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5 March 2021

King Tut Project

Maiden Diamond Drilling Program Update

- **Maiden diamond drilling program scheduled to commence at King Tut in late March 2021**
- **Company is in advanced negotiations with an experienced local drilling contractor**
- **Total of 6 diamond drill holes planned, equating to approximately 1,000 metres over an 8-week period**
- **Results expected to enable the estimation of potential initial JORC 2012 Inferred Resource**

Pathfinder Resources Ltd (ASX:PF1) ("**Pathfinder**" or "**the Company**") is pleased to provide an update on its planned maiden diamond drilling program at its high-grade gold and cobalt King Tut Project in Argentina.

The Company is significantly progressed and is on track to commence diamond drilling in late March 2021. The Company is in advanced negotiations with an experienced local drilling contractor with a base of operations in the region, who will provide a modular diamond drilling rig suitable for this program. The modular style drilling rig enables the Company to minimise the environmental footprint of the maiden diamond drilling program.

The Company is also currently engaged with the local authorities to enable the finalisation of all required approvals and permits. It is anticipated that final approvals will be granted shortly, to enable mobilisation and commencement of drilling works in accordance with the schedule.

The aim of the diamond drilling program is to define the continuity of known mineralisation at depth and provide additional structural information on the regional setting, targeting the gold and cobalt mineralisation along the strike and to the west of the King Tut mine.

The initial program consists of 6 diamond drill holes totalling approximately 1,000 metres with an average expected hole depth of 167 metres. The maiden diamond drilling program has been designed to:

- Intercept the mineralisation above and below the historical King Tut mine workings;
- Intercept mineralisation to confirm the presence and initial extent of the mineralised area; and
- Provide geological data and parameters to assist in estimating a potential initial JORC 2012 Inferred Resource.

Managing Director Shannon Green commented: "To be executing our maiden diamond drilling program now is very exciting and stands as a testament to our team's ability to deliver, and the capabilities of our local team engaged through Condor Prospecting. The rapid advancements that we have made would not have been possible without this. We look forward to reporting the results of the maiden diamond drilling program to our shareholders in the near future."

Project Background

The King Tut Project is located on the renowned metallogenic belt in the foothills of the Andean Mountains in Argentina. Altitude below 3,000m allows year-round access. Figure 1, below shows the project location in relation to the country and region.

