

20 June 2019

Retraction of Production Target

On 18 June 2019 **Pursuit Minerals (ASX:PUR)** ("**Pursuit**", the "**Company**") released to the market an announcement titled "Pursuit Receives Government Approval to Undertake Airijoki Infill Drilling Program".

The first paragraph of that announcement referred to "*...a Feasibility Study for a 3.5Mtpa mining project*". The inclusion of 3.5Mtpa in the reference to the project constitutes a production target. As the JORC resource for the Airijoki Project consists wholly of inferred resources, the publication of a production target is not permitted under ASX Listing Rule 5.15.

Accordingly, the Company retracts the reference to a 3.5Mtpa mining project.

A replacement announcement is attached to this retraction statement.

Investors should not rely on the retracted information as a basis for an investment decision in relation to Pursuit's shares.

Pursuit confirms that it is not aware of any new information or data that materially affects the information included in the original market announcements referenced above and that all material assumptions and technical parameters underpinning the JORC Inferred Resource for the Airijoki Project in the original announcement continue to apply and have not materially changed. Pursuit also confirms that the form and context of the Competent Person's findings presented in the original market announcements have not been modified from the original market announcement.



Stephen Kelly
Company Secretary

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Pursuit Receives Government Approval to Undertake Airijoki Infill Drilling Program

Highlights

- Pursuit has received approval from the Norrbotten County Administration Board to undertake an infill drilling program on the Airijoki Vanadium Project in northern Sweden
- Drilling is planned to commence in mid to late September 2019
- The program will consist of 68 drill holes, with an average depth of 140m, for a total of 9,815m, to upgrade the current JORC Inferred Mineral Resource to 30% Measured and 70% Indicated JORC Categories
- The drilling is being undertaken to underpin a Feasibility Study of Airijoki
- Pursuit has now received approvals for two drilling programs in just eight months at Airijoki, confirming the rapid pace that projects can be advanced in northern Sweden.
- The Airijoki Project currently hosts an Inferred Mineral Resource of 44.3 million tonnes, containing 5.9 million tonnes of magnetite @ 1.7% V₂O₅ (in magnetite concentrate), for 100,800 tonnes of V₂O₅ based on 13.3% mass recovery of magnetite concentrate, compiled in accordance with JORC (2012)¹
- A Scoping Study completed in May 2019 confirmed that the Airijoki Project has the potential to deliver strong project returns²

Pursuit Minerals Limited (ASX: PUR) has received approval from the Norrbotten County Administration Board (CAB) for an infill drilling program on the Airijoki Vanadium Project in northern Sweden. The drilling is planned to commence in mid to late September 2019, to underpin a Feasibility Study for a mining project producing high-grade vanadium magnetite concentrates as the First Phase of development of the Airijoki Project.

The drilling program will consist of 68 diamond drill holes, of average depth 140m, for a total of 9,815m. The objective of the drilling program will be to convert the current JORC Inferred Mineral Resource into 30% Measured and 70% Indicated JORC classifications. The existing Mineral Resource at Airijoki is 44.3 million tonnes, containing 5.9 million tonnes of magnetite @ 1.7% V₂O₅ (in magnetite concentrate), for 100,800 tonnes of V₂O₅ based on 13.3% mass recovery of magnetite concentrate, compiled in accordance with JORC (2012)¹.

¹See Pursuit Minerals ASX Announcement 9 March 2019. ²See Pursuit Minerals ASX Announcement 8 May 2019. The Company is not aware of any new information or data that materially affects the information included in the referenced ASX announcement and confirms that all material assumptions and technical parameters underpinning the estimates in the relevant market announcement continue to apply and have not materially changed.

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Pursuit Minerals Managing Director Jeremy Read said that approval for the infill drilling program was a significant step forward in progressing Airijoki towards the commencement of the Feasibility Study.

“We can now accelerate our preparations for the infill drilling program and planning for the commencement of the Feasibility Study.

