

Power Metal Resources

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ABM teams up with Katoro Gold for Tanzania project

African Battery Metals plc (LON:ABM) has announced a deal to acquire a stake in AIM peer Katoro Gold plc (LON:KAT) as both firms put their sights on a Nickel project in Tanzania.

Katoro currently holds 100% of the Haneti nickel project - which is also prospective for platinum-group-elements, cobalt, copper, gold and lithium - and, the new agreement provides the possibility for ABM to acquire up to 35% of the project.

"I am delighted to announce the acquisition of an interest in Katoro Gold plc and the option agreement enabling us to increase our holding in Katoro and also secure a strategic stake in the Haneti nickel project," said Paul Johnson, ABM executive director.

READ: Katoro sees high priority exploration targets at the Haneti nickel project

"The agreement announced today complements our existing interests and provides a degree of diversification whilst remaining focused on Africa and battery metal projects."

Johnson added: "We are looking to work with Katoro on an accelerated exploration programme at Haneti to build on the knowledge that Katoro, and previous owner Kibo Mining plc, gathered. This includes data demonstrating 13.59% nickel in sampling of outcrops.

"We look forward to reporting back on developments in respect of this strategic transaction in the near future."

ABM is initially investing £25,000 to acquire 2.5mln Katoro shares, at 1.25p each, and, it also receives the option to acquire a further 7.5mln shares priced at 1p each - thereafter, a tranche of 7.5mln share warrants will be issued to ABM, allowing them to convert into additional shares at 1.25p each within three years.

Once the option is taken up, ABM will acquire a 25% interest in the Katoro Nickel subsidiary that holds the Haneti asset, and, thereafter the company will accordingly be committed to covering 25% of the project's costs.

It will also have opportunity to acquire an additional 10% of Katoro Nickel with a further payment.

Price: 0.6

Market Cap: £3.32 m

1 Year Share Price Graph



Share Information

Code: POW

Listing: AIM

52 week	High	Low
	0.67	0.16

Sector: Battery Metals

Website www.powermetresources.com

Company Synopsis:

Power Metal Resources plc (AIM: POW) (previously known as African Battery Metals plc) is a London listed, African focused metal exploration and development company. Our principal strategic objective is the discovery of large scale metal deposits and we are focused on cobalt, copper, lithium and nickel.

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