

5 December 2018

Coober Pedy Project Update

Highlights

- **Pursuit exploring options to crystallise value of Coober Pedy Project in central South Australia**
- **Cyclops Prospect exhibits geological and geophysical characteristics indicative of Iron Oxide Copper Gold (IOCG) systems such as occur at Prominent Hill and BHP's mega deposit at Olympic Dam**

Pursuit Minerals Limited (ASX: PUR) is reviewing options to realise the value of its interest in the highly prospective Coober Pedy Project, located in the same geological province as BHP's Olympic Dam mega mine and Oz Minerals' Prominent Hill mine in South Australia.

Pursuit holds 100% of the Coober Pedy Project (Figure One), having acquired the interest from Teck (Australia) Pty Ltd, which previously conducted a drilling campaign at the Cyclops Prospect in 2015 in conjunction with joint venture partner MinQuest Limited.

The 2015 drilling was conducted to test gravity and magnetic anomalies that bore similarities to the geophysical signature of the Prominent Hill Iron Oxide Copper Gold Deposit.

Both drill holes showed strong evidence of IOCG style haematite and sericite alteration and both drill holes intersected trace amounts of copper sulphides (chalcopyrite)¹.

During 2018, Pursuit has been focused on the development of its vanadium projects in Finland and Sweden. Following the surge in interest in IOCG projects on the Gawler Craton in South Australia following BHP's recently announced copper-gold discovery, Pursuit is now exploring options for the advancement of the Copper Pedy Project. These options range from joint ventures and farm-in agreements to an outright sale of the property.

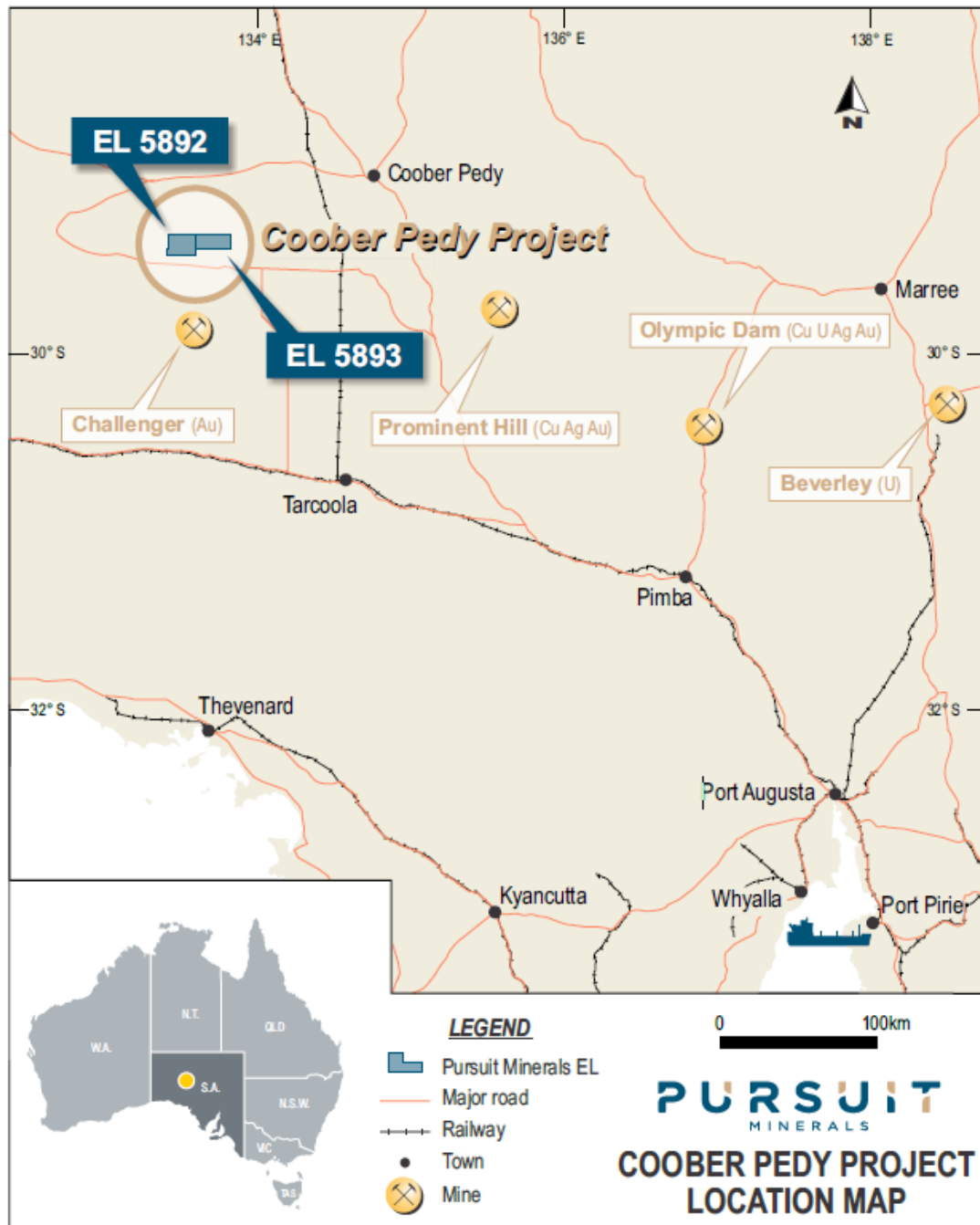
Pursuit CEO Jeremy Read said the project was a valuable asset, located within the same geological setting, on the Gawler Craton, as Prominent Hill and Olympic Dam.

