

30 January 2019

Quarterly Activities Report – Three months to 31 December 2018

Overview

Pursuit Minerals is rapidly emerging as a potential leading vanadium development company following major successes in the advancement of its exploration portfolio during the December quarter.

A significant drilling program was conducted on the Airijoki Project in Sweden and geochemical re-analysis of historic drill holes was completed on the Koitelainen Project in Finland, enabling the Company to confirm that its two key projects contain extensive mineralised zones of high-grade vanadium.

Pursuit CEO Jeremy Read said he was delighted with the results the Company was achieving from the exploration being conducted, and confident that Pursuit's projects had excellent potential for commercial development, showing the capacity to produce world class, high-grade vanadium in magnetite concentrates.

"During this quarter we made great strides in advancing our key Koitelainen Vosa prospect in Finland and the Airijoki project in Sweden.

"At Airijoki, we completed our first drilling campaign with spectacular results showing thick, vanadium mineralisation which produces high grade vanadium magnetite concentrates. At Koitelainen, we completed re-analysis of historical drill holes that generated vanadium magnetite concentrates with grades exceeding 2.4% V₂O₅ over significant intervals in many holes, placing the Koitelainen magnetite concentrate amongst the highest grades globally.

"We are now moving rapidly towards definition of JORC Inferred Mineral Resources on both projects, which should then enable Scoping Studies to be completed to assess potential economics.

"We are excited by the excellent results we are achieving, and the market has started to recognise the potential of our projects, which was reflected in the strong support we received for the capital raising completed during the quarter. We are now strongly placed to press ahead with exploration and Scoping Studies in 2019, and look forward to reporting further impressive results," he said.

Highlights

Finland – Koitelainen Vosa Prospect

- Completed re-assaying of 11 historical drill holes producing vanadium magnetite concentrates with vanadium grades exceeding 2.4% over significant intervals in many holes
- Further geochemical results are pending for an additional five historical holes
- The geochemical data from a total of 16 re-assayed historical holes is expected to lead to the declaration of a JORC Inferred Mineral Resource in the current quarter, followed by a Scoping Study to be completed before the end of April 2019

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Sweden – Airijoki Project

- Initial drill program of 18 holes for 2876m completed in the quarter, testing 2.5 - 3.0km of outcropping high-grade vanadium mineralisation.
- Geochemical results received for nine holes in the Southwest Magnetic Zone, revealing high vanadium grades in whole rock which produce exceptional grade vanadium magnetite concentrates
- Vanadium mineralisation confirmed to be up to 200m in down hole thickness and covering approximately 600m of strike length
- Drilling showed intervals of vanadium mineralisation up to 213 metres, with geochemical analysis producing magnetite concentrates with vanadium grades routinely above 2%
- Results for the remaining nine holes are expected in late January/early February 2019
- Pursuit is aiming to define a JORC compliant Inferred Mineral Resource at Airijoki in the current quarter and then proceed with a scoping study to be completed by end of April 2019
- Three additional Exploration Licences secured during the quarter, covering 22.4km²

Corporate

- \$2.27 million capital raising completed in the December quarter, which included \$270,000 invested by the Company's directors.
- As at December 2018, Pursuit had cash reserves of \$1.6 million.
- The Company's share registry was transferred to Automic as of November 2018

Finland Vanadium Projects

Pursuit holds extensive Mineral Reservations covering the Koitelainen and Karhujupukka Vanadium Projects in northern Finland (Figure 1).

The Koitelainen Project is comprised of two reservations covering 130km²:

- Koitelainen Vosa Prospect, contains an in-situ Exploration Target estimated as 80 - 105Mt, containing 4.0 - 10.5Mt of magnetite @ 2.0 - 2.3% V₂O₅ (in magnetite concentrate) for 80,000 - 241,000 tonnes of V₂O₅¹
- Koitelainen UC, which contains a historical mineral resource estimate of 70Mt @ 0.4% V (0.7% V₂O₅), 14.4% Cr and 1.1g/t Platinum Group Elements²;

The Karhujupukka Project Reservation covers 398km² and contains a historical mineral resource estimate of 5.2Mt @ 0.24% V (0.43% V₂O₅), 32% Fe, 6.2% Ti and 0.02% Co². Exploration Licences have been granted within the Reservation at Karhujupukka North and Karhujupukka covering areas of 1km² and 5.5km² respectively.

¹See Pursuit Minerals ASX Announcement 12 September 2018. The Company is not aware of any new information or data that materially affects the information contained in that announcement.

²The historical mineral estimates for the Koitelainen and Karhujupukka Projects are historical estimates and are not reported in accordance with the JORC Code. A Competent Person has not done sufficient work to classify the historical estimates as Mineral Resources in accordance with the JORC Code. It is uncertain that following evaluation and/or further valuation work that the historical estimates will be able to be reported as Mineral Resources in accordance with the JORC code.

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Figure 1 - Pursuit Project Locations in Finland and Sweden



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Koitelainen Vosa Prospect

During the December quarter Pursuit completed re-analysing of 11 historical drill holes at the Koitelainen Vosa Prospect (See ASX release of January 9, 2018 - the Company is not aware of any new information or data that materially affects the information contained in that announcement.) (Figure 2).

The analysis generated vanadium magnetite concentrates with vanadium grades exceeding 2.4% over significant intervals in many holes, placing the Koitelainen magnetite concentrate amongst the highest grade globally.

Results for the vanadium magnetite concentrates included:

- 29.9m @ 2.4% V₂O₅ in hole M374177R336
- 11.6m @ 2.8% V₂O₅ in hole M374177R330
- 38.2m @ 2.6% V₂O₅ in hole M374177R326
- 6.2m @ 3.3% V₂O₅ in hole M374177R306
- 9.85m @ 2.9% V₂O₅ in hole M374177R335

Further geochemical results are pending for an additional five historical holes.

Pursuit has previously identified a substantial Exploration Target at the Koitelainen Vosa prospect, estimated as 80 - 105Mt, containing 4.0 - 10.5Mt of magnetite @ 2.0 - 2.3% V₂O₅ (in magnetite concentrate) for 80,000 - 241,000 tonnes of V₂O₅ in accordance with JORC (2012), utilising data from 3742m of drilling from 25 historical drill holes.

The Exploration Target reported for the Koitelainen Vosa Prospect is conceptual in nature and there has been insufficient exploration work completed to estimate a Mineral Resource. It is uncertain if further exploration will result in the estimation of a Mineral Resource.

The geochemical data from the 16 re-assayed holes is expected to allow the Exploration Target to be upgraded to a JORC Inferred Mineral Resource in the March 2019 quarter. Following the definition of the Mineral Resource, Pursuit intends to complete a Scoping Study before the end of April 2019.

A review of the historic data conducted by Pursuit indicates that high-grade vanadium mineralisation at Koitelainen Vosa extends over at least 1000m of strike, from south to north, is open in both directions and is directly associated with magnetic anomalies in excess of 3.5km in strike length.

Pursuit has applied for an Exploration Licence to enable drilling to be conducted at the Koitelainen project during the winter field season of 2019-2020. The application requires an environmental assessment to be carried out, which is expected to be finalised by the end of the March quarter of 2019.

Karhujupukka Project

The Karhujupukka Project is in north-western Finland, close to the Swedish border and the transport corridor which runs down the western Finland border. Vanadium mineralisation was discovered at Karhujupukka by the Geological Survey of Finland (GTK) in 1988, which led to the GTK reporting an historical mineral resource estimate based on 30 drill holes (3453m of drilling). The strike length of the mineralisation is over 5km and remains open.

