

30 September 2020

**Buck Mountain Gold Project Acquisition Terminated**

On 17<sup>th</sup> July 2020 Pursuit Minerals Limited (ASX: **PUR**, **Pursuit** or the **Company**) announced it had entered into a binding option agreement with Golden Buck Ventures LLC (GBV) and Moreton Gold Pty Ltd (MOR) (together, the Vendors), granting Pursuit the right to purchase a 100% interest in the Buck Mountain Gold Project, in Arizona, USA. Under the terms of the agreement the Company made a payment of US\$20,000 to the Vendors for exclusive due diligence until 30 September 2020 (Term). As a result of the extensive due diligence conducted to date and the failure to be able to negotiate an extension to the due diligence period to allow for further verification the foreign mineral resource<sup>1</sup>, the Company has no choice but to not proceed with the acquisition.

The Company promptly commenced its due diligence program to confirm the presence of gold in alluvial gravels close to the surface within the area of the defined foreign mineral resource. Work carried out previously identified the presence of gold near or at the surface<sup>2</sup>. Pursuit collected 21 soil samples from surface to a depth of approximately 3 feet. Of these 21 samples only 8 samples returned gold values above the detection limit of 0.001ppm Au, with a maximum result of 0.004ppm (0.004g/t) Au<sup>3</sup>.

Notwithstanding the shallow auger results, Pursuit proposed to the vendors to excavate 8 pits within the area of the foreign mineral resource, down to a depth of 15 feet, and to take bulk samples at intervals of 0 - 5 feet, 5 - 10 feet and 10 - 15 feet. It has been arranged for the bulk samples to be submitted for processing to extract free gold using gravity separation methods and also undergo cyanide leach testing to determine if any gold had been hydrothermally precipitated within the gravels.

Because of the time frame required to obtain approval from the BLM for the excavation of the planned 8 pits, Pursuit requested an extension to the due diligence period from the vendors of the Buck Mountain Project. Agreement for the extension of the due diligence period was obtained from MOR, but GBV did not agree to the extension to the due diligence period. GBV has not provided Pursuit with any justification as to why it would not agree to an extension of the due diligence program to allow the bulk samples to be collected and appropriate due diligence completed.

Given the extremely low gold results from the initial auger sampling as a part of the due diligence program, Pursuit believes that its requirement to excavate 8 pits, and process bulk samples, is totally justified and a prudent component of its due diligence program. All arrangements had been put in place to proceed with the excavation of 8 pits and processing of the 24 samples, in an expeditious manner.

As an extension was unable to be agreed Pursuit has no choice but to not proceed with the acquisition.

<sup>1, 2</sup> See Pursuit Minerals ASX Announcement 17 July 2020. <sup>3</sup> See Pursuit Minerals ASX Announcement 15 September 2020. The Company is not aware of any new information or data that materially affects the information included in the referenced ASX announcements and confirms that all material assumptions and technical parameters underpinning the estimates in the relevant market announcements continue to apply and have not materially changed.