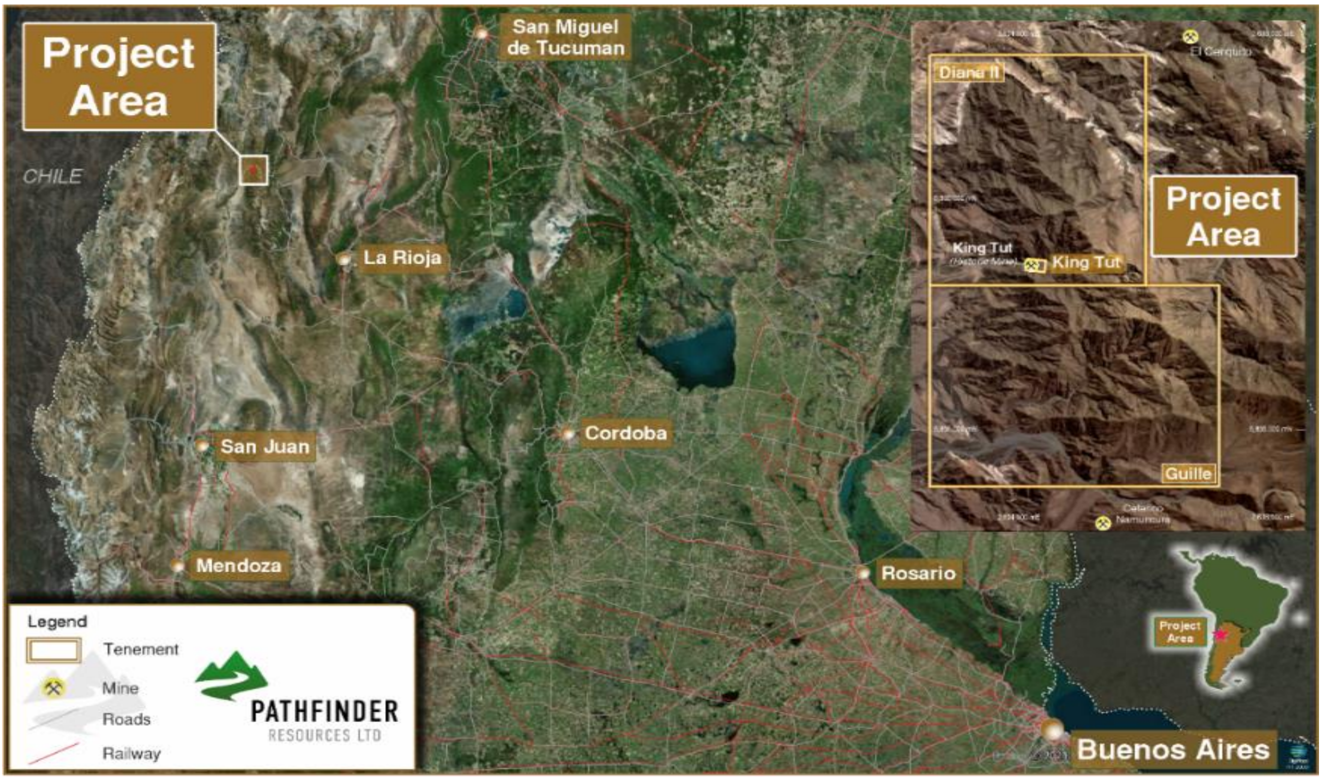

Figure 1: Location Map (Guille concession has expired, subject to renewal)

Initial Sampling Program and Results

On 25 January 2021, the Company announced the results of the Company's maiden geological mapping and rock chip sampling program at the King Tut Project undertaken in late 2020. This exploration program confirmed the high-grade gold and cobalt mineralisation extends beyond the King Tut mine. Importantly, results of the geological mapping and sampling also defined the quartz-hosted mineralisation in a vein stack up to 120m wide and currently along a strike length of approximately 200m, however the strike extent remains open.

Gold mineralisation appears to be consistent along strike and to the west of the King Tut mine, with several 20+g/t Au samples. Sampling at the series of stacked veins to the south of the King Tut mine also returned a number of samples in excess of 6g/t Au. Refer to the Company's ASX announcement dated 25 January 2021 for a full list of assay results and JORC sampling and reporting information.

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Cobalt mineralisation is generally located in the lower outcropping veins, indicating either a zonation of the mineralisation or that the cobalt mineralisation is specific to depth in the profile, with veins to the south being at higher elevations.

Figure 2 below shows the gold assays location and mapped veins at the King Tut Project from the initial sampling program.

