the identification of the SME Rule as the key regulation that needs change with Terry Lynch interviewed on Agoracom:

While we are fighting this issue broadly with fellow miners, as the CEO of Power Nickel I am also fighting for our

shareholders.

Below is the monthly tally sheet from June 2024 to November 2024 on our common shares, created for the Company by Generation IACP, . The monthly tally sheet summaries below illustrate possible naked short selling as identified by following the trade balance sheets of the brokers trading our common shares. There are detailed daily and monthly records that break this out broker by broker. The possible naked short trades identified are out of the 50,562,796 traded on the TSX Venture Exchange ("TSXV") where we have the most comprehensive data. The Company is not able to correlate the alternative trading system (ATS) data with the anonymous trading. So approximately 29.5% of trading on the TSXV looks to potentially be naked shorts. We would expect the ATS trading to be potentially worse.

Power Nickel Inc. (PNPN): June 2024-November 2024

Month	Possible Naked Short	Real Selling	Volume all Cad Markets	Volume ATS'
June	1,791,028	4,033,431	30,601,519	13,940,073
July	1,220,057	2,161,893	15,134,361	7,939,008
August	1,583,087	1,919,787	13,513,047	6,657,812
September	579,381	4,587,077	12,376,737	5,996,524
October	8,690,771	2,855,235	19,427,904	9,906,813
November	1,029,245	1,198,575	8,093,438	4,143,980
Total	14,893,569	16,755,998	99,147,006	48,584,210

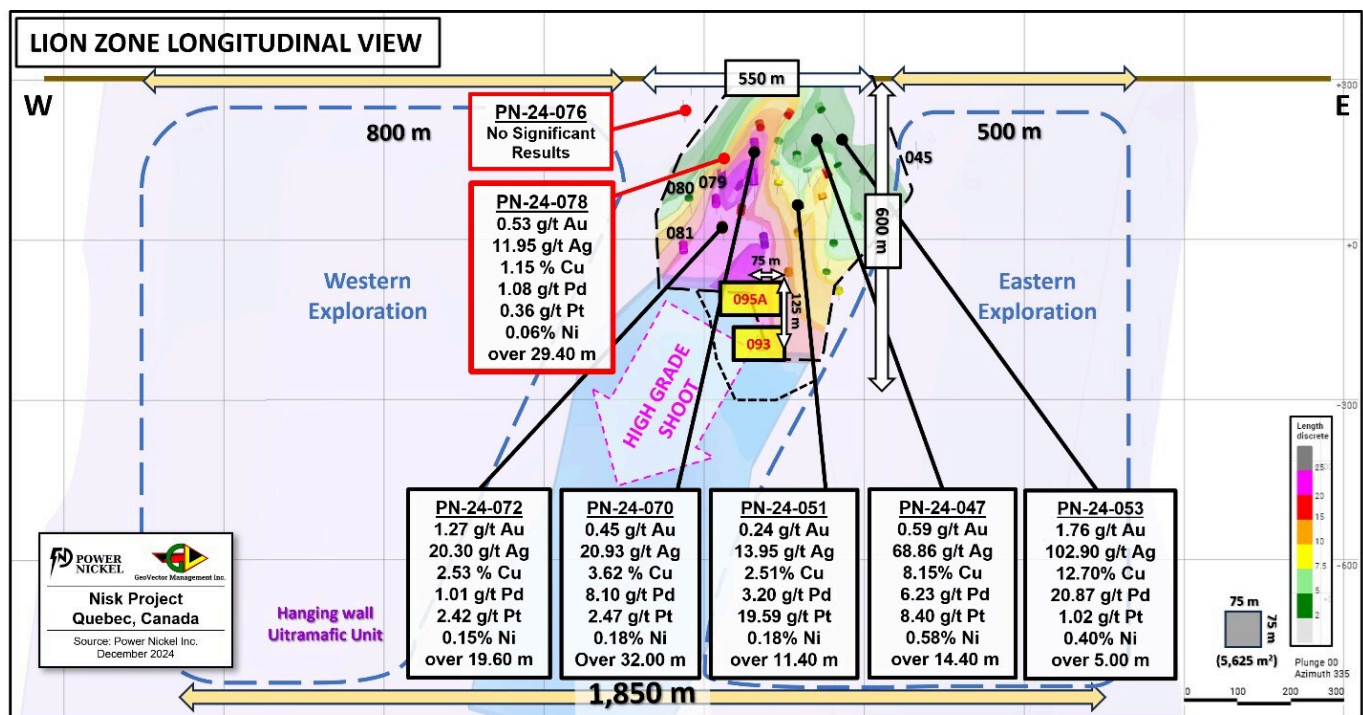
(CNW Group/Power Nickel Inc.)