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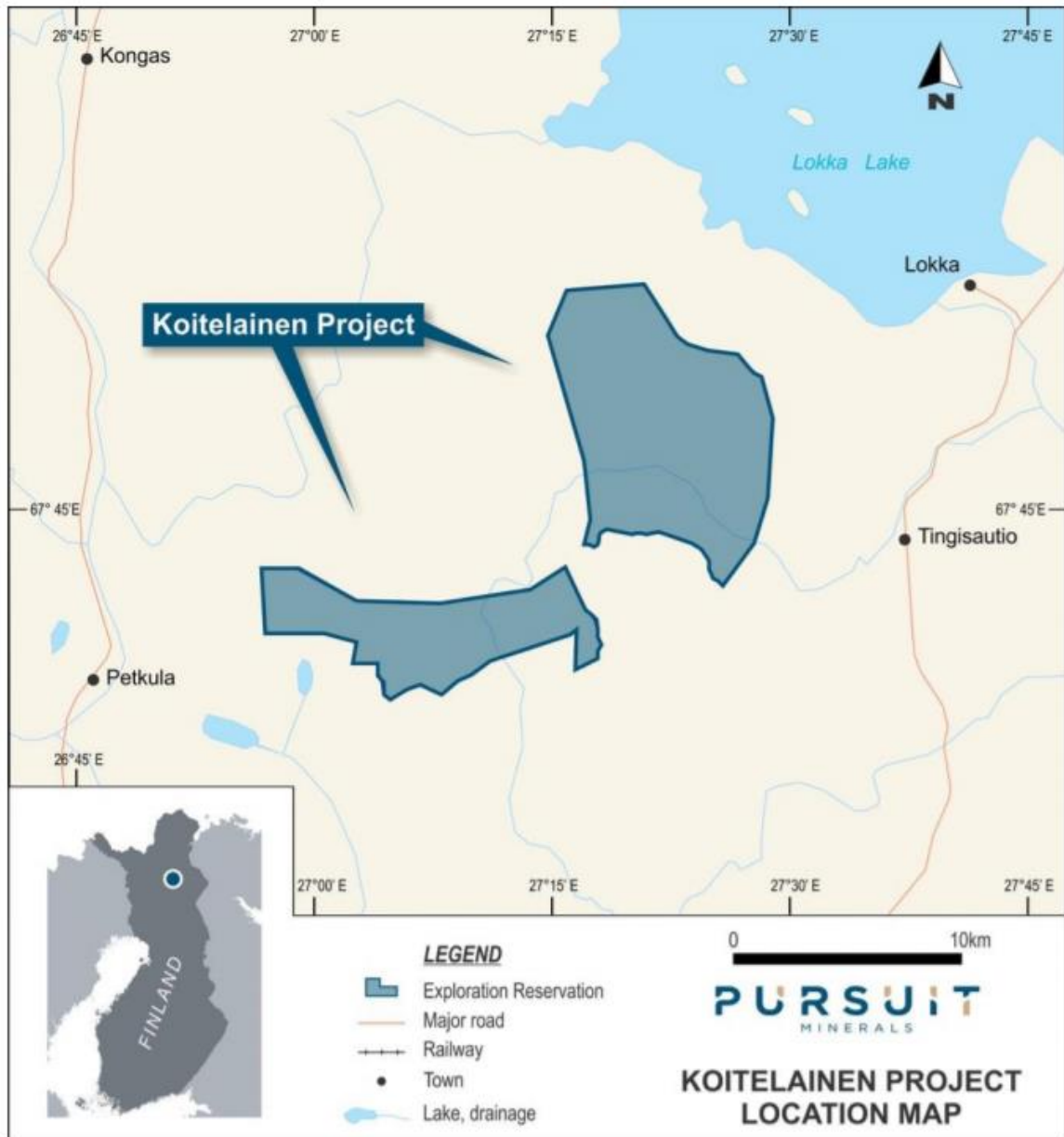
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Figure 2 - Koitelainen Project Location



Pursuit has been granted two exploration licences within the area of Pursuit's Karhujupukka Reservation. Exploration Licence, ML2018:0068, "Karhujupukka North", covering an area of 1km² has been granted for four years until 10/7/2022. Exploration Licence ML2018:0069, "Karhujupukka South", covering an area of 5.5km² has also been granted for four years until 10/7/2022. Pursuit is currently preparing for a two-hole drill program to be completed at Karhujupukka South, commencing on 1

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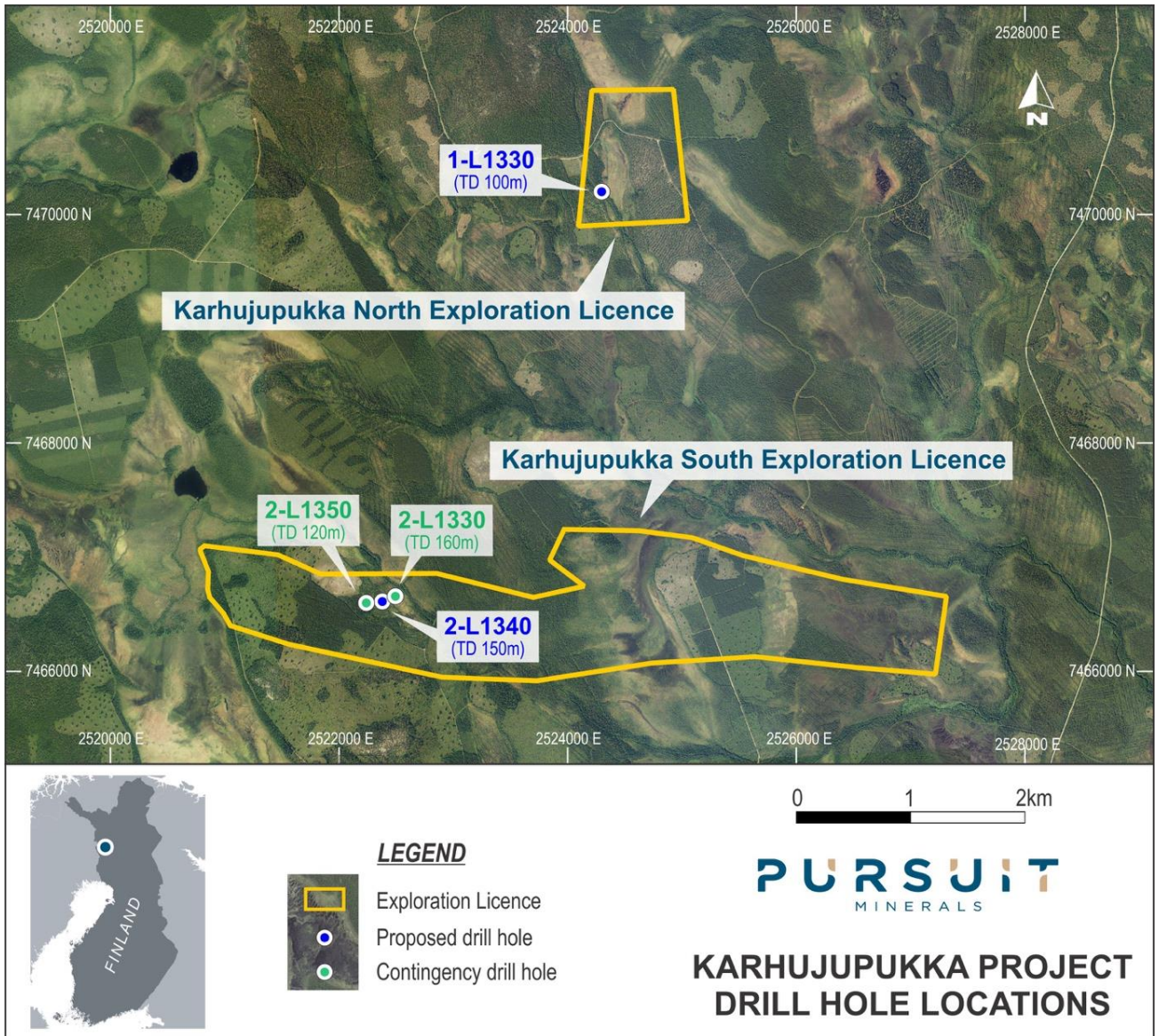
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February 2019 (Figure 3). The drilling program will test a +350m long electromagnetic conductor, interpreted to be due to Ni-Cu bedrock sulphide mineralisation, which was identified from an airborne electromagnetic survey flown in 2012 by the previous holders of the Karhujupukka Project area. Despite this conductor being previously recognised as a high priority Ni-Cu target it was never drilled due to the previous holder of the Karhujupukka Project shutting down its Finland Projects in 2012. Therefore, Pursuit has the benefit of a walk-up Ni-Cu drilling target. The drilling program will be completed by mid-February and results are expected to be available by the end of March 2019.

Figure 3 - Karhujupukka Project – Planned Drilling Program



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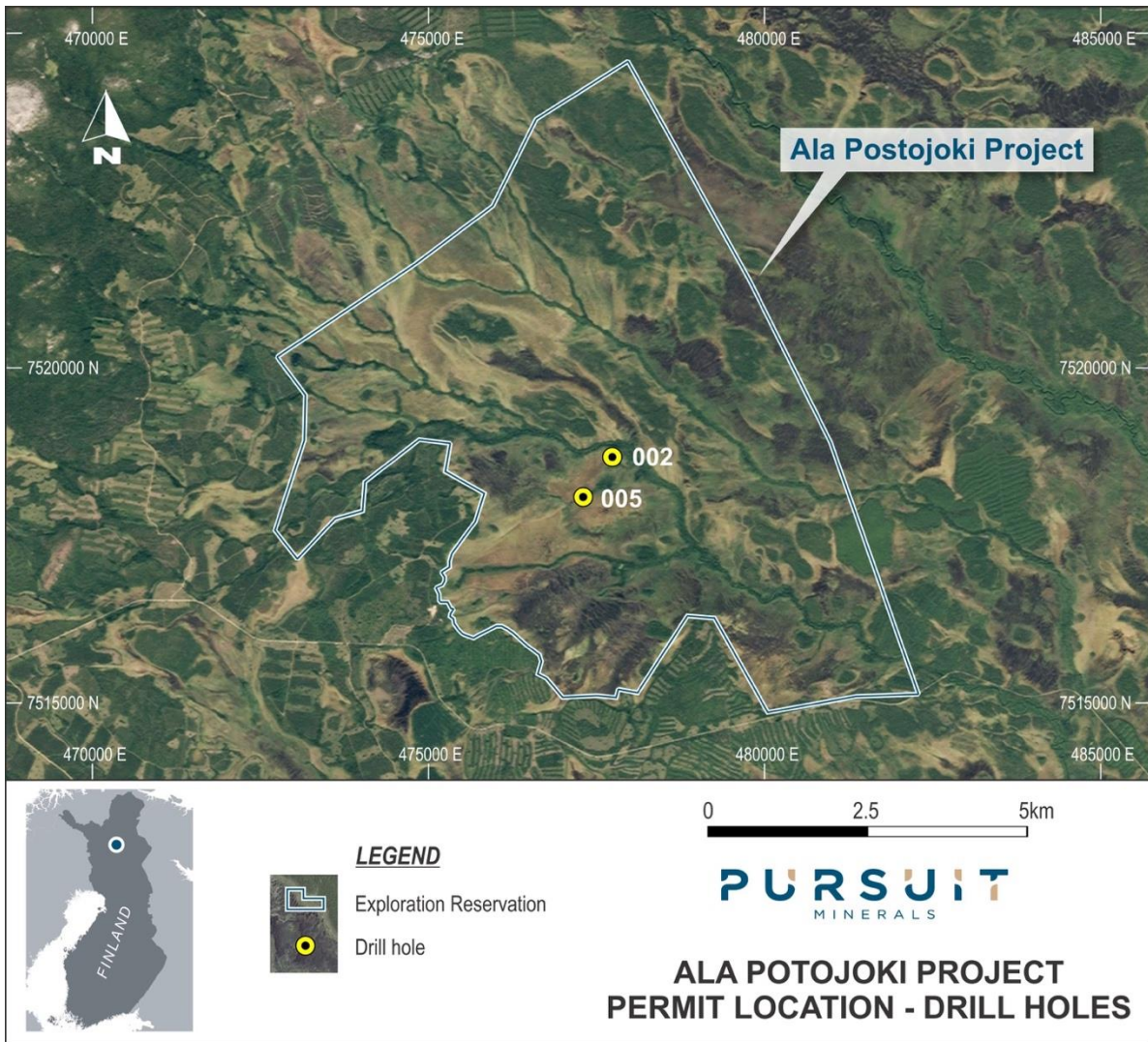
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Ala Postojoki Project