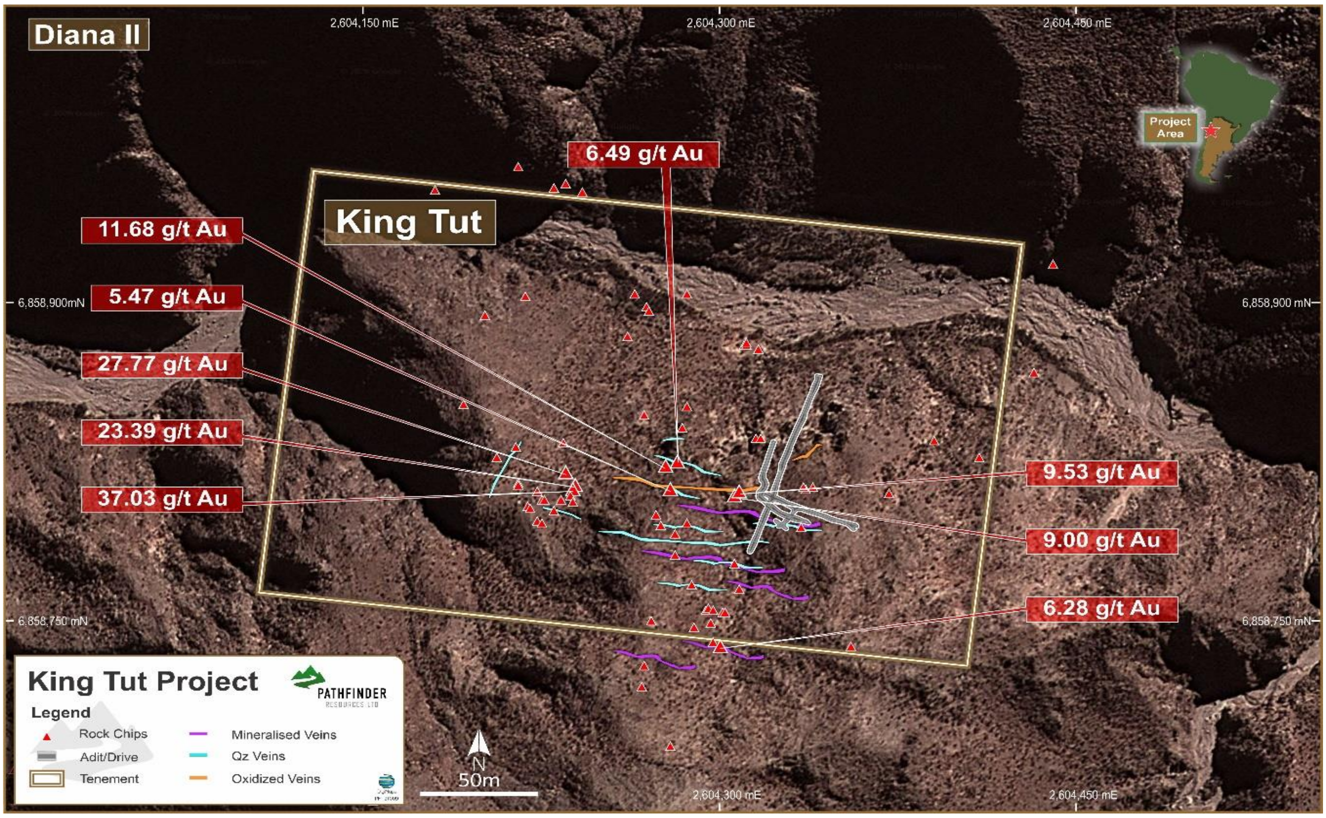

Figure 2: Gold sampling assays location and mapped veins – King Tut Project

The work completed under the maiden exploration program advanced the understanding of the geology at the King Tut Project and confirmed the expectation of extensions to the known mineralisation, providing a solid foundation for the planning of the maiden diamond drilling program.

Maiden Diamond Drill Program

The program consists of 6 diamond drill holes totalling approximately 1,000 metres with an expected average depth of 167 metres.

The initial diamond drilling has been designed to:

- Intercept the mineralisation of and below the historical King Tut mine workings;
- Intercept mineralisation to confirm the presence and initial extent of the mineralised area; and
- Provide geological data and parameters to assist in the estimation of a potential initial JORC 2012 Inferred Resource.

The program is set to drill through the known mineralised vein (steeply dipping to the south), intercepting the known mined vein system, and potentially intercepting up to five further veins as indicated from field mapping. Figure 3 shows the potential series of parallel mineralised veins adjacent to the known adits and drives of the King Tut mine.

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The width of these veins has the potential each to extend ~1 metre wide, with grades in excess of 10g/t Au / 1% Co, as indicated from the initial surface sampling and historic records.

The program has been designed to provide clarity over the nature and structure of the mineralised veins at depth.