"The Gawler region in South Australia is a world-class IOCG terrane and new discoveries are still being made," said Mr Read. "I note that BHP recently revealed spectacular copper intercepts from drilling near Olympic Dam, and it is clear that our Coober Pedy project sits within the same geological domain that is rich in IOCG style mineralisation,

¹ Refer ASX announcement by MinQuest Limited (ASX:MNQ) dated 24 July 2015.

“Previous drilling at the Cyclops prospect was encouraging and we are examining our options for a joint venture or sale of the project” he said.

Figure One – Coober Pedy IOCG Project



Pursuit Minerals Limited

ACN 128 806 977

+61 447 379 744

Suite 3, Level 7, 100 Edward Street, Brisbane QLD 4000

PO Box 5807, Brisbane QLD 4000

info@pursuitminerals.com.au

pursuitminerals.com.au

Airijoki and Koitelainen Project Updates

Pursuit has completed a major drilling campaign at one of its two core projects – the Airijoki vanadium project in Sweden (Figure Two). The campaign involved drilling 18 holes for a total of approximately 2876m metres, to test 3.5km of outcropping high-grade vanadium mineralisation. Assay results are expected in mid-December. The objective of the drilling program is to define a JORC compliant Inferred Mineral Resource for Airijoki, to be followed by an internal Scoping Study. The Scoping Study will bring the Airijoki Project to a Key Decision Point regarding the commencement of a Feasibility Study. Pursuit is aiming to complete the Scoping Study by the end of March 2019.

Pursuit's other core asset is the Koitelainen project in northern Finland, where the company has defined an exploration target after resampling 25 historic drill holes from the 1980-90's which revealed high grade vanadium in magnetite concentrate.

The Koitelainen Prospect has an estimated Exploration Target of 80 - 105Mt, containing 4.0 - 10.5Mt of magnetite @ 2.0 - 2.3% V₂O₅ (in magnetite concentrate) for 80,000 - 241,000 tonnes of vanadium pentoxide (V₂O₅)¹. Further analysis of the historical drill holes from Koitelainen is currently in progress and aimed at upgrading the Exploration Target to a JORC Inferred Mineral Resource by the end of 2018, to be followed by a Scoping Study before the end of the first quarter 2019.

Access to historical drill core from the 25 historic holes at Koitelainen will enable Pursuit to advance through the Scoping Study process without undertaking any additional drilling, significantly reducing exploration costs and enabling an accelerated development schedule.

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.

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Figure Two – Airijoki Project, Northern Sweden



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About Pursuit Minerals Limited

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 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 renewable energy, which will require large increases in battery storage, Pursuit's projects are well positioned to participate in the energy revolution underway in Europe.

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

www.pursuitminerals.com.au

Competent Person's Statement

Statements contained in this announcement relating to historical exploration results, and current exploration results 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. 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 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.

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