Pursuit has been granted a Mineral Reservation covering the Ala Postojoki vanadium project in northern Finland (Figure 4). The Reservation covers an area of 50km² and is valid until 7/8/2020. The project is close to the west of Pursuit's Koitelainen vanadium project.

The project contains confirmed vanadium mineralisation associated with a magnetic anomaly of 3.5km strike length. Only two holes have previously been drilled at the Ala Postojoki project, approximately 600m apart, suggesting there is significant potential to expand the known vanadium mineralisation. Pursuit has sampled historical drill hole POS-R002 in order to confirm the vanadium mineralisation and obtain modern geochemical assays from the project. The analytical data from the re-sampling of hole POS-R002 is expected to be available in early February 2019.

Figure 4 -Ala Postojoki Project Historical Drill Hole Locations



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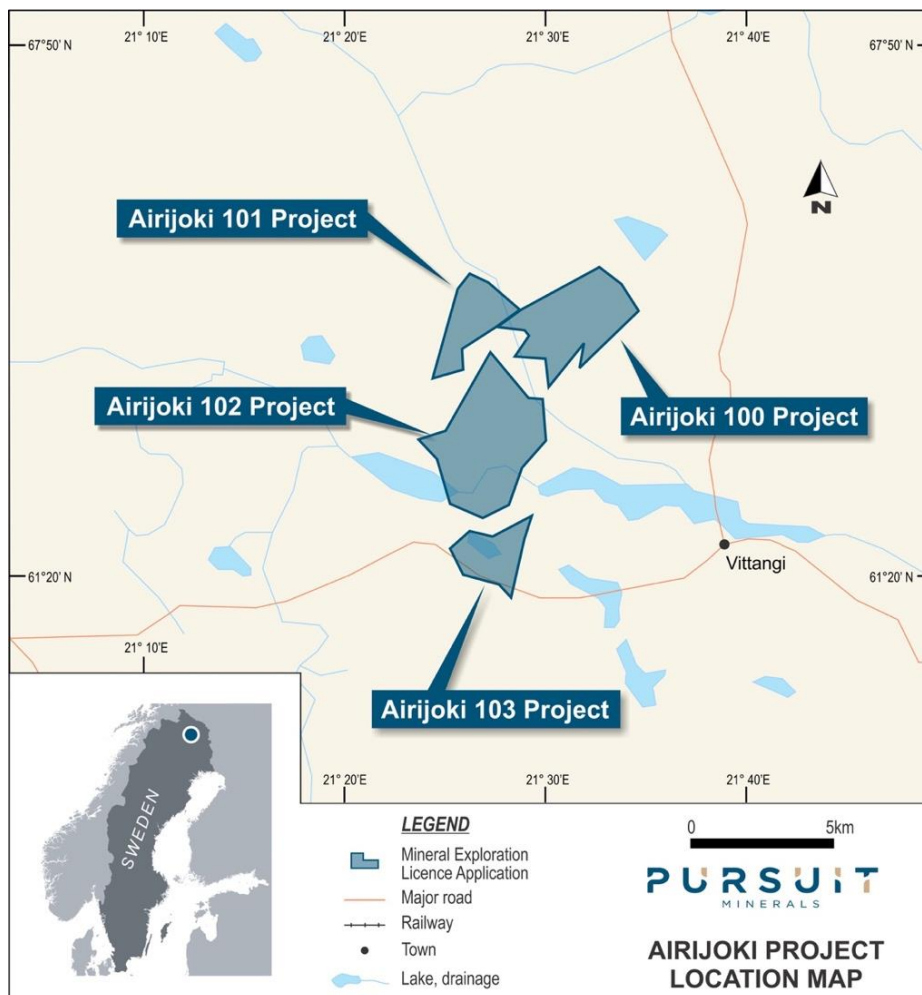
Sweden Vanadium Projects

Pursuit has been granted Mineral Exploration Licences covering five project areas in Sweden: Sumåssjön, Kramsta, Simesvallen and Storåsen in Central Sweden and the Airijoki Project in northern Sweden. Mineral Exploration Licences allow the company to undertake exploration activities including geophysical surveys, mapping, sampling and drilling, subject to the relevant County Administration Boards approving work plans.

Airijoki Project

The Airijoki Project is located in northern Sweden. Pursuit holds four Exploration Licences covering a total 32km² (Figure 5). Three of these Exploration Licences, covering 22.4km² were granted during the December quarter 2018. The new Exploration Licences cover large, high-amplitude aeromagnetic anomalies which are interpreted to be due to magnetite gabbro bodies, host to the high-grade vanadium mineralisation intersected in historical and Pursuit drill holes at Airijoki. (See ASX Release of 3 December 2018)

Figure 5 - Airijoki Project Location



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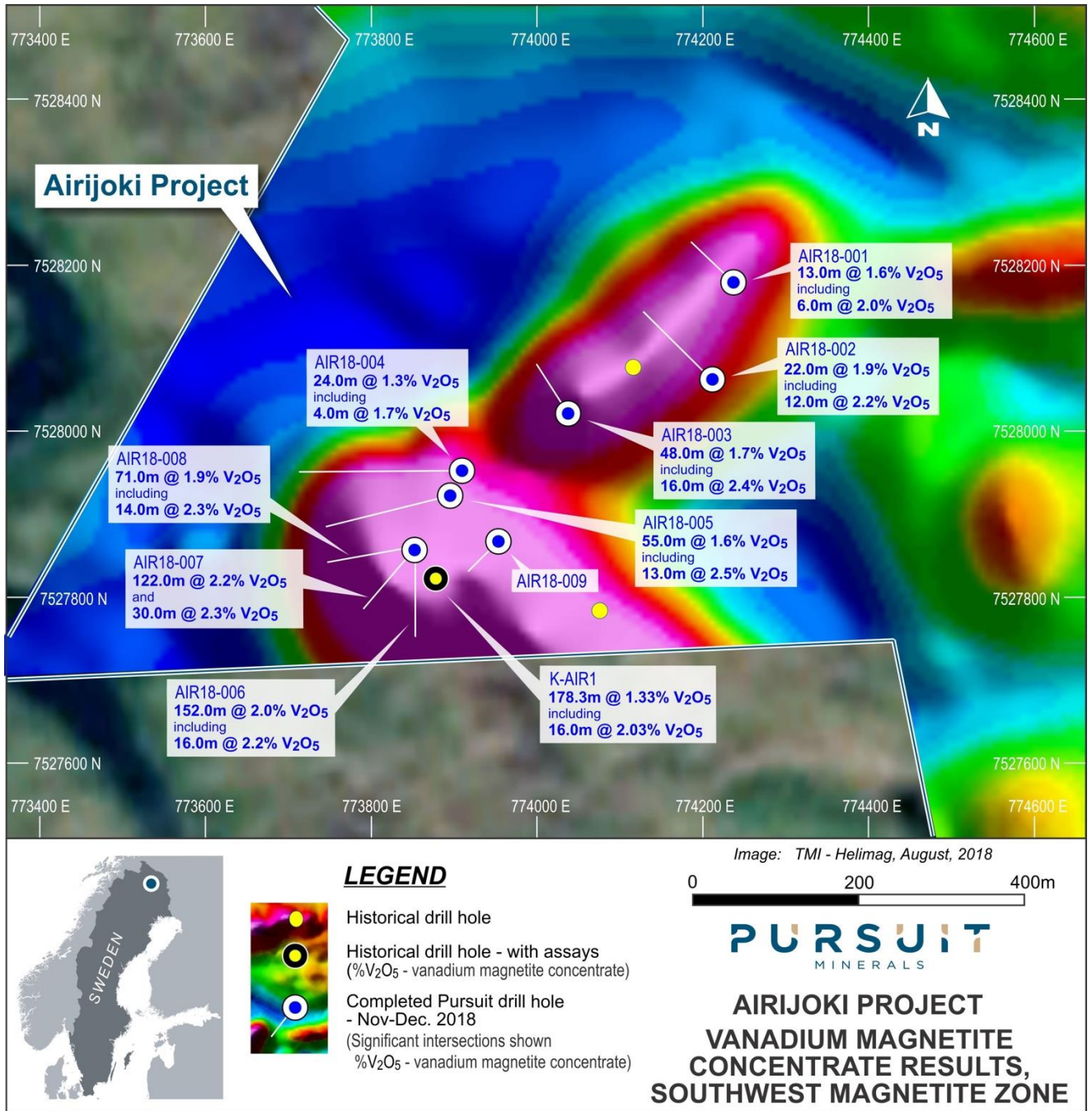
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Figure 6 - Drill holes with significant intersections from the Southwest Magnetic Zone from the Airijoki Project Drilling Program



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Pursuit completed its first drill program at Airijoki in the December quarter of 2018, drilling 18 holes for 2876m to test 2.5 - 3.0km of outcropping high-grade vanadium mineralisation¹ (Figure 6).