The proposed locations, depths, dip and strike of the 6 drill holes are as below (also reference Figures 3 and 4):

DH1	2.604.303mE	6.858.846mN	220°/60°/140m
DH2	2.604.353mE	6.858.841mN	220°/60°/120m
DH2a	2.604.353mE	6.858.841mN	190°/60°/120m
DH3	2.604.328mE	6.858.808mN	220°/60°/220m
DH4	2.604.315mE	6.858.789mN	220°/60°/200m
DH5	2.604.289mE	6.858.809mN	220°/60°/200m

Total: 1,000m (avg depth 167m)

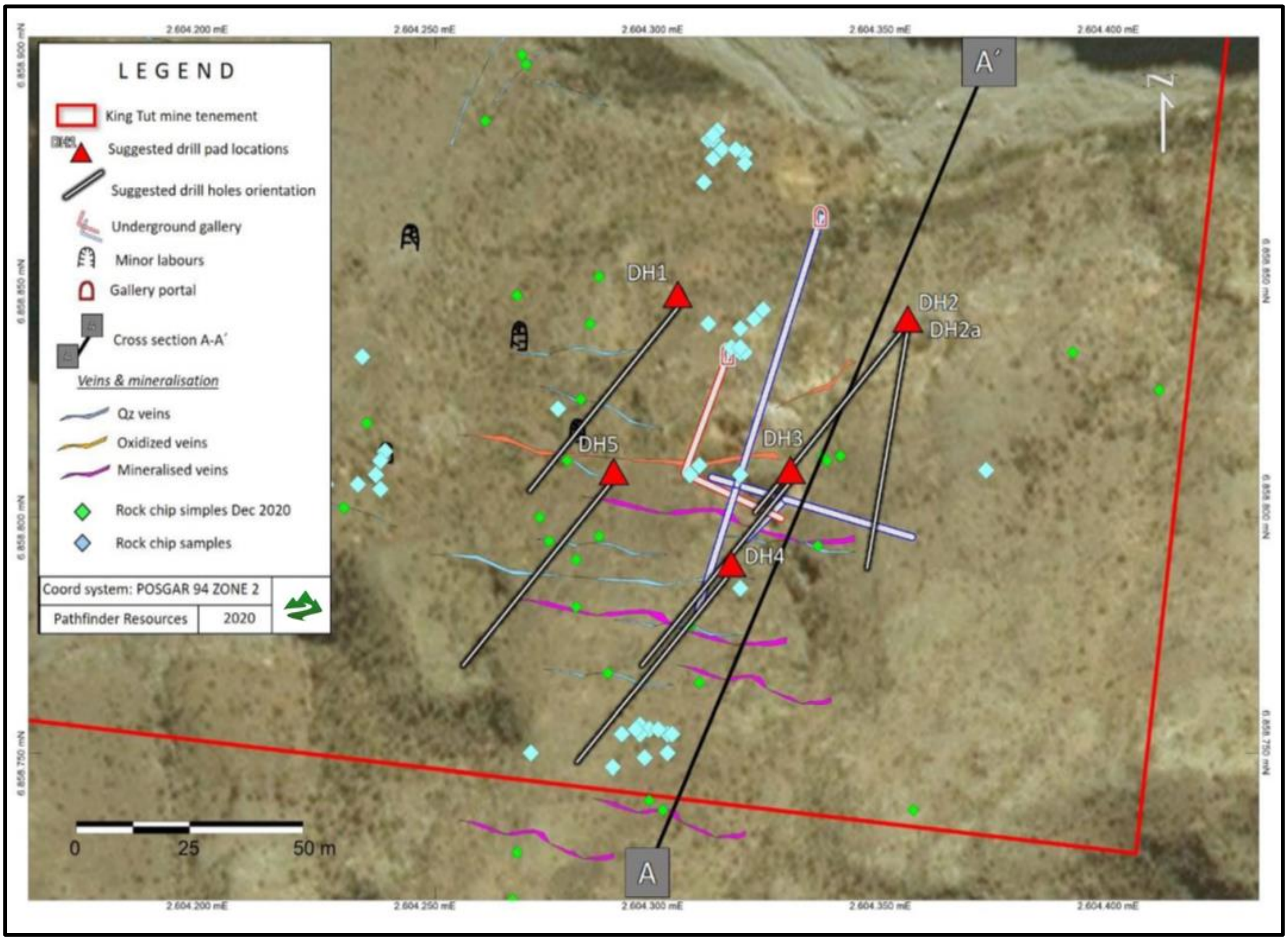

Figure 3: Plan Location of 6 Diamond Drill holes and the Drill Traces, King Tut Mine

