

11 February 2019

## Pursuit Begins Scoping Studies on Scandinavian Vanadium projects

Pursuit Minerals Limited (ASX: PUR) has commenced Scoping Studies to assess the economics of its Koitelainen and Airijoki vanadium projects in Sweden and Finland.

The studies will examine a number of factors that are crucial to assessing the viability of projects like Pursuit's, which have the vanadium hosted in magnetic material. These include:

- The overall grade of the vanadium mineralisation in the ground (the In-situ grade and sometimes referred to as the whole rock grade)
- The amount of vanadium bearing magnetite which can be recovered from whole rock (mass recovery)
- The grade of vanadium contained within the magnetite concentrate recovered
- The amount of waste material which needs to be handled in order to extract a tonne of ore (this is referred to as the strip ratio)
- Pre-production capital requirements
- Operating costs (including the cost of power)
- Access to infrastructure and the cost to get the product to market
- Prevailing and long-term market prices for vanadium

All the above factors have an influence over whether a project can be considered economic.

The in-situ grade of material at the Koitelainen and Airijoki projects is mid-range, however, work that has been done to date at both the Koitelainen and Airijoki projects demonstrates that these projects produce exceptionally high grades of vanadium in magnetite concentrate, at 2% V<sub>2</sub>O<sub>5</sub> and above<sup>1</sup>. Within the magnetic concentrate, the average grade of the Koitelainen Vosa Prospect Inferred Resource is 2.30% V<sub>2</sub>O<sub>5</sub>, in the very upper echelon of vanadium projects globally.

Vanadium magnetite concentrate grades are generally considered to be a superior indicator of project viability, as whole rock or in-situ vanadium grades can be misleading if a substantial portion of the vanadium is associated with non-magnetic minerals, in which case the vanadium will not be recovered. In that case, the in-situ grade will not be an accurate indicator of the viability of the deposit.

<sup>1</sup> See Pursuit Minerals ASX Announcements of 9 January 2019, 22 January 2019, 29 January 2019 and 6 February 2019. The Company is not aware of any new information or data that materially affects the information contained in the above announcements. With reference to the Koitelainen Vosa Prospect Inferred Resource, the Company confirms that it is not aware of any new information or data that materially affects the information included in the announcement dated 6 February 2019 and that all material assumptions and technical parameters underpinning the estimates in the JORC Statement continue to apply and have not materially changed.

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This high grade of vanadium in magnetite concentrate gives the Koitelainen and the Airijoki projects a significant potential advantage, as the processing of magnetite material should lead to relatively high levels of vanadium production. It also is worth noting that the vanadium mineralisation at both projects is outcropping, suggesting that strip ratios to access the ore could be relatively low (this will be determined during the Scoping Studies).

If the Company decides to produce vanadium flake, instead of a concentrate, then the availability of low-cost power from the grid, such as is available for both the Sweden and Finland projects, will also play a key role in determining the economics of the projects.

The Board of Pursuit has taken these factors into account in deciding that economic assessment of both projects, via the Scoping Studies, is appropriate.

Further progress on both projects is expected to be detailed in the coming weeks, following from the recent release of the Koitelainen Inferred Mineral Resource and the forthcoming release of the maiden JORC Inferred Resource for Airijoki, scheduled for March.

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Figure One – Pursuit’s Portfolio of Vanadium Projects



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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 from all sides of minerals transactions, Pursuit Minerals understands how to generate and capture the full value of minerals 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 positioned 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 renewable energy, which will require large increases in battery storage, Pursuit's projects are well placed to participate in the energy revolution underway in the region.

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

[www.pursuitminerals.com.au](http://www.pursuitminerals.com.au)

## Competent Person's Statement

Statements contained in this announcement relating to historical exploration results and historical estimates of mineralisation 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 estimate for Koitelainen magnetite-ilmenite-vanadium mineralisation, is an historical estimate and is 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 estimate for the 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 estimate will be able to be reported as a Mineral Resource 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 styles being reported on to

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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

Disclaimer: Forward-looking statements are statements that are not historical facts. Words such as “expect(s)”, “feel(s)”, “believe(s)”, “will”, “may”, “anticipate(s)” and similar expressions are intended to identify forward-looking statements. These statements include, but are not limited to statements regarding future production, resources or reserves and exploration results. All of such statements are subject to certain risks and uncertainties, many of which are difficult to predict and generally beyond the control of the Company, that could cause actual results to differ materially from those expressed in, or implied or projected by, the forward-looking information and statements. These risks and uncertainties include, but are not limited to: (i) those relating to the interpretation of drill results, the geology, grade and continuity of mineral deposits and conclusions of economic evaluations, (ii) risks relating to possible variations in reserves, grade, planned mining dilution and ore loss, or recovery rates and changes in project parameters as plans continue to be refined, (iii) the potential for delays in exploration or development activities or the completion of feasibility studies, (iv) risks related to commodity price and foreign exchange rate fluctuations, (v) risks related to failure to obtain adequate financing on a timely basis and on acceptable terms or delays in obtaining governmental approvals or in the completion of development or construction activities, and (vi) other risks and uncertainties related to the Company’s prospects, properties and business strategy. Our audience is cautioned not to place undue reliance on these forward-looking statements that speak only as of the date hereof, and we do not undertake any obligation to revise and disseminate forward-looking statements to reflect events or circumstances after the date hereof, or to reflect the occurrence of or non-occurrence of any events.

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