Geochemical analysis from nine holes in the Southwest Magnetic Zone have been received confirming high vanadium grades in whole which produce exceptionally high grade vanadium magnetite concentrates as follows:

- Drill hole AIR18-007:
 - 178.0m @ 1.9% V₂O₅ (magnetite concentrate) from 12.0m depth, including;
 - 122.0m @ 2.2% V₂O₅ (magnetite concentrate) from 64.0m, and;
 - 30.0m @ 2.3% V₂O₅ (magnetite concentrate) from 150.0m
- Drill hole AIR18-006:
 - 213.2m @ 1.8% V₂O₅ (magnetite concentrate) from 8.0m depth, including;
 - 152.2m @ 2.0% V₂O₅ (magnetite concentrate) from 69.0m depth, and;
 - 16.0m @ 2.2% V₂O₅ (magnetite concentrate) from 141.0m
- Drill hole AIR18-008:
 - 112.0m @ 1.6% V₂O₅ (magnetite concentrate) from 13.0m depth, including;
 - 71.0m @ 1.9% V₂O₅ (magnetite concentrate) from 54.0m depth, and;
 - 14.0m @ 2.3% V₂O₅ (magnetite concentrate) from 109.0m depth

Results for vanadium magnetite concentrates from the remaining nine holes in the northeast magnetic zone are expected to be delivered in late January/early February 2019.

Pursuit is aiming to define a JORC compliant Inferred Mineral Resource at Airijoki in the current quarter and then proceed with a scoping study to be completed by April 2019.

¹See Pursuit Minerals ASX Announcements dated 15 and 22 January 2019. The Company is not aware of any new information or data that materially affects the information contained in those announcements..

Kullberget-Storasen Project

The Kullberget - Storasen magnetic anomaly is 6km long and is divided into a western section (Kullberget) and an eastern section (Storasen). At Kullberget, outcropping vanadium mineralisation returned values of 20%Fe and 0.9% V₂O₅ in historical samples. At Storasen, historical rock samples from a minor trial mine returned values of 12-20% Fe and 0.11-0.2% V₂O₅.

A low level heli-magnetic survey and rock chip sampling program was conducted at the Kullberget project during the September quarter which identified two prominent, intense magnetic anomalies associated with outcropping vanadium mineralisation (Figure 7). An east-west trending magnetic anomaly, 2km in strike length, had associated vanadium mineralisation in rock chip samples grading 0.12 – 0.30% V₂O₅. A second large magnetic anomaly of 2.2km strike length, trending northeast-southwest, also was identified, with associated vanadium mineralisation in rock chip samples grading 0.14 – 0.28% V₂O₅. The two historical trial mining pits in the east of the project area were found to contain outcropping vanadium mineralisation grading 0.23 – 0.43% V₂O₅.¹ The levels of vanadium

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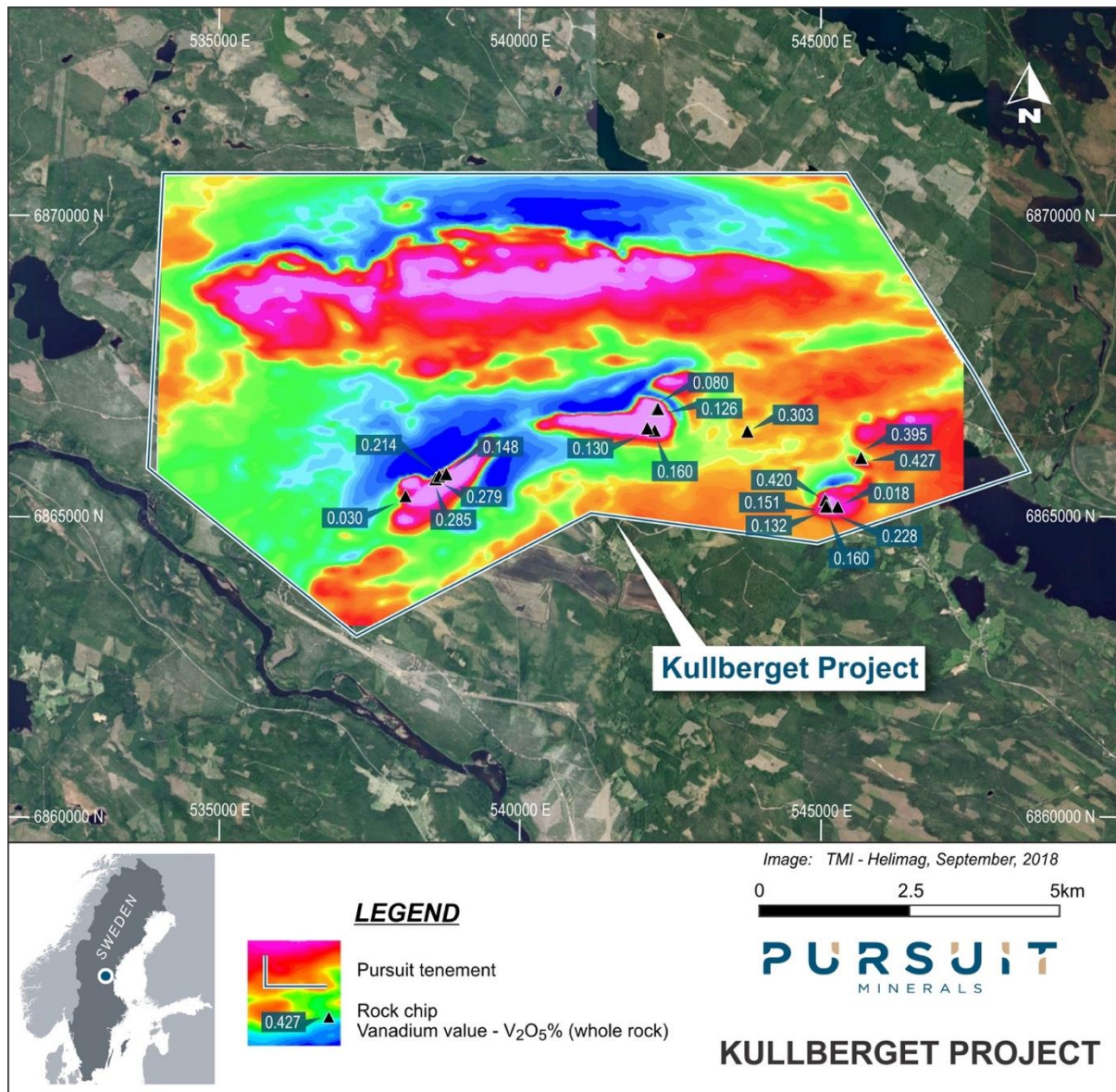
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mineralisation associated with both magnetic anomalies and the trial mining pits is highly encouraging. Drill testing of the vanadium mineralisation at shallow depth is justified to determine the grade and thickness of the vanadium mineralisation within the large magnetic bodies.

¹See Pursuit Minerals ASX Announcement 2 October 2018. The Company is not aware of any new information or data that materially affects the information contained in that announcement.

Figure 7 - Kullberget-Storasen Project Heli-Magnetic Data, Drill Holes and Rock Chip Results



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Simesvallen Prospect

The Simesvallen project covers an approximately 15km long magnetic unit, folded into elliptical form, potentially indicating sills or lopolithic gabbro intrusions. In the early 1980s, a minor part of the northern structure at Simesvallen was investigated with reconnaissance drilling along 560m of strike and to a depth of 50m. Pursuit was able to access two of the historical drill holes, SIM82001 and SIM82003, at the Swedish National Core Library. Half-core samples were cut from holes SIM82001 and SIM82003 and submitted for modern geochemical analysis. Drill hole SIM82003 returned a highly encouraging intersection of 24m @ 0.36% V₂O₅ (whole rock), 1.63% V₂O₅ (magnetite concentrate) from 22.0 down hole depth, which included higher grade zones of 7.85m @ 0.42% V₂O₅ (whole rock), 1.76% V₂O₅ (magnetite concentrate) from 28.15m down hole depth and 9m @ 0.43% V₂O₅ (whole rock), 1.90% V₂O₅ (magnetite concentrate) from 37.0m down hole depth. Re-analysis of drill hole SIM82001 returned an encouraging intersections of 7m @ 0.24% V₂O₅ (whole rock), 1.55% V₂O₅ (magnetite concentrate) from 23.0 down hole depth, 2.95m @ 0.33% V₂O₅ (whole rock), 1.51% V₂O₅ (magnetite concentrate) from 35.05 down hole depth and 10.9m @ 0.38% V₂O₅ (whole rock), 1.63% V₂O₅ (magnetite concentrate) from 39.0 down hole depth (Figure 8).¹

¹See Pursuit Minerals ASX Announcement 29 October 2018. The Company is not aware of any new information or data that materially affects the information contained in that announcement.