In addition, the Company had a study conducted by Digital BD, Inc. of US trading data for Power Nickel Shares, which can be accessed [here](#). The US data is considered to be a highly credible source in various legal disputes, including litigation involving short selling. The Canadian projection in the study relies on

assumptions and is subject to certain qualifications and disclaimers as provided in the study. We consider the Generation IACP data more robust for a sense of the trading in Canadian markets.

The only logical assumption is some way, some how millions of Power Nickel Shares in this seven month period alone have been sold but have not landed in any brokerage account.

We couple this action and information with our successful drilling program as illustrated by cross section below from our recent press release dated December 18, 2024 on the Lion Zone:



(CNW Group/Power Nickel Inc.)

Legendary Mining All Star investors like Robert Friedland, Rob McEwen and Gina Rhinehart have invested because they see one of the most exciting mineral discoveries in recent years.

Our shareholders ask us quite fairly: “why is there so much selling when the news is so good, why doesn’t our stock perform better?”

To us the black and white of it is somehow our system of trading is allowing the manufacture of counterfeit shares. Shares that do not have a DRS or share certificate associated with it. This selling suppresses and reverses stock price increases; it is evidence we believe of price manipulation.

We believe this is accomplished through brokers allowing improper use of the Short Market Exempt (SME) Status. This status allows non-market makers to hit any bid with a sales order and not mark it as a short sale. Theoretically, they would need to complete the sale but Save Canadian Mining feels this is not happening in a compliant way. Trades are to be settled for a day. But who oversees this?

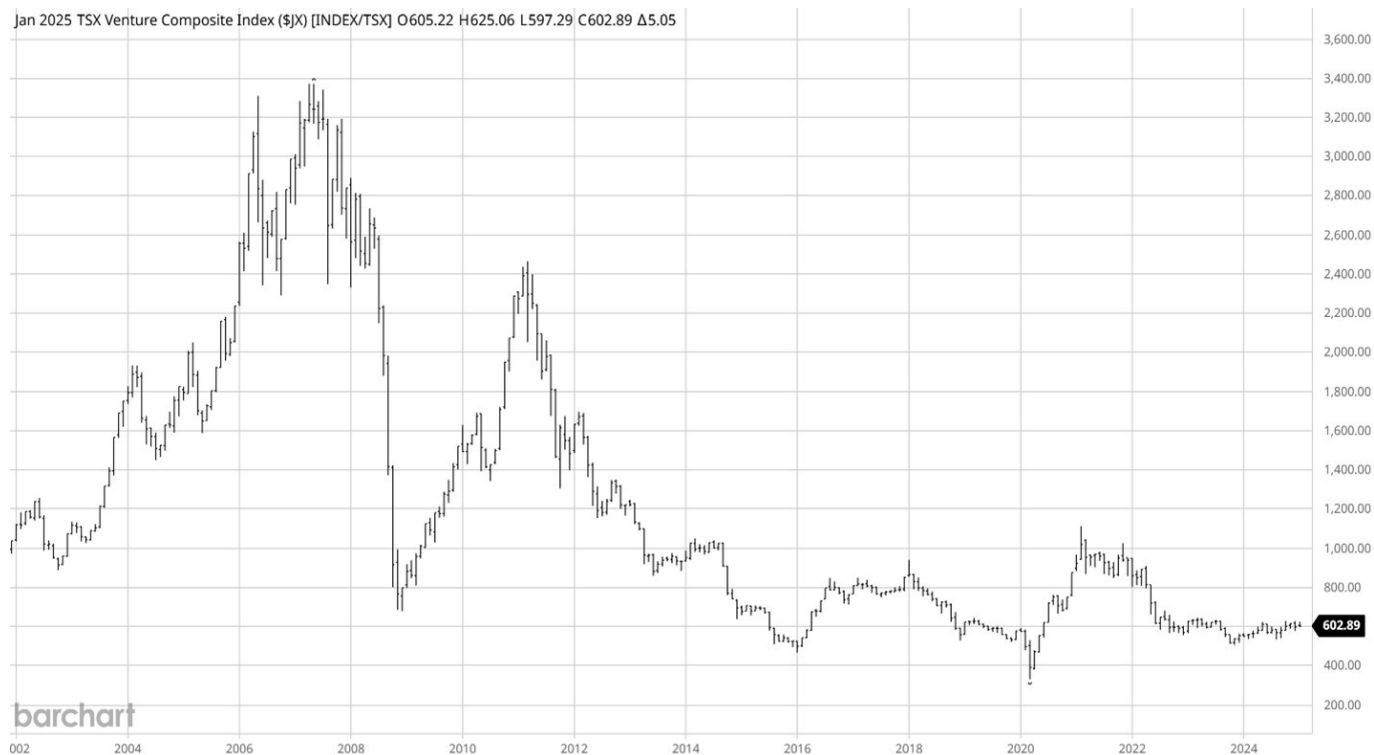
I can't speak for the USA but in Canada it's not CIRO. If a trade is not settled in a day on a regular brokerage account a series of checks and balances come into play. This is not where the problem arises. SME trades have little to no checks and balances.