As shown in Figure 4, at the base, drill hole locations 2 / 2a are placed to target the main King Tut vein at depth. As the drill holes progress up the hill, there is increased potential of encountering multiple mineralised veins. Dips and strikes of these adjacent veins are similar to those described in the main King Tut vein, with the rock chip sampling suggesting Au/Co grades similar in nature.

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Drill hole 3 is intended to intercept directly the historical King Tut mine workings and adjacent mapped mineralised veins.

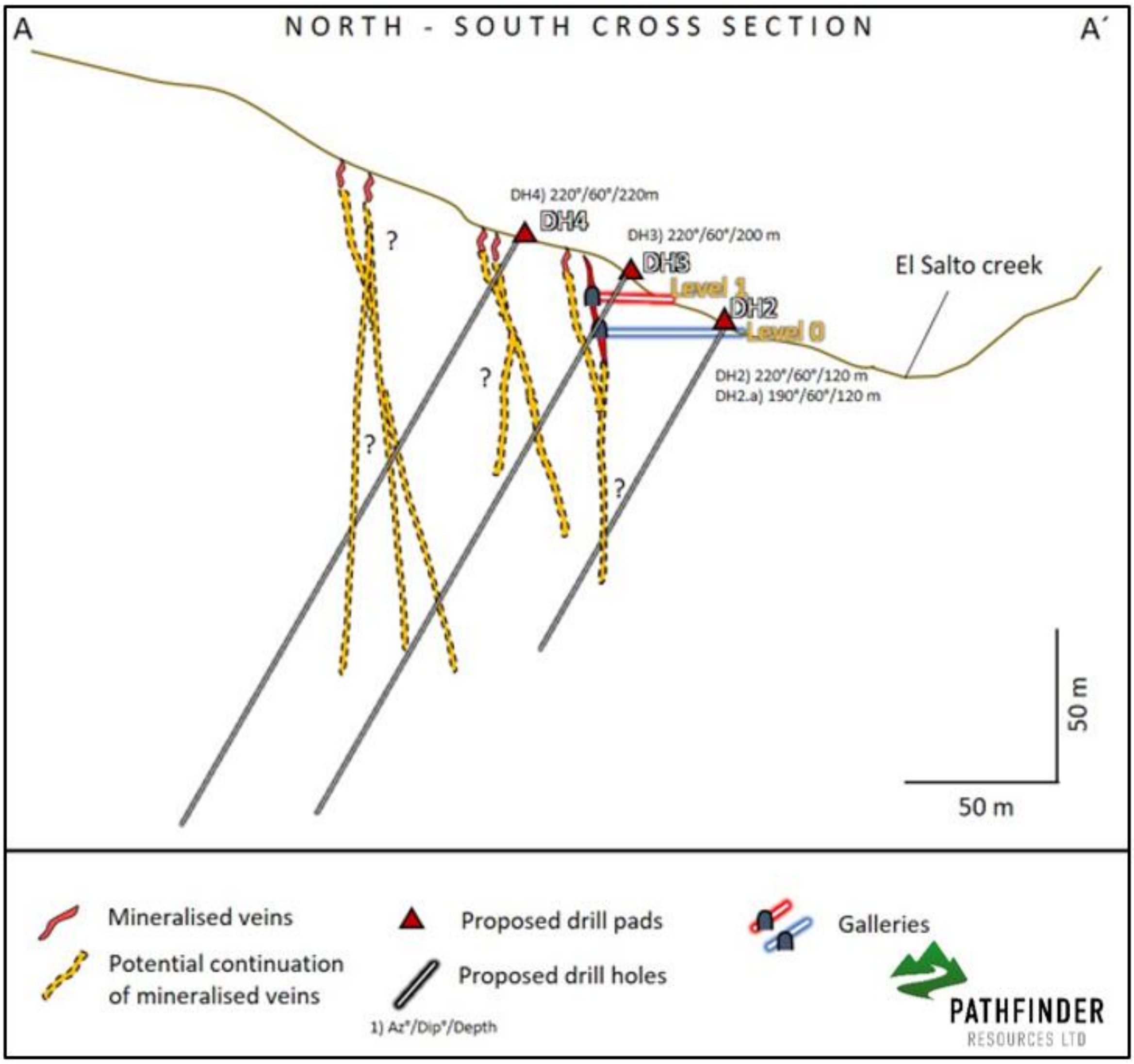

Figure 4: Cross Section A-A' of proposed drill holes, King Tut Mine location.

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Environmentally and Socially Responsible Approach

The Company is in advanced negotiations with an experienced local drilling contractor to provide a modular diamond drilling rig that is capable of being mobilised and relocated to each drill site without the need for the Company to undertake extensive works on an access track.

Utilisation of a fit for purpose modular drill rig:

- Minimises the need for extensive civil earthworks thereby minimises the environmental footprint of disturbance;
- Relocating the drill rig to each site is labour intensive thereby supports surrounding communities through temporary employment opportunities; and
- Provides a tangible example of Pathfinder's commitment to preserve the environment to the local communities and the governing authorities.

-END-

This announcement has been approved by the Board of Pathfinder Resources Ltd.

For further information, please contact:

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Forward Looking Statements

Information included in this release constitutes forward-looking statements. Often, but not always, forward looking statements can generally be identified by the use of forward looking words such as "may", "will", "expect", "intend", "plan", "estimate", "anticipate", "continue", and "guidance", or other similar words and may include, without limitation, statements regarding plans, strategies and objectives of management, anticipated production or construction commencement dates and expected costs or production outputs.

Forward looking statements inherently involve known and unknown risks, uncertainties and other factors that may cause the Company's actual results, performance and achievements to differ materially from any future results, performance or achievements. Relevant factors may include, but are not limited to, changes in commodity prices, foreign exchange fluctuations and general economic conditions, increased costs and demand for production inputs, the speculative nature of exploration and project development, including the risks of obtaining necessary licenses and permits and diminishing quantities or grades of reserves, political and social risks, changes to the regulatory framework within which the company operates or may in the future operate, environmental conditions including extreme weather conditions, recruitment and retention of personnel, industrial relations issues and litigation.