Re-sampling of historical drill holes SIM82001 and SIM82003 has confirmed that the vanadium mineralisation hosted in the magnetite gabbro at the Simesvallen Project, produces high-grade magnetite concentrates. The vanadium mineralisation occurs at shallow depth and geochemical results from the historical trial mining confirms that the mineralisation crops out at the surface.

Sumåssjön Project

The Sumåssjön project area contains vanadium mineral occurrences and areas of historic mining activity. Seven drill holes have been previously drilled intersecting vanadium mineralisation over a strike length of 200m. Field work by Pursuit has not yet been conducted.

Kramsta Project

An historical Exploration Target of 10-12Mt @ 0.1-0.25% V, 3-5 % Ti and 15-25% Fe has been estimated at the Kramsta Project.

The historical Exploration Target reported for the Kramsta Project is conceptual in nature and there has been insufficient exploration work completed to estimate a Mineral Resource. It is uncertain if further exploration will result in the estimation of a Mineral Resource.

Pursuit's initial objective at the Kramsta Project will be to estimate a Mineral Resource in accordance with JORC (2012) and to ascertain the size of the mineralisation. Field work by Pursuit has not yet commenced.

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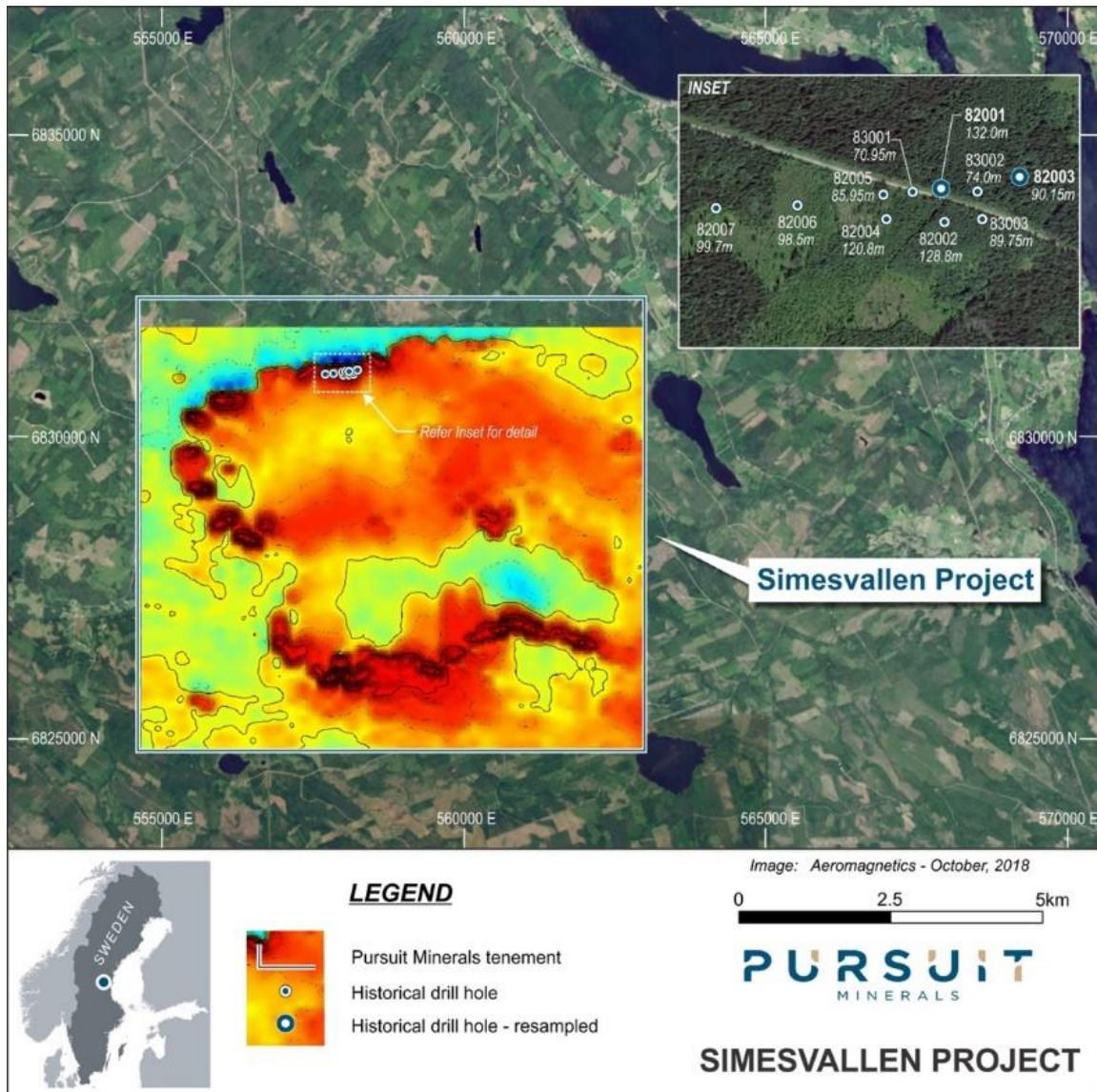
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Figure 8 - Historical Drill Hole Locations Simesvallen Project



Queensland Zinc Exploration Projects

Paperbark Project

The Paperbark Project is located approximately 215km north-northwest of Mount Isa and 25km south-east of the Century Mine in north-west Queensland. It occurs within the Lawn Hill Platform of the Western Succession of the Mt Isa Province (Figure 9).

The project consists of one exploration permit, EPM 14309, covering an area of approximately 70km². Exploration by previous companies focused on the JB Zone, where a Mineral Resource of 10.4Mt @

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2.7% Zn, 0.2% Pb, 1g/t Ag at 1.5% Zn cut-off grade and classified as Inferred in accordance with the JORC Code (2012) has been defined. Drilling conducted by Pursuit Minerals in 2017 and 2018 has focussed on understanding the potential to expand the existing Mineral Resource at the JB Zone, the potential of the newly discovered zinc system at the JE Zone and determining the probability that the JB and JE Zones are part of one large zinc system.

No work was conducted on the Paperbark Project during the Quarter.

Bluebush Project

The Bluebush Project is located approximately 280km north-northwest of Mount Isa and 72km northeast of the Century Mine in northwest Queensland and occurs within the Lawn Hill Platform of the Western Succession of the Mt. Isa Province (Figure 10).

The project consists of two exploration permits (EPM's 8454 and 8937) covering an area of approximately 214km². Previous drilling has intersected zinc mineralisation over an area of 120km² making Bluebush one of the largest areas of zinc mineralisation in Australia.

A drill program of four holes for 1669m was completed in the September quarter. Drilling intersected broad intervals of zinc-lead sulphide mineralisation.

No work was conducted on the Bluebush Project during the Quarter.

South Australia Lithium Brine Projects

On 6th September the Company was granted three Exploration Licences, covering a combined area of 1831km², in central and northern South Australia. The exploration targets are brines enriched in lithium associated with the large salt lakes in this region of South Australia (Figure 11).

No work was completed on the Lithium brine Project during the Quarter.

Coober Pedy Project

No exploration activity was undertaken on the Iron Oxide Copper Gold ('IOCG') Coober Pedy Project during the quarter (Figure 12) Pursuit is exploring options to crystallise value from the Coober Pedy Project.

Corporate

Pursuit completed a \$2.27 million capital raising in the December quarter, which included \$270,000 invested by the Company's directors.

The capital raising was to fund the development of the Company's vanadium projects in Finland and Sweden and for general working capital purposes.

The capital raising involved a placement of approximately 54.1 million shares at a price of A\$0.037 per share to raise \$2 million before costs. The shares were placed with a variety of institutional and sophisticated investors, primarily in Australia. The new shares rank equally with existing shares and the total number of shares on issue increased to approximately 135.5 million. Subscribers for the Placement