CIRO only reviews failed trades. How are failed trades established for a SME trade? You won't believe the answer! A failed trade only happens when the bank that allowed it declares it as a failed trade. Not a great incentive to call a failed trade a failed trade. It's analogous to putting a fox in charge of the chicken house and trusting them on the security of the chickens.

We believe that our research and data proves that there are counterfeit shares being traded; as management of Power Nickel, we feel it is incumbent on us to provide advice to our shareholders so they can best secure their Power Nickel Shares, as well as the New Power Nickel Shares and Spinco Shares they should receive as part of the Arrangement.

We have been working tirelessly with politicians, regulators and

stock exchange officials on these matters and only because of the limited action and the overwhelming proof do we take this dramatic step to publicize our research and data. We know from working with Save Canadian Mining that Power Nickel is not the only company in this boat. Have you ever wondered why the TSXV is at or near all time lows despite commodity price increases?



(CNW Group/Power Nickel Inc.)

On a positive note, we believe industry and shareholders have only just begun to fight for our rights. We will use any and all lawful means to protect our shareholders and recover fair compensation for the damages caused, and additionally, where allowed, punitive damages.

Our shareholders should take heart, and indeed shareholders of Canadian miners should take heart, because when we beat these malicious predatory naked short sellers we will see in our view the greatest mining boom in history.

Join the fight, join Save Canadian Mining

at <https://savecanadianmining.com> and support companies like Power Nickel as we fight to see our shareholders receive fair treatment.

Power Nickel Engages Native Ads and Empire for Marketing Services

In addition, the Company is please to announce that it entered into a service agreement with Native Ads, Inc. ("**Native Ads**") dated January 10, 2025 pursuant to which Native Ads will provide a marketing campaign for a total retainer of up to US\$265,000, with a term of up to twelve months or until the retainer is depleted. Under the agreement, Native Ads will execute a comprehensive digital media advertising campaign for the Company, where approximately 75% of the campaign budget will be allocated to cost per click costs, media buying and content distribution, and search engine marketing. The remaining budget will be allocated for content creation, web development, advertising creative development, search engine optimization, campaign optimization, and reporting and data insights services. Native Ads is a full-service advertising agency based out of New York and Vancouver, BC. Native Ads and its principal Jon Malach are arms length to the Company and hold no interest, directly or indirectly, in the securities of the Company or any right to acquire such an interest. The engagement of Native Ads by the Company is subject to the approval of the TSXV.

The Company has also entered into a service agreement with Empire Marketing Ventures LLC ("**Empire**") dated January 8, 2025 pursuant to which Empire will provide a market awareness campaign for a total retainer of up to US\$150,000 with a term running until July 1, 2025. Under the agreement, Empire will provide services aimed at raising awareness, including articles, SMS and email campaigns, social media and digital media campaigns. Empire and its principals are independent of Power

Nickel, operating at arm's length, and are not related parties. Neither Empire Market Ventures nor its principals hold any direct or indirect interest in Power Nickel's securities, nor do they have any right or intent to acquire such an interest. Empire is a full-service advertising agency based out of New York. The engagement of Empire by the Company is subject to the approval of the TSXV.

About Power Nickel Inc.

Power Nickel is a Canadian exploration company focusing on developing the High-Grade Nickel Copper PGM, Gold and Silver Nisk project into potentially Canada's next poly metallic 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).