Forward looking statements are based on the Company and its management's good faith assumptions relating to the financial, market, regulatory and other relevant environments that will exist and affect the Company's business and operations in the future. The Company does not give any assurance that the assumptions on which forward looking statements are based will prove to be correct, or that the Company's business or operations will not be affected in any material manner by these or other factors not foreseen or foreseeable by the Company or management or beyond the Company's control.

Although the Company attempts and has attempted to identify factors that would cause actual actions, events or results to differ materially from those disclosed in forward looking statements, there may be other factors that could cause actual results, performance, achievements or events not to be as anticipated, estimated or intended, and many events are beyond the reasonable control of the Company. Accordingly, readers are cautioned not to place undue reliance on forward looking statements. Forward looking statements in these materials speak only at the date of issue. Subject to any continuing obligations under applicable law or any relevant stock exchange listing rules, in providing this information the company does not undertake any obligation to publicly update or revise any of the forward-looking statements or to advise of any change in events, conditions or circumstances on which any such statement is based.

Competent Person Statement

The information in this report which relates to Exploration Results at the King Tut Project was based on information compiled by Mr Mark Gifford who is a Fellow of the Australasian Institute of Mining and Metallurgy (AusIMM) and an independent consulting geologist to the Company. Mr Gifford has sufficient experience which is relevant to the style of mineralisation and type of deposit under consideration and to the activity which he is undertaking to qualify as a Competent Person as defined in the 2012 edition of the 'Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves' (the JORC Code). The Company confirms that it is not aware of any new information or data that materially affects the information in the relevant market announcement.

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