

Power Metal Resources

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African Battery Metals acquires additional interest in Katoro Gold and Haneti Nickel project

African Battery Metals PLC (LON:ABM) has agreed to acquire an additional 7.5mln shares in AIM peer Katoro Gold PLC (LON:KAT) and a 25% interest in Kibo Nickel, which owns the Haneti Nickel project in Tanzania.

The exploration firm said it would invest £75,000 to acquire the additional shares in Katoro at a price of 1p each, which would be taken from its existing cash resources.

READ: ABM teams up with Katoro Gold for Tanzania project

The group added that with its new 25% share of the Haneti project it would be required to fund a quarter of the project costs and also had the right to acquire an additional 10% stake in the project for £25,000 in cash within the next 12 months.

Paul Johnson, executive director of ABM, said that the company would now enter into a joint venture agreement with Katoro in respect of the Haneti project, which he said complemented the group's existing portfolio in the country.

"ABM looks forward to working with Katoro to develop a work plan for Haneti and anticipates further updates will be provided to the market in the near term."

Louis Coetzee, executive chairman of Katoro, added that the agreement "holds the promise of establishing a strategic partnership with ABM, with whom we can explore and ultimately hopefully develop the full potential of Haneti".

"The investment by ABM announced today, fits perfectly with Katoro's development strategy for Haneti and will enable the Company to execute its exploration program for Haneti quicker and with significant more effectiveness and efficiency."

The acquisition follows a previous agreement between ABM and Katoro in March when ABM invested £25,000 to acquire 2.5mln Katoro shares.

In late-afternoon trading on Wednesday, ABM shares were steady at 0.5p.

--Adds Katoro executive comment--

Price: 0.4999

Market Cap: £2.76 m

1 Year Share Price Graph



Share Information

Code: POW

Listing: AIM

52 week	High	Low
	0.65	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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