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

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

For further information, readers are encouraged to contact:

Power Nickel Inc.
The Canadian Venture Building

82 Richmond St East, Suite 202
Toronto, ON

Neither the TSX Venture Exchange nor its Regulation Services Provider accepts responsibility for the adequacy or accuracy of this release.

Cautionary Note Regarding Forward-Looking Statements

This message contains certain statements that may be deemed “forward-looking statements” concerning 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. All statements, other than statements of historical fact, included herein, without limitation, completion of the proposed Arrangement, the benefits of the Arrangement, the challenges created for naked short sellers and the Company’s ability to combat malfeasance and improper trading activities, the creation of the greatest mining boom in history, are forward-looking statements. There can be no assurance that such statements will prove to be accurate, and actual results and future events could differ materially from those anticipated in such statements. Forward-looking statements reflect the beliefs, opinions and projections on the date the statements are made and are based upon a number of assumptions and estimates that, while

considered reasonable by Power Nickel, are inherently subject to significant business, economic, competitive, political and social uncertainties and contingencies. Many factors, both known and unknown, could cause actual results, performance or achievements to be materially different from the results, performance or achievements that are or may be expressed or implied by such forward-looking statements and the parties have made assumptions and estimates based on or related to many of these factors. Such material risks and uncertainties include, but are not limited to, among others; the timing and completion of the Arrangement; whether TSXV and other regulatory approval of the Arrangement will be obtained; the benefits of the Arrangement; the cash and other assets and liabilities held by Spinco following the Arrangement; the ability to raise sufficient capital to fund its obligations under its property agreements going forward and conduct drilling and exploration; 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 associated 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 accepted, to obtain such licenses and approvals 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; 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.

SCHEDULE "A"

[Your Name]

[Your Address]

[City, Province, Postal Code]

[Email Address]

[Phone Number]

[Date]

[Intermediary's Name]

[Intermediary's Address]

[City, Province/State, Postal/ZIP Code]

[Attention: Chief Financial Officer]

Dear [Intermediary's Name] (the "**Intermediary**"),

Re: Procedure for Exchange of Power Nickel Shares and Request to Transfer

I am writing to inform the Intermediary about the procedure for the exchange of common shares ("**Power Nickel Shares**") in the authorized capital of Power Nickel Inc. ("**Power Nickel**" or the "**Company**"), for new common shares in Power Nickel ("**New Power Nickel Shares**") and common shares in Chilean Metals Inc. ("**Spinco Shares**") in connection with the plan of arrangement of the Company (the "**Arrangement**"), which is expected to become effective on January 31, 2025 or shortly thereafter (the "**Effective Date**"). Additional information regarding the terms of the Arrangement is set out in the Company's information circular dated October 21, 2024 (the "**Information Circular**"), which is filed under Power Nickel's SEDAR+ profile at www.sedarplus.ca. Additional information concerning the procedure for the exchange of Power Nickel Shares for New Power Nickel Shares and Spinco Shares is set out in the Company's news release dated January 16, 2024.

In connection with the Arrangement, I request that the Power Nickel Shares that [insert name of beneficial holder] beneficially owns and which are registered in the name of the Intermediary, be transferred or re-registered such that the Power Nickel Shares are registered in the name of [insert name of beneficial holder] in advance of the Arrangement becoming effective. Please advise the undersigned of any additional steps or requirements which need to be completed in order for the Intermediary to transfer or re-register the Power Nickel Shares.

Registered Shareholders

Power Nickel, through Endeavor Trust Corporation (acting as the “**Depository**” for the Arrangement), will mail a letter of transmittal to Power Nickel’s registered shareholders holding certificated Power Nickel Shares (“**Certificated Shareholders**”). This letter of transmittal will be used to exchange their share certificate(s) representing Power Nickel Shares for a share certificate or Direct Registration System advice statement (“**DRS advice**”) representing their New Power Nickel Shares and a DRS advice representing their Spinco Shares. Until exchanged, each share certificate representing Power Nickel Shares will, after the Effective Date, represent only the right to receive, upon surrender, share certificates or DRS advices representing the requisite numbers of New Power Nickel Shares and Spinco Shares for a period of six (6) years from the Effective Date.

As soon as practicable following the Effective Date, such Certificated Shareholder must submit their Power Nickel Shares to the Depository with a duly completed letter of transmittal. Thereafter, the Depository will cause to be delivered to such Certificated Shareholders, in accordance with the terms described in the letter of transmittal, share certificate(s) or DRS advice(s), as applicable, representing the aggregate New Power Nickel Shares and Spinco Shares to which such Registered

Shareholders are entitled following the Arrangement.