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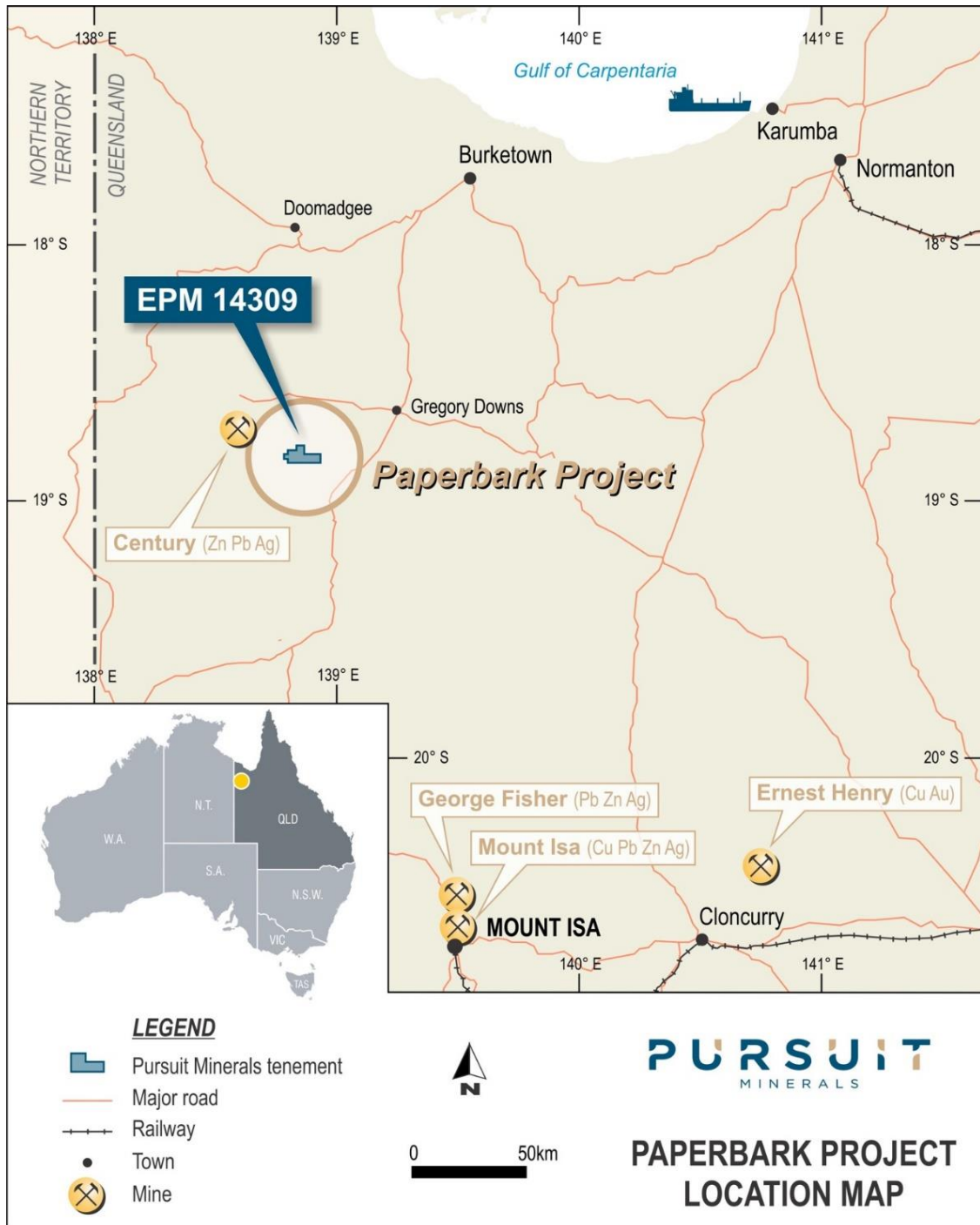
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Figure 9 - Paperbark Project Location



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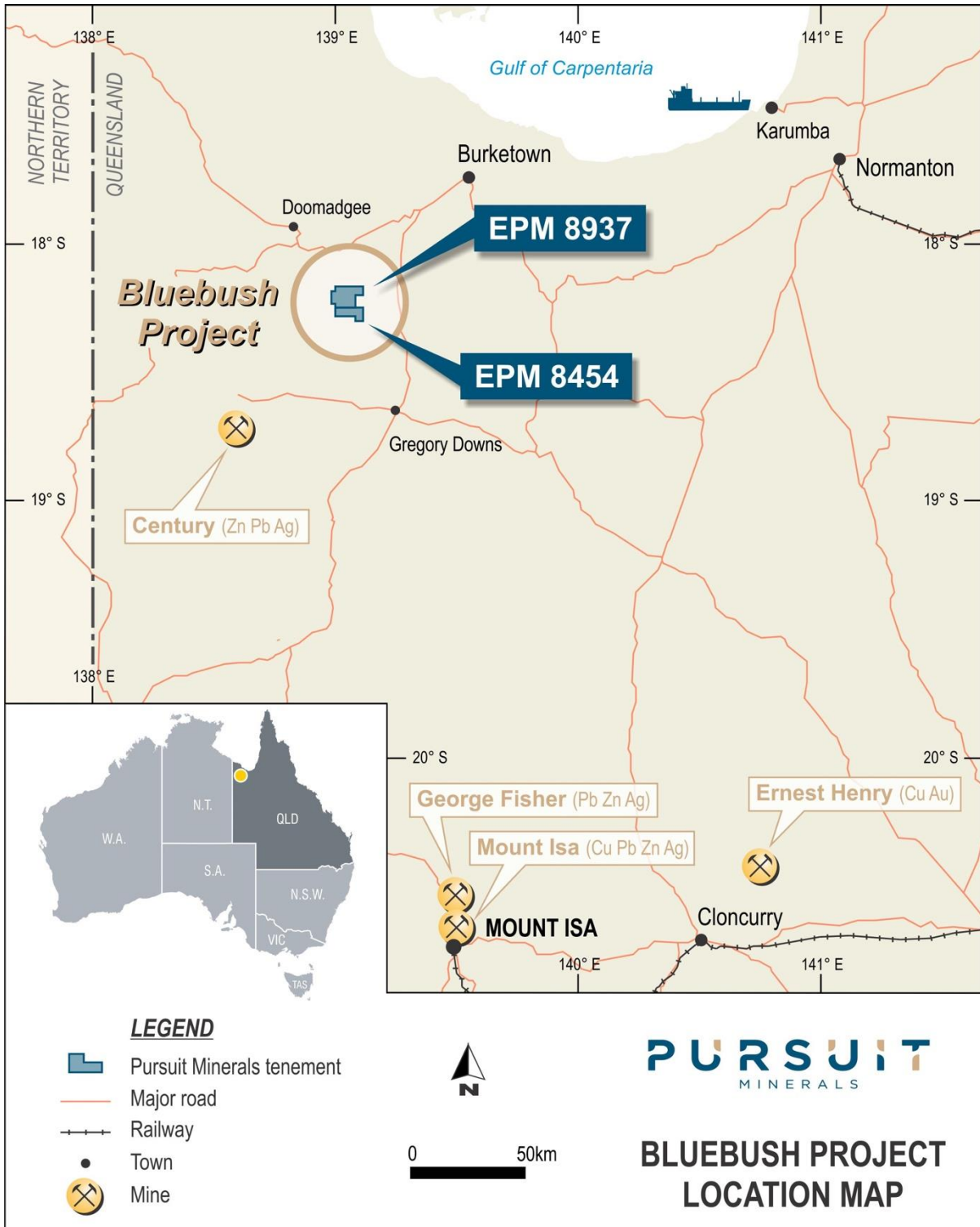
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Figure 10 - Bluebush Project Location



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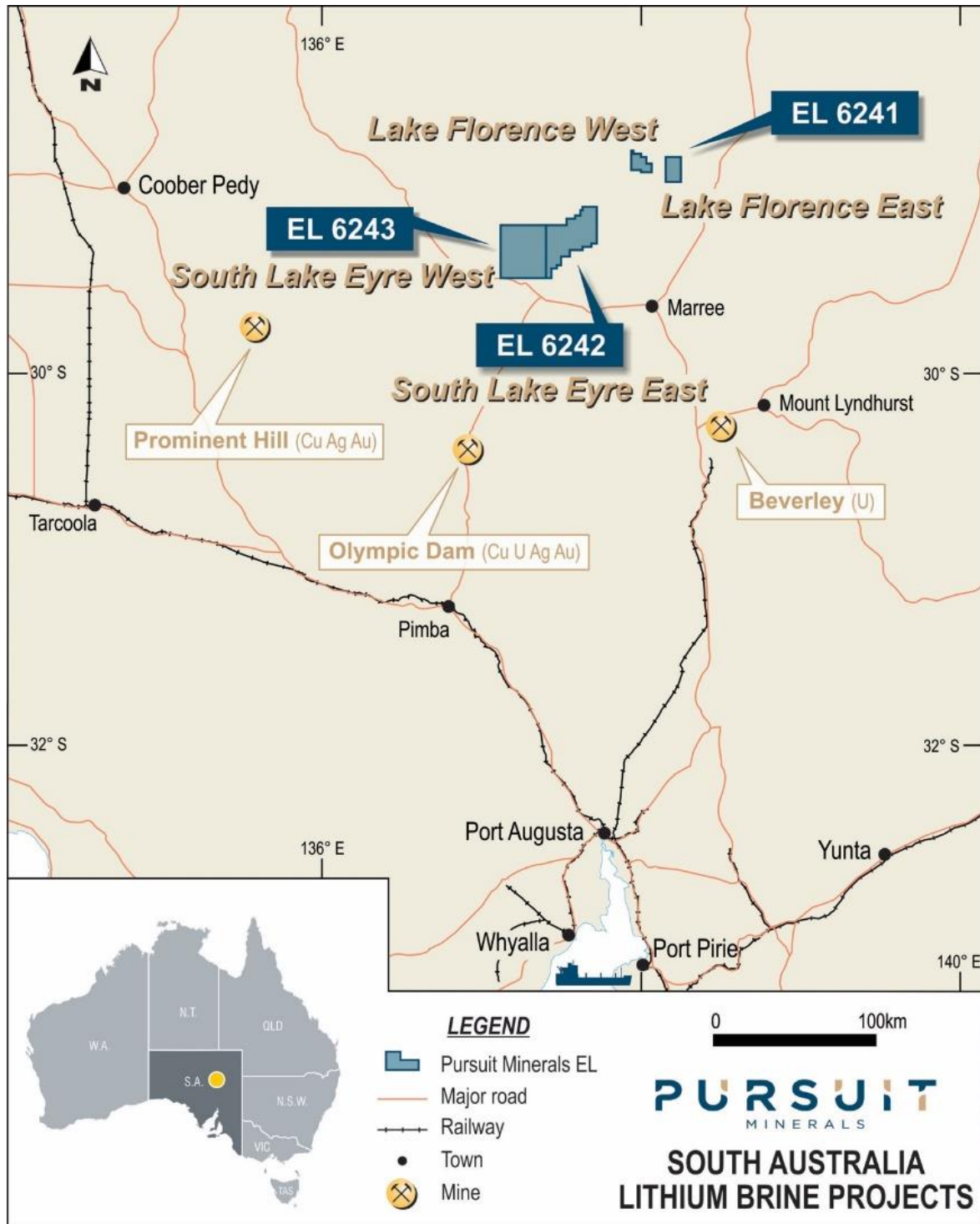
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Figure 11 - South Australian Lithium Brine Project Locations