“We have now received approval from the County Administration Board for two major drilling programs within the last eight months demonstrating the speed that projects can be progressed in northern Sweden and we are appreciative of the CAB’s quick assessment of our planned infill drilling program at Airijoki,” Mr Read said.

Airijoki Vanadium Project Infill Drilling Program

The Airijoki Vanadium Project is located in an active mining area of northern Sweden that is well serviced by transport infrastructure and other services (Figure 1). The village of Vittangi lies 10km to the south of Airijoki along the main access road to Kiruna, a 74km drive along the E45 and E10 national highways to the west. Kiruna is a major mining services hub supporting several mines including a large underground iron ore mine, which has been in production for approximately 120 years. Rail services can be accessed at Svappavaara, which is reached via a 40km drive along tarmac roads from Airijoki. The railway runs from Svappavaara through Kiruna and down to the port of Narvik on the Norwegian coast - a distance of approximately 220km. Existing power lines run just 4km east of the Airijoki Mineral Resource, and the project is reached by a short 4km drive along an established gravel road.

Using data from a drilling program completed in December 2018, Pursuit defined a Mineral Resource for Airijoki and announced this resource to the ASX on 9 March 2019. The Mineral Resource was defined as 44.3 million tonnes, containing 5.9 million tonnes of magnetite @ 1.7% V₂O₅ (in magnetite concentrate), for 100,800 tonnes of V₂O₅ based on 13.3% mass recovery of magnetite concentrate and a cut-off of 0.7% V, and was classified as Inferred in accordance with JORC (2012).

Utilising the Inferred Mineral Resource, Pursuit completed a Scoping Study assessing the economics of producing high-grade vanadium magnetite concentrate from Airijoki and then selling that concentrate to global markets, as the first phase of project development. The Scoping Study indicated that this project development approach, designed to reduce up front capital costs and decrease the time taken to get the projects into production, has the potential to deliver strong project returns³.

Following the Scoping Study, the Board of Pursuit was sufficiently confident in the results to commence discussions with potential Strategic Partners prior to the Feasibility Study commencing with the infill drilling program planned for September 2019.

³See Pursuit Minerals ASX Announcement 8 May 2019. The Company is not aware of any new information or data that materially affects the information included in the referenced ASX announcement and confirms that all material assumptions and technical parameters underpinning the estimates in the relevant market announcement continue to apply and have not materially changed.

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Figure One - Pursuit's Portfolio of Vanadium Projects