Power Nickel's registered shareholders that hold Power Nickel Shares in an uncertificated format, such as a DRS advice, are not required to complete and submit a letter of transmittal to the Depositary in order to exchange their Power Nickel Shares represented by such DRS advice. Such Registered Shareholders will receive New Power Nickel Shares and Spinco Shares in exchange for such Power Nickel Shares by way of a new DRS advice evidencing the New Power Nickel Shares and a DRS advice evidencing the Spinco Shares to which they are entitled in respect of such Power Nickel Shares. The distribution of such DRS advices to registered shareholders will occur automatically on the Effective Date as the Depositary will have custody of such New Power Nickel Shares and Spinco Shares.

Non-Registered Shareholders

Alternatively, shareholders of the Company ("**Non-Registered Shareholders**") who beneficially own Power Nickel Shares that are held in the name of the Intermediary or a depositary in which the Intermediary is a participant ("**Non-Registered Power Nickel Shares**") have a different transmittal process.

The New Power Nickel Shares and the Spinco Shares to which a Non-Registered Shareholder is entitled to receive in exchange for their Non-Registered Power Nickel Shares will be delivered to their Intermediary through the procedures in place for such purposes between CDS Clearing and Depository Services Inc. ("**CDS & Co.**"), the Depositary Trust Company ("**DTC**") or similar entities and such Intermediary. In particular, their Power Nickel Shares will be exchanged for: (a) New Power Nickel Shares using a permanent CUSIP; and (b) Spinco Shares using a temporary CUSIP assigned to the Spinco Shares for the purposes of facilitating the Arrangement. After completion of the

Arrangement, due to the temporary nature of the CUSIP assigned to the Spinco Shares, the Spinco Shares will no longer be able to be registered in the name of a depository, such as CDS & Co. or DTC, of which the Intermediary may be a participant.

Accordingly, if the Intermediary holds Power Nickel Shares registered in the name of a depository of which it is a participant, the Intermediary must obtain from the Depository a DRS Advice representing the aggregate number of Spinco Shares to which all of the Intermediary's respective underlying Non-Registered Shareholders are entitled to receive in exchange for their Power Nickel Shares. Alternatively, the Intermediary and its respective Non-Registered Shareholders may arrange to have such Spinco Shares issued directly in the name of each Non-Registered Shareholder, or in the name of the Depository which will hold such Spinco Shares in a pooled trust account on behalf of such Non-Registered Shareholders. As soon as practicable following such process, the Depository will cause to be delivered to the Intermediary or the Non-Registered Shareholders, as applicable, the DRS Advice(s) representing the aggregate Spinco Shares to which the Intermediary or Non-Registered Shareholders are entitled to receive in.

To facilitate the distribution of the Spinco Shares to Non-Registered Shareholders, management of the Company advised Non-Registered Shareholders to request their respective intermediaries to transfer or re-register the Power Nickel Shares held through intermediaries into their legal name, such that they become a "Registered Shareholder" in advance of the Effective Date of the Arrangement.

As a result, we request commencing the process to transfer and re-register the Power Nickel Shares in the name of the undersigned Non-Registered Shareholder, the beneficial holder of Power Nickel Shares registered in the name of the Intermediary,

in advance of the Effective Date.

Thank you for your attention to this matter.

Sincerely,

[insert name of beneficial holder]

SCHEDULE "B"



National Securities Administrators Ltd.

Suite 702, 777 Hornby Street Vancouver British Columbia V6Z 1S4
Tel: (604) 559-8880; Email: admin@EndeavorTrust.com

IRREVOCABLE STOCK POWER

FOR VALUE RECEIVED, the undersigned hereby sell, assign and transfer unto:

Full Name of Transferee <small>(Individual or corporation receiving the shares) If multiple transferees, attach a separate schedule</small>	Endeavor Trust Corporation ITF Chilean Metals Inc. Shareholders
Full Address <small>(Address, City, Province/State, Postal/Zip Code, Country)</small>	702-777 Hornby Street, Vancouver, BC V6Z 1S4
Email Address (Transferee)	admin@endeavortrust.com
Phone No. (Transferee)	604-559-8880

Number of Certified Shares to transfer	Number of DRS shares to transfer	Total number of shares to transfer

☒ **Common shares**
☐ **Preferred shares**
☐ **Other** _____

of Chilean Metals Inc. _____ currently registered in the name of

Name of issuing company (issuer)

[insert shareholder's name]

Name of Transferor

represented by certificate or DRS account number _____. The undersigned does hereby irrevocably constitute and appoint **Endeavor Trust Corporation** or **National Securities Administrators Ltd.** as attorney to transfer said stock on the said Issuer with full power of substitution in this matter.

