Power Nickel Provides Update on Spin-Out of Golden Ivan Property and Chilean Assets

written by Raj Shah | January 31, 2025

January 31, 2025 (Source) – **Power Nickel Inc. (the "Company" or "Power Nickel")** (TSXV: PNPN) (OTCBB: PNPNF) (Frankfurt: IVV) is pleased to announce that, further to the Company's press releases dated December 5, 2024 and January 16, 2025, the previously announced plan of arrangement (the "**Arrangement**"), whereby Power Nickel will spinout (the "**Spin-Out**") the Golden Ivan Property and certain Chilean assets and liabilities to Chilean Metals Inc. ("**Spinco**", a wholly owned subsidiary of the Company), is expected to become effective at 12:01 a.m. PST on February 3, 2025 (the "**Effective Time**").

Assuming the Arrangement becomes effective on February 3, 2025, the Power Nickel shareholders of record as of the close of trading on January 31, 2025 (the "**Shareholders**") will receive, for each Power Nickel common share held immediately prior to the Effective Time: (i) one new common share of Power Nickel (each, a "**New Power Nickel Share**"); and (ii) 0.05 of one Spinco common share (each, a "**Spinco Share**"). 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 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 in connection with the Arrangement, and will mail a letter of transmittal to each of the Shareholders holding common shares of the Company in certificated format, which provides instructions for such Shareholders to exchange their common shares for New Power Nickel Shares and Spinco Shares. For more information regarding the process to exchange common shares of the Company for New Power Nickel Shares and Spinco Shares, please refer to the Company’s press release dated January 16, 2025.

Once the Arrangement becomes effective, the New Power Nickel Shares will continue trading on the TSX Venture Exchange (“**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 Shareholders 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.

The Arrangement remains subject to the satisfaction or waiver of the remaining customary closing conditions, including final 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 currently owns significant land packages in British Colombia and Chile, which are the subject of the Spin-Out and will be owned by Chilean Metals Inc. if the Arrangement becomes effective.

For further information, readers are encouraged to contact:

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Neither the TSXV 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, the effective date of the Arrangement, the completion of the proposed Spin-Out, the Company’s receipt of final TSXV approval of the Arrangement, the benefits of the proposed Spin-Out, the advancement of the key projects in Chile and in British Columbia and other statements related to the Arrangement or the Spin-Out, 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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