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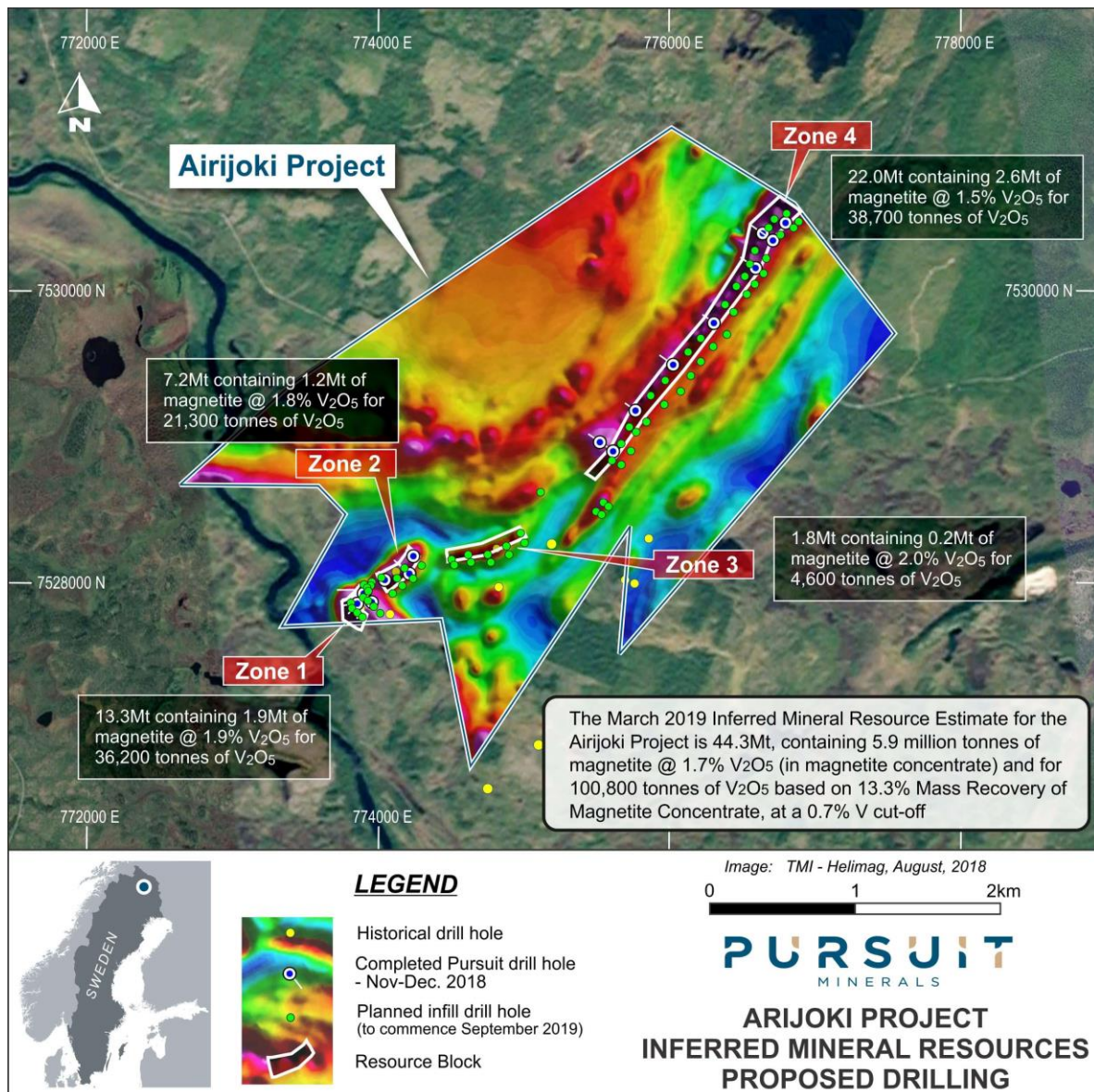
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A work program for the Airijoki Infill Drilling Program was defined and submitted to the Norrbotten County Administration Board, as approval from the CAB is required prior to the commencement of any drilling program. Pursuit has now received approval for the infill drilling program from the CAB, subject to certain usual conditions relating to access, track construction and avoidance of some bogs. Pursuit intends to commence drilling in mid to late September and this program will initiate the Airijoki Feasibility Study.

Within 8 months Pursuit has received approval from the CAB for the 2,876m drilling program completed at Airijoki in December 2018 and now the planned 9,815m infill drilling program. These approvals demonstrate the rapid pace that it is possible to progress projects in northern Sweden.

Figure Two – Airijoki Project Planned Infill Drilling Program



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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

Competent Person's Statement

Statements contained in this announcement relating to exploration results, and results of the Airijoki Scoping Studies, 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 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.

Statements contained in this announcement relating to the Airijoki Project Inferred Mineral Resource, are based on, and fairly represents, information and supporting documentation prepared by Mr. Chris Grove, who is a member of the Australian Institute of Mining & Metallurgy (AusIMM), Member No 310106. Mr Grove is a full-time employee of the mineral resource consulting company "Measured Group", who were contracted by Pursuit Minerals Limited to prepare an estimate of the Inferred Mineral Resource at Airijoki. Mr Grove 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 Grove consents to the use of this information in this announcement in the form and context in which it appears.

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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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