☐ Issue physical certificate(s) or ☒ Issue DRS statement

Affix Signature / Medallion Guarantee stamp
(Transfer cannot be processed without an acceptable guarantee of the signature)

Signature of Transferor _____
Print name of authorized signatory _____
Date (MM / DD / YY) _____
Email address (Transferor) _____
Tel No. (Transferor) _____
Transfer fees to be billed to _____
Special instructions, if any _____

READ CAREFULLY

The signature on this assignment must correspond with the name as written upon the face of the certificate(s) or shareholder statement(s)/advice(s), in every particular, without alteration or enlargement, or any change whatsoever. The signature(s) on this form must be guaranteed by one of the following methods:

Canada and USA: A Medallion Signature Guarantee obtained from a member of an acceptable Medallion Signature Guarantee Program (STAMP, SEMP, MSP). Many commercial banks, savings banks, credit unions, and all broker-dealers participate in a Medallion Signature Guarantee Program. The Guarantor must affix a stamp bearing the actual words "Medallion Guaranteed".

Canada: A Signature Guarantee obtained from a major Canadian Schedule 1 chartered bank. The Guarantor must affix a stamp bearing the actual words "Signature Guaranteed", sign, print full name and alpha-numeric signing number. Signature Guarantees are not accepted from Treasury Branches, Credit Unions or Caisses Populaires unless they are members of a Medallion Signature Guarantee Program.

Outside North America: For holders located outside North America, present the certificate(s) and/or document(s) that require a guarantee to a local financial institution that has a corresponding Canadian or American affiliate which is a member of an acceptable Medallion Signature Guarantee Program. The corresponding affiliate will arrange for the signature to be over-guaranteed.

SCHEDULE C (CNW Group/Power Nickel Inc.)

SCHEDULE "C"



National Securities Administrators Ltd.

Suite 702, 777 Hornby Street Vancouver British Columbia V6Z 1S4
Tel: (604) 559-8880; Email: admin@EndeavorTrust.com

IRREVOCABLE STOCK POWER

FOR VALUE RECEIVED, the undersigned hereby sell, assign and transfer unto:

Full Name of Transferee (Individual or corporation receiving the shares) If multiple transferees, attach a separate schedule	[insert shareholder's information]
Full Address (Address, City, Province/State, Postal/Zip Code, Country)	
Email Address (Transferee)	
Phone No. (Transferee)	

Number of Certified Shares to transfer	Number of DRS shares to transfer	Total number of shares to transfer

☒ Common shares
of the ☐ Preferred shares
☐ Other _____

of Chilean Metals Inc. _____ currently registered in the name of _____

Name of issuing company (Issuer)

[insert intermediary's name]

Name of Transferor

represented by certificate or DRS account number _____. The undersigned does hereby irrevocably constitute and appoint Endeavor Trust Corporation or National Securities Administrators Ltd. as attorney to transfer said stock on the said Issuer with full power of substitution in this matter.

☐ Issue physical certificate(s) or ☒ Issue DRS statement

Affix Signature / Medallion Guarantee stamp (Transfer cannot be processed without an acceptable guarantee of the signature)	Signature of Transferor	_____
	Print name of authorized signatory	_____
	Date (MM / DD / YY)	_____
	Email address (Transferor)	_____
	Tel No. (Transferor)	_____
	Transfer fees to be billed to	_____
	Special instructions, if any	_____

READ CAREFULLY

The signature on this assignment must correspond with the name as written upon the face of the certificate(s) or shareholder statement(s)/advice(s), in every particular, without alteration or enlargement, or any change whatsoever. The signature(s) on this form must be guaranteed by one of the following methods:

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Outside North America: For holders located outside North America, present the certificate(s) and/or document(s) that require a guarantee to a local financial institution that has a corresponding Canadian or American affiliate which is a member of an acceptable Medallion Signature Guarantee Program. The corresponding affiliate will arrange for the signature to be over-guaranteed.

SCHEDULE B (CNW Group/Power Nickel Inc.)
SOURCE Power Nickel Inc.