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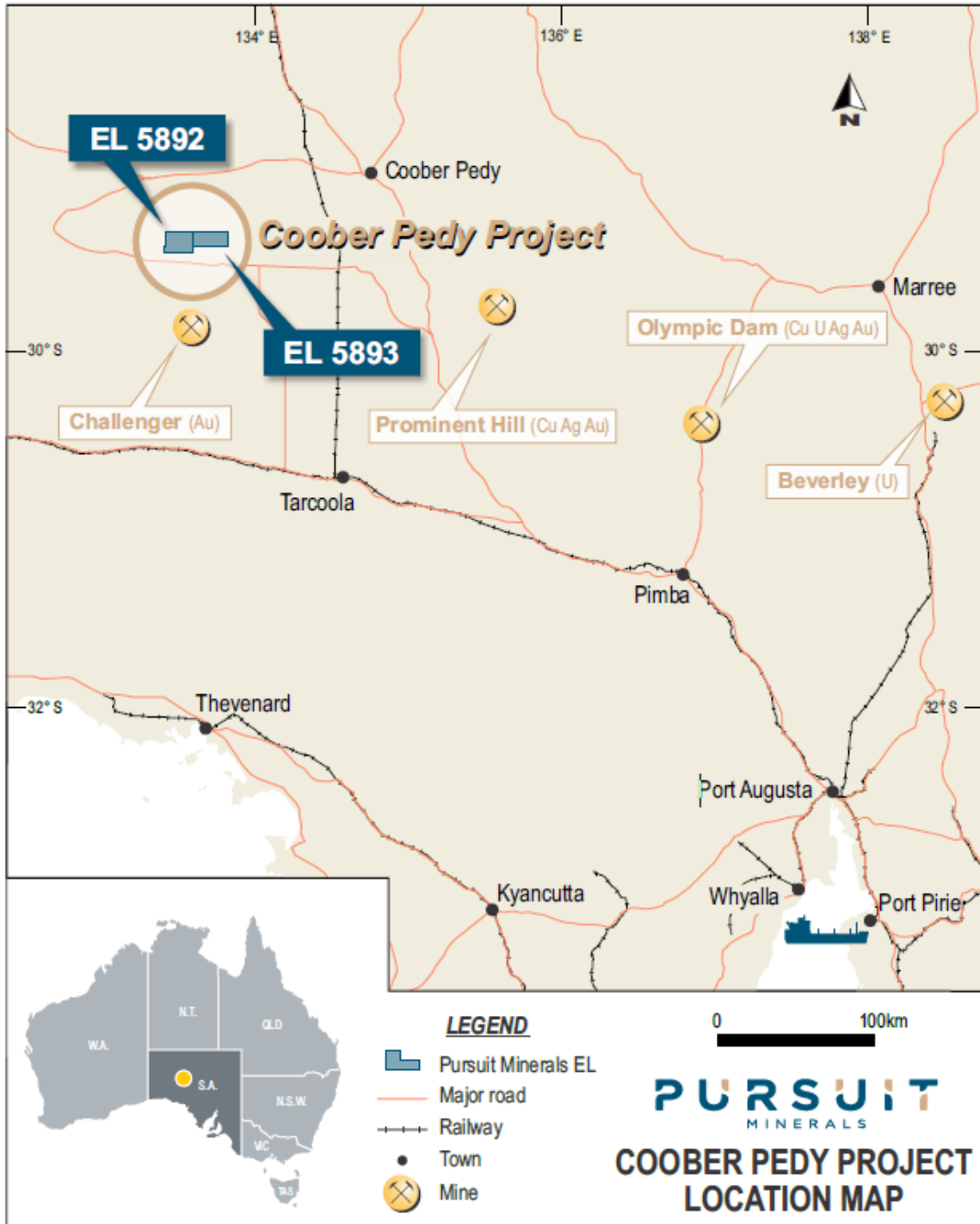
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Figure 12 - Coober Pedy IOCG Project



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Shares also received one free option for every three shares subscribed for in the placement. The options have an exercise price of \$0.10, an expiry date of 30 October 2021 and are tradeable on ASX.

In addition to the placement, the Company has issued 7.297 million shares and 2.4 million options to Directors (on the same terms as the placement), following approval by shareholders at a General Meeting held on December 21.

As at December 2018, Pursuit had cash reserves of \$1.6 million.

The Company's share registry transferred from Security Transfer Australia Pty Ltd to Automic as of November, 2018.

Tenement Listing

As at 31 December 2018, the Company had an ownership interest in the tenements shown in Table 1.

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Table 1 – Tenement listing at 31 December 2018

Project	Tenement	Location	Area (km ²)	Expiry Date
Paperbark	EPM 14309	Queensland	75	12/9/22
Bluebush	EPM 8937	Queensland	144	6/9/19
Bluebush	EPM 8454	Queensland	70	11/11/19
Cooper Pedy	EL 5982	South Australia	215	23/5/19
Cooper Pedy	EL 5983	South Australia	209	23/5/19
Karhujupukka	Karhujupukka - Reservation	Finland	399	29/3/20
Karhujupukka	Karhujupukka North – Exploration Licence ML2018:0068	Finland	1	10/7/2022
Karhujupukka	Karhujupukka South – Exploration Licence ML2018:0069	Finland	5.5	10/7/2022
Koitelainen	Koitelainen A	Finland	44	29/3/20
Koitelainen	Koitelainen B	Finland	86	29/3/20
Ala Postojoki	Ala Postojoki - Reservation	Finland	50	7/8/2020
Simesvallen	Simesvallen nr 100	Sweden	63	20/6/21
Kullberget	Kullberget nr 100	Sweden	81	20/6/21
Kramsta	Kramsta nr 100	Sweden	16	20/6/21
Sumåsjön	Sumåsjön nr 1	Sweden	37	21/6/21
Sumåsjön	Sumåsjön nr 2	Sweden	5	21/6/21
Airijoki	Airijoki nr 100	Sweden	9.6	27/6/21
Airijoki	Airijoki nr 101	Sweden	4.8	25/11/21
Airijoki	Airijoki nr 102	Sweden	13.5	25/11/21
Airijoki	Airijoki nr 103	Sweden	4.1	26/11/21
SA Lithium	EL6241	South Australia	255	6/9/2020
SA Lithium	EL6242	South Australia	712	6/9/2020
SA Lithium	EL6243	South Australia	864	6/9/2020

Pursuit Minerals Limited

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About Pursuit Minerals

Pursuit Minerals (ASX:PUR) listed on the ASX in August 2017 following the completion of acquisition of a portfolio of projects from Teck Australia Pty Ltd, which remains Pursuit's largest shareholder. Led by a Board and Management team with a wealth of experience in minerals transactions, Pursuit understands how to generate and capture the full value of resource projects. From local issues to global dynamics, Pursuit Minerals knows how to navigate project development and deliver returns to shareholders and broader stakeholders. Pursuit's project portfolio is focussed on the emerging energy metal, vanadium. In 2018, through compilation and interpretation of historical data, Pursuit applied for and was subsequently granted Exploration Tenements in Sweden and Project Reservations in Finland, covering projects with historical deposits of vanadium and extensive confirmed areas of vanadium mineralisation. Finland has in the past produced up to 10% of the world's vanadium and is currently rated the number one jurisdiction globally for developing mineral projects. Sweden has a long mining history and culture and was the second country in the world where vanadium was recognised as a metal. With its Sweden and Finland projects very well placed to take advantage of Scandinavia's world-class infrastructure, cost effective power and stable legislative frameworks, Pursuit is looking to accelerate assessment and potential development of its quality vanadium project portfolio. With Europe rapidly transforming its energy grid to renewables, which will require large increases in battery storage, Pursuit's projects are well positioned to participate in the energy revolution underway.

For more information about Pursuit Minerals and its projects, visit:

www.pursuitminerals.com.au.

– ENDS –

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Competent person's statement

Statements contained in this announcement relating to historical exploration results, historical estimates of mineralisation and Exploration targets are based on, and fairly represents, information and supporting documentation prepared by Mr. Jeremy Read, who is a member of the Australian Institute of Mining & Metallurgy (AusIMM), Member No 224610.

The historical mineral estimates for the Karhujupukka and Koitelainen magnetite-ilmenite-vanadium mineralisation, are historical estimates and are not reported in accordance with the JORC Code. The Competent Person has not done sufficient work to classify the historical estimate as a Mineral Resource in accordance with the JORC Code, due to the unavailability of sufficient data. The historical mineral estimates for the Karhujupukka and Koitelainen magnetite-ilmenite-vanadium mineralisation have been widely reported in the geological literature and hence are easily accessible by members of the public. However, it is uncertain that following evaluation and/or further valuation work if the historical estimates will be able to be reported as a Mineral Resources in accordance with the JORC code.

Mr. Read is a full-time employee of the Company and has sufficient relevant experience in relation to the mineralisation style being reported on to qualify as a Competent Person as defined in the Australian Code for Reporting of Identified Mineral Resources and Ore Reserves (JORC) Code 2012. Mr Read consents to the use of this information in this announcement in the form and context in which it appears.

