20 December 2019

Ground Magnetic Surveys Completed on the Simesvallen Project in Central Sweden

Highlights

- **Following re-assessment of highly encouraging vanadium intersections in historical drill holes, three ground magnetic surveys have been completed on the Simesvallen Project in central Sweden[1]**
- **Historical drilling at Simesvallen intersected vanadium mineralisation over a strike length of 560m, is open to both the east and west, and includes the following historical intersections[2]:**
  - **8.75m @ 0.41% V_2O_5 (whole rock), in hole SIM82001 from 40.00m**
  - **13.9m @ 0.44% V_2O_5 (whole rock), in hole SIM82003 from 28.15m**
  - **6.35m @ 0.36% V_2O_5 (whole rock), in hole SIM82004 from 54.30m**
- **Re-assaying of historical holes SIM82001 and SIM82003 in 2018 showed that the whole rock vanadium mineralisation produced high-grade vanadium magnetite concentrates of 1.55% - 1.63% V_2O_5 and 1.63% - 1.90% V_2O_5, respectively**
- **Detailed, 25m line spacing, ground magnetic surveys have been completed in the north, southeast and southwest of the Simesvallen Project area, in order to map the magnetite which hosts the vanadium mineralisation**
- **Interpretation of the ground magnetic data will be completed early in 2020 in order to determine if any targets identified from the detailed ground magnetic data warrant drill testing**

Pursuit Minerals Limited (ASX:PUR) is pleased to announce that it has completed three detailed ground magnetic surveys on the Simesvallen Project in Central Sweden. The objective of completing the detailed ground magnetic surveys was to map the distribution of magnetite in mafic intrusions, as it is the magnetite which hosts the vanadium mineralisation. Furthermore, detailed ground magnetic data was shown to be highly effective on Pursuit's Airijoki Project in northern Sweden, at generating drill targets which delivered significant new vanadium intersections[3]. At Simesvallen, vanadium mineralisation has been intersected in historical drill holes over 560m of strike length. The ground magnetic data will assist in assessing the potential to extend this mineralisation further along strike and whether drill testing is warranted.

[1, 2] See Pursuit Minerals ASX Announcement 29 October 2018. [3] See Pursuit Minerals ASX Announcement 5 February 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 Mineral's Chairman Peter Wall said that the success of using detailed ground magnetic data to map vanadium bearing magnetite on the Airijoki Project in northern Sweden, which lead to the discovery of the North East Magnetic Zone, encouraged the Company to use the same approach with detailed ground magnetic data at Simesvallen.

"At Simesvallen historical drilling has shown vanadium mineralisation occurs over a strike length of 560m, but the magnetic anomaly with which the vanadium mineralisation is associated extends further to the east and west in the north of the project area.

"We have also covered with detailed ground magnetic data, two prospective areas in the southeast and southwest of the project, so now we will interpret the detailed magnetic data and decide if drill testing of targets is warranted", Mr Wall said.

Simesvallen Prospect (Central Sweden)

Located in the Ljusdal area, approximately 300 km north-west of Stockholm, is the 120km x 100km Ljusdal granitoid batholith, into which are emplaced mafic intrusions which contain iron-titanium-vanadium mineralisation (Figure 1). The mafic intrusions were intruded as sills, lopoliths or laccoliths, potentially sourced from a large mafic body at depth, whose presence is inferred from a significant, deep-seated, mass increase indicated by regional gravity data in the centre of the area.

The Simesvallen structure is an approximately 15km long magnetic unit folded into an elliptical form. In the early 1980's, a small section of the northern structure at Simesvallen was investigated with reconnaissance drilling (10 drill holes), along 560m of strike and to a vertical depth of 50m. Rock samples from historic small trial mines returned whole rock values of 0.84 - 0.9% V_2O_5. In October 2018 Pursuit was able to access two of the historical drill holes, SIM82001 and SIM82003, at the Swedish National Core Library. Half-core samples cut from holes SIM82001 and SIM82003 returned highly encouraging intesections including 24m @ 0.36% V_2O_5 (whole rock), 1.63% V_2O_5 (magnetite concentrate) from 22.0 down hole depth (hole SIM82003) and 10.9m @ 0.38% V_2O_5 (whole rock), 1.63% V_2O_5 (magnetite concentrate) from 39.0 down hole depth (hole SIM82001)[4].

The vanadium mineralisation at Simesvallen varies in down hole thickness from 6.4m to 28.6m thick, is associated with a high intensity aeromagnetic anomaly and is open both to the east and the west.

