

Power Nickel Announces Shareholder Approval and Court Approval of Spin-Out of Golden Ivan Property and Chilean Assets

written by Raj Shah | December 5, 2024

December 5, 2024 ([Source](#)) – Power Nickel Inc. (the “Company” or “Power Nickel”) (TSXV: [PNPN](#)) (OTCBB: PPNF) (Frankfurt: IVV) is pleased to announce that the shareholders of Power Nickel (the “Shareholders”) have approved the previously announced plan of arrangement (the “Arrangement”) pursuant to which the Company’s interest in the Golden Ivan property, along with certain Chilean exploration assets and liabilities, will be spun out to Power Nickel shareholders (the “Spin-Out”) through the Shareholders receiving common shares in Chilean Metals Inc., a wholly owned subsidiary of the Company (“Spinco” or “Chilean Metals”).

At the Company’s annual general and special meeting held on November 22, 2024, the special resolution approving the Arrangement was approved by 96.81% of the votes cast by Shareholders. All of the other matters considered at the meeting, including the stock option plan for Spinco, were also approved in accordance with management’s recommendations.

In addition, the Company is pleased to announce that on November 27, 2024 Power Nickel obtained a final order from the Supreme Court of British Columbia (“Court”) in respect of the Arrangement which was a condition to enable closing of the Arrangement.

Subject to the satisfaction or waiver of the remaining customary closing conditions, including final approval of the TSX Venture Exchange (“**TSXV**”), Power Nickel expects that the Arrangement will become effective on January 31, 2025 or shortly thereafter. The Company will issue a subsequent news release confirming the closing of the Arrangement and relevant date for which Power Nickel shareholders of record will receive, for each Power Nickel common share held immediately prior to the effective time: (i) one new common share of Power Nickel (a “**New Power Nickel Share**”); and (ii) 0.05 of one SpinCo common share (each, “**Spinco Shares**”). Outstanding options to purchase common shares in the Company will also be adjusted pursuant to the Arrangement, such that the holders of options will receive new options to purchase New Power Nickel Shares, as described in more detail in the Company’s information circular dated October 21, 2024 (the “**Information Circular**”). The Company’s transfer agent Endeavor Trust Corporation will act as depositary in connection with the Arrangement and a subsequent news release will provide further details for Shareholders to exchange their old Power Nickel shares for New Power Nickel Shares and Spinco Shares.

After closing of the Arrangement, the New Power Nickel Shares will continue trading on the TSXV in Canada, on the OTC Market in the United States and on the Frankfurt Stock Exchange in Germany. Spinco Shares will not be listed on any stock exchange after completion of the Arrangement, but Spinco will be a reporting issuer in British Columbia and Alberta and will comply with its continuous disclosure obligations under applicable Canadian securities laws.

As announced previously, the Spin-Out will provide investors with an ownership stake in two separate specialized companies. Power Nickel will continue to focus on the advancement of the Nisk project, while Spinco will focus on advancing the Golden

Ivan property and the Chilean assets. The Golden Ivan property is located in Terrace, British Columbia and comprises of 13 mineral claims, covering a total area of 797 hectares. Spinco will also acquire the Company's interests in the Zulema, Tierra de Oro, Palo Negro, Hornitos and Tabaco projects located in Chile. Power Nickel will retain its royalty interest in the Chilean Copaquire project.

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.

"We are pleased the Shareholders and the Court have approved the Arrangement, which we believe will create value in two primary ways for our shareholders. First, we believe the Spin-Out properties have significant unrealized value that is lost in the current structure. We believe Chilean Metals can advance our key projects in Chile and in British Columbia, and create considerable value that is not being seen as investors correctly focus on our exiting polymetallic discovery at Nisk. Secondly, we believe the Spin-Out will pose challenges to the naked short sellers that have been selling our shares and not closing their share sales by delivery of the stock. We are committed to maintaining transparency and integrity in the financial markets, and currently conducting a thorough investigation into certain trading activities and will provide evidence of malfeasance by naked short sellers. As previously announced by the Company on December 12, 2023, we have been investigating and finding evidence of significant and ongoing stock imbalances, which occurs when a broker has fewer shares in its account than its customers own, suggesting possible naked short selling and other manipulative actions to lower share prices. We take improper trading activity very seriously and are working diligently to

ensure that our Shareholders are protected. It has been a great year at Power Nickel; we have made major gains and yet we feel the best is yet to come. We believe the Spin-Out and our ongoing exploration success will make 2025 even more exciting than 2024. We thank our Shareholders for their support throughout the year and wish everyone a Merry Christmas and Very Happy and Prosperous New Year.”

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 a plan of arrangement.

To obtain Power Nickel’s Corporate Presentation, please use the link below:

http://powernickel.com/corporate_presentation.pdf

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 Spin-Out, TSXV approval of the proposed Spin-Out, the benefits of the proposed Spin-Out, the advancement of the key projects in Chile and in British Columbia, the creation of considerable value for Shareholders, the challenges created for naked short sellers and the Company's investigation into malfeasance and improper trading activities by naked short sellers, 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.

SOURCE Power Nickel Inc.

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