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Power Metals Closes \$3.45 Million Bought Private Placement

VANCOUVER, BRITISH COLUMBIA, January 15, 2018 – Power Metals Corp. (“Power Metals” or the “Company”) (TSXV: PWM) (FRANKFURT: OAA1) (OTC: AOUFF) is pleased to announce that it has completed a brokered bought deal private placement of 6,900,000 units (each, a “Unit”) at a price of \$0.50 per Unit for gross proceeds of \$3,450,000 (the “Offering”). Eight Capital (the “Underwriter”) acted as underwriter for the Offering. The Offering included Units issued on the exercise of the Underwriters’ over-allotment option in full. Each Unit is comprised of one common share of the Company (a “Share”) and one common share purchase warrant (a “Warrant”). Each Warrant shall entitle the holder thereof to acquire one Share of the Company at a price of \$0.70 until January 15, 2020.

The Offering was led by Eight Capital, pursuant to the terms of an underwriting agreement entered into by the Company and the Underwriter on January 15, 2018 (the “Underwriting Agreement”). Pursuant to the Underwriting Agreement, the Underwriter received a cash commission of \$207,000 equal to 6% of the aggregate gross proceeds of the Offering and was granted 414,000 compensation warrants. Each compensation warrant is exercisable to purchase one Unit at an exercise price of \$0.50 until January 15, 2020.

The Company intends to use the net proceeds of the Offering for exploration and drilling at their Case Lake Project, as well as working capital and general corporate purposes.

All of the securities issued under the private placement are subject to a hold period expiring four months and one day from the date hereof.

This press release shall not constitute an offer to sell or the solicitation of an offer to buy nor shall there be any sale of the securities in any State in which such offer, solicitation or sale would be unlawful. The securities being offered have not been, nor will they be, registered under the United States *Securities Act of 1933*, as amended, and may not be offered or sold in the United States absent registration or an applicable exemption from the registration requirements of the United States *Securities Act of 1933*, as amended, and applicable state securities laws.

About Power Metals Corp.

Power Metals Corp. is a diversified Canadian mining company with a mandate to explore, develop and acquire high quality mining projects. We are committed to building an arsenal of projects in both lithium and high-growth specialty metals and minerals. We see an unprecedented opportunity to supply the tremendous growth of the lithium battery and clean-technology industries. Learn more at www.powermetalscorp.com

ON BEHALF OF THE BOARD,

Johnathan More, Chairman & Director

Neither TSX Venture Exchange nor its Regulation Services Provider (as that term is defined in policies of the TSX Venture Exchange) accepts responsibility for the adequacy or accuracy of this release.

No securities regulatory authority has either approved or disapproved of the contents of this news release. The securities being offered have not been, and will not be, registered under the United States Securities Act of 1933, as amended (the "U.S. Securities Act"), or any state securities laws, and may not be offered or sold in the United States, or to, or for the account or benefit of, a "U.S. person" (as defined in Regulation S of the U.S. Securities Act) unless pursuant to an exemption therefrom. This press release is for information purposes only and does not constitute an offer to sell or a solicitation of an offer to buy any securities of the Company in any jurisdiction.



FORWARD LOOKING INFORMATION

This press release contains forward-looking information based on current expectations, including the completion of the Offering. These statements should not be read as guarantees of future performance or results. Such statements involve known and unknown risks, uncertainties and other factors that may cause actual results, performance or achievements to be materially different from those implied by such statements. Although such statements are based on management's reasonable assumptions, Power Metals assumes no responsibility to update or revise forward-looking information to reflect new events or circumstances unless required by law.

Although the Company believes that the expectations and assumptions on which the forward-looking statements are based are reasonable, undue reliance should not be placed on the forward-looking statements because the Company can give no assurance that they will prove to be correct. Since forward-looking statements address future events and conditions, by their very nature they involve inherent risks and uncertainties. These statements speak only as of the date of this press release. Actual results could differ materially from those currently anticipated due to several factors and risks including various risk factors discussed in the Company's disclosure documents which can be found under the Company's profile on www.sedar.com.

This press release contains "forward-looking statements" within the meaning of Section 27A of the Securities Act of 1933, as amended, and Section 21E the Securities Exchange Act of 1934, as amended and such forward-looking statements are made pursuant to the safe harbor provisions of the Private Securities Litigation Reform Act of 1995. The TSXV has neither reviewed nor approved the contents of this press release.

FOR FURTHER INFORMATION PLEASE CONTACT:

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