Three areas have now been covered with detailed ground magnetic surveys, with data collected on lines spaced 25m apart (Figure 2). The northern survey area was designed to investigate the potential extension of the known vanadium mineralisation in holes SIM82001 and SIM82003 (Figure 3). The survey areas in the southeast and southwest of the Simesvallen project area were designed to investigate high intensity magnetic features whose causative sources are likely to be abundant magnetite.

Interpretation of the ground magnetic data will now proceed in order to determine if drill testing of any of the magnetic anomalies is warranted.

[4]See Pursuit Minerals ASX Announcement 3 June 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 1 – Simesvallen Project Location

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Figure 2 – Simesvallen Project
Detailed Ground Magnetic Survey Locations

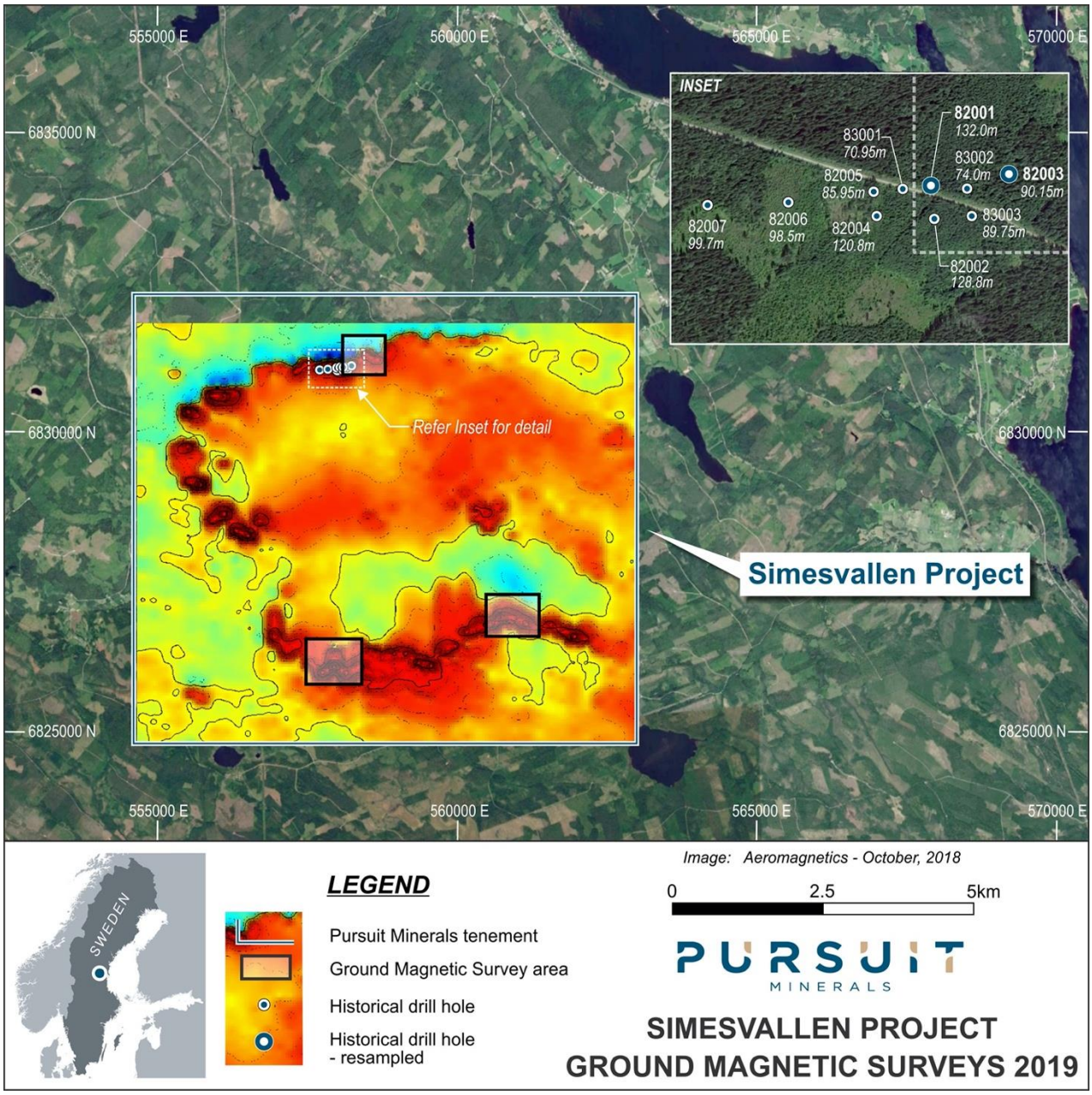

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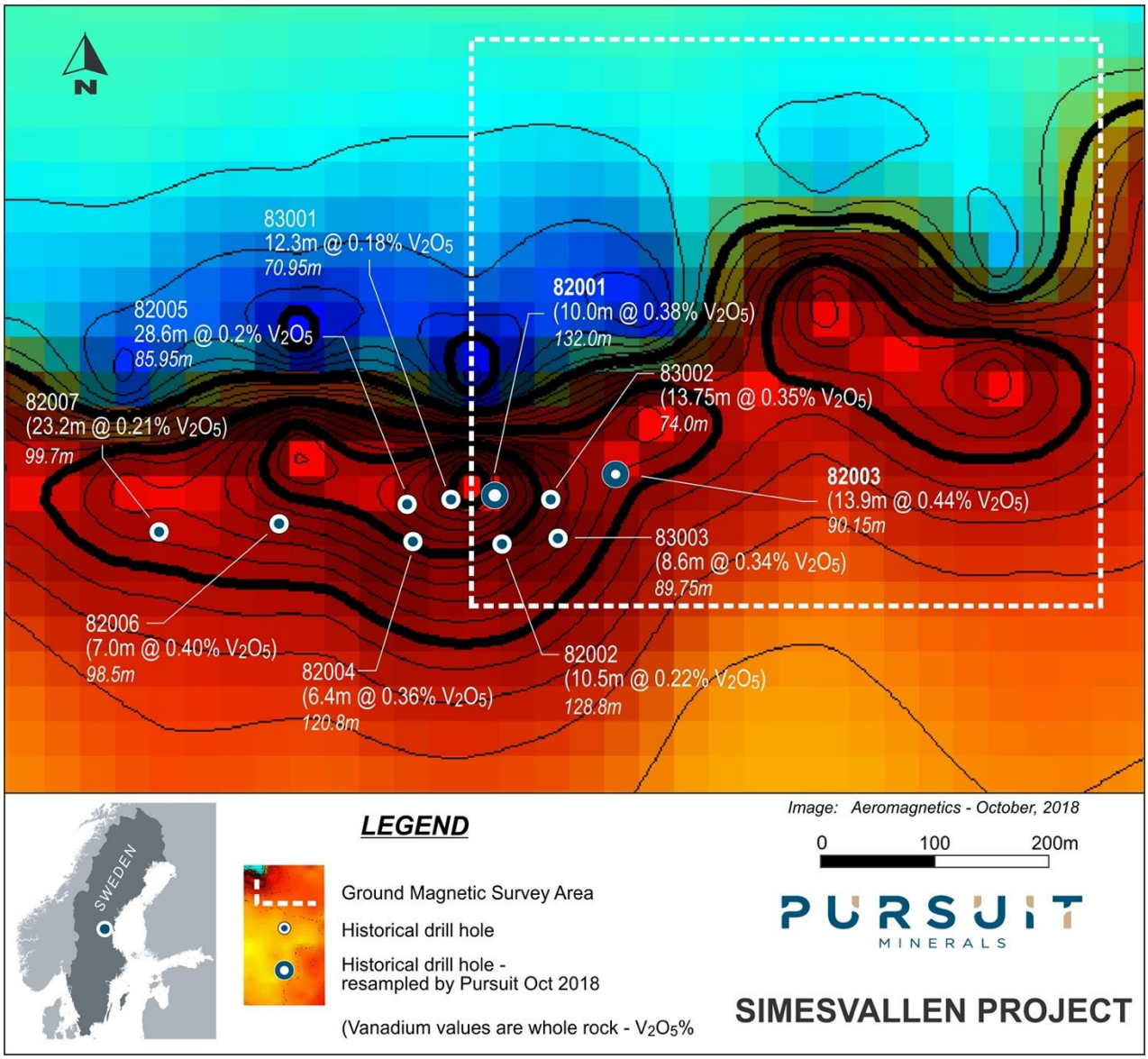
Figure 3 – Simesvallen Project
Northern Detailed Ground Magnetic Survey



Authorisation

This announcement was authorised for release by the Board of Directors of Pursuit Minerals Limited.

For further information contact Stephen Kelly, Company Secretary on +61 7 3854 2388.

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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, 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 Non-Executive Director of the Company and has sufficient relevant experience in relation to the mineralisation style being reported on to qualify as a Competent Person for reporting exploration results, 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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