Forward looking statements

Statements relating to the estimated or expected future production, operating results, cash flows and costs and financial condition of Pursuit Minerals Limited's planned work at the Company's projects and the expected results of such work are forward-looking statements. Forward-looking statements are statements that are not historical facts and are generally, but not always, identified by words such as the following: expects, plans, anticipates, forecasts, believes, intends, estimates, projects, assumes, potential and similar expressions. Forward-looking statements also include reference to events or conditions that will, would, may, could or should occur. Information concerning exploration results and mineral reserve and resource estimates may also be deemed to be forward-looking statements, as it constitutes a prediction of what might be found to be present when and if a project is actually developed.

These forward-looking statements are necessarily based upon a number of estimates and assumptions that, while considered reasonable at the time they are made, are inherently subject to a variety of risks and uncertainties which could cause actual events or results to differ materially from those reflected in the forward-looking statements, including, without limitation: uncertainties related to raising sufficient financing to fund the planned work in a timely manner and on acceptable terms; changes in planned work resulting from logistical, technical or other factors; the possibility that results of work will not fulfil projections/expectations and realize the perceived potential of the Company's projects; uncertainties involved in the interpretation of drilling results and other tests and the estimation of gold reserves and resources; risk of accidents, equipment breakdowns and labour disputes or other unanticipated difficulties or interruptions; the possibility of environmental issues at the Company's projects; the possibility of cost overruns or unanticipated expenses in work programs; the need to obtain permits and comply with environmental laws and regulations and other government requirements; fluctuations in the price of gold and other risks and uncertainties.

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Appendix 5B

Mining exploration entity and oil and gas exploration entity quarterly report

Introduced 01/07/96 Origin Appendix 8 Amended 01/07/97, 01/07/98, 30/09/01, 01/06/10, 17/12/10, 01/05/13, 01/09/16

Name of entity

PURSUIT MINERALS LIMITED

ABN

27 128 806 977

Quarter ended ("current quarter")

31 December 2018

Consolidated statement of cash flows	Current quarter \$A'000	Year to date (6 months) \$A'000
1. Cash flows from operating activities		
1.1 Receipts from customers		
1.2 Payments for		
(a) exploration & evaluation	(596)	(2,317)
(b) development	-	-
(c) production	-	-
(d) staff costs	(180)	(304)
(e) administration and corporate costs	(174)	(470)
1.3 Dividends received (see note 3)	-	-
1.4 Interest received	-	-
1.5 Interest and other costs of finance paid	(1)	(4)
1.6 Income taxes paid	-	-
1.7 Research and development refunds	-	-
1.8 Other	-	-
1.9 Net cash from / (used in) operating activities	(951)	(3,095)

2. Cash flows from investing activities		
2.1 Payments to acquire:		
(a) property, plant and equipment	(30)	(30)
(b) tenements (see item 10)	-	(23)

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Appendix 5B

Mining exploration entity and oil and gas exploration entity quarterly report

Introduced 01/07/96 Origin Appendix 8 Amended 01/07/97, 01/07/98, 30/09/01, 01/06/10, 17/12/10, 01/05/13, 01/09/16

Consolidated statement of cash flows	Current quarter \$A'000	Year to date (6 months) \$A'000
(c) investments	-	-
(d) other non-current assets	-	-
2.2 Proceeds from the disposal of:		
(a) property, plant and equipment	-	-
(b) tenements (see item 10)	-	-
(c) investments	-	-
(d) other non-current assets	-	-
2.3 Cash flows from loans to other entities	-	-
2.4 Dividends received (see note 3)	-	-
2.5 Other (provide details if material)	-	-
2.6 Net cash from / (used in) investing activities	(30)	(53)

3. Cash flows from financing activities		
3.1 Proceeds from issues of shares	2,270	2,270
3.2 Proceeds from issue of convertible notes	-	-
3.3 Proceeds from exercise of share options	-	-
3.4 Transaction costs related to issues of shares, convertible notes or options	(125)	(125)
3.5 Proceeds from borrowings	-	-
3.6 Repayment of borrowings	-	-
3.7 Transaction costs related to loans and borrowings	-	-
3.8 Dividends paid	-	-
3.9 Other (provide details if material)	-	-
3.10 Net cash from / (used in) financing activities	2,145	2,145

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Consolidated statement of cash flows	Current quarter \$A'000	Year to date (6 months) \$A'000
4. Net increase / (decrease) in cash and cash equivalents for the period		
4.1 Cash and cash equivalents at beginning of period	457	2,624
4.2 Net cash from / (used in) operating activities (item 1.9 above)	(951)	(3,095)
4.3 Net cash from / (used in) investing activities (item 2.6 above)	(30)	(53)
4.4 Net cash from / (used in) financing activities (item 3.10 above)	2,145	2,145
4.5 Effect of movement in exchange rates on cash held	-	-
4.6 Cash and cash equivalents at end of period	1,621	1,621

5. Reconciliation of cash and cash equivalents at the end of the quarter (as shown in the consolidated statement of cash flows) to the related items in the accounts	Current quarter \$A'000	Previous quarter \$A'000
5.1 Bank balances	1,621	457
5.2 Call deposits	-	-
5.3 Bank overdrafts	-	-
5.4 Other (provide details)	-	-
5.5 Cash and cash equivalents at end of quarter (should equal item 4.6 above)	1,621	457

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Appendix 5B

Mining exploration entity and oil and gas exploration entity quarterly report

Introduced 01/07/96 Origin Appendix 8 Amended 01/07/97, 01/07/98, 30/09/01, 01/06/10, 17/12/10, 01/05/13, 01/09/16

6.	Payments to directors of the entity and their associates	Current quarter \$A'000
6.1	Aggregate amount of payments to these parties included in item 1.2	174
6.2	Aggregate amount of cash flow from loans to these parties included in item 2.3	Nil

6.3 Include below any explanation necessary to understand the transactions included in items 6.1 and 6.2

Amounts totalling \$145 thousand were paid to Directors during the quarter as payment for Directors fees.

In addition to the amounts noted above, the following amounts were paid during the quarter to entities associated with Directors:

- Amounts totalling \$29 thousand were paid to Steinepreis Paganin for legal services. Peter Wall, the Non-Executive Chairman of the Company is a partner of Steinepreis Paganin.

7.	Payments to related entities of the entity and their associates	Current quarter \$A'000
7.1	Aggregate amount of payments to these parties included in item 1.2	Nil
7.2	Aggregate amount of cash flow from loans to these parties included in item 2.3	Nil

7.3 Include below any explanation necessary to understand the transactions included in items 7.1 and 7.2

N/a

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Appendix 5B

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8. Financing facilities available <i>Add notes as necessary for an understanding of the position</i>	Total facility amount at quarter end \$A'000	Amount drawn at quarter end \$A'000
8.1 Loan facilities	-	-
8.2 Credit standby arrangements	-	-
8.3 Other (please specify)	-	-
8.4 Include below a description of each facility above, including the lender, interest rate and whether it is secured or unsecured. If any additional facilities have been entered into or are proposed to be entered into after quarter end, include details of those facilities as well.		

N/a	
9. Estimated cash outflows for next quarter	\$A'000
9.1 Exploration and evaluation	832
9.2 Development	-
9.3 Production	-
9.4 Staff costs	94
9.5 Administration and corporate costs	174
9.6 Other (provide details if material)	-
9.7 Total estimated cash outflows	1,100

Note: Forecast cash outflows in the March quarter relate principally to the payments of costs associated with exploration drilling programs undertaken in the December 2018 quarter. The Company's activities in the March and June quarters 2019 will be focussed on preparing a JORC Resource estimate for the Airijoki Project and Scoping Studies for the Airijoki and Koitelainen Projects. Accordingly, it is currently anticipated that cash outflows in the June 2019 quarter will be substantially lower than for the March 2019 quarter.

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Appendix 5B

Mining exploration entity and oil and gas exploration entity quarterly report

Introduced 01/07/96 Origin Appendix 8 Amended 01/07/97, 01/07/98, 30/09/01, 01/06/10, 17/12/10, 01/05/13, 01/09/16

10.	Changes in tenements (items 2.1(b) and 2.2(b) above)	Tenement reference and location	Nature of interest	Interest at beginning of quarter	Interest at end of quarter
10.1	Interests in mining tenements and petroleum tenements lapsed, relinquished or reduced	N/a			
10.2	Interests in mining tenements and petroleum tenements acquired or increased	N/a			

Compliance statement

- 1 This statement has been prepared in accordance with accounting standards and policies which comply with Listing Rule 19.11A.
- 2 This statement gives a true and fair view of the matters disclosed.



Sign here:

Date: 30 January 2019

Company Secretary

Print name: Stephen Kelly

Notes

1. The quarterly report provides a basis for informing the market how the entity's activities have been financed for the past quarter and the effect on its cash position. An entity that wishes to disclose additional information is encouraged to do so, in a note or notes included in or attached to this report.
2. If this quarterly report has been prepared in accordance with Australian Accounting Standards, the definitions in, and provisions of, AASB 6: Exploration for and Evaluation of Mineral Resources and AASB 107: Statement of Cash Flows apply to this report. If this quarterly report

Appendix 5B

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has been prepared in accordance with other accounting standards agreed by ASX pursuant to Listing Rule 19.11A, the corresponding equivalent standards apply to this report.

3. Dividends received may be classified either as cash flows from operating activities or cash flows from investing activities, depending on the accounting policy of the entity.

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