

ASX RELEASE

29 March 2023



Settlement on Lithium Brine Project in Argentina

HIGHLIGHTS

- Pursuit has settled on the acquisition of Trilogy Minerals Pty Ltd (“Trilogy”), the 100% owner of the Rio Grande Sur Project in Argentina.
- The Rio Grande Salar (salt lake) hosts an inferred resource of 2.1 million tonnes LCE at an average grade of 370mg/Li to a depth of 100m reported as part of an existing Canadian National Instrument 43-101 (NI43-101) report (LSC Lithium Corporation of Canada, 2018) (see PUR announcement dated 14 December 2022). CSMAT surveys have identified Lithium enriched brines to a depth of 500m, to which drilling to this depth is expected to significantly increase the resource. A portion of the Rio Grande Sur tenements (~3,000ha) are located within a section of this resource.

In relation to the Trilogy acquisition, Pursuit Managing Director, Bob Affleck, said:

“The acquisition of Trilogy will see Pursuit expand its operations to become an emerging lithium exploration company with resources in a highly sought after lithium-rich region. Trilogy has now exercised its options over all 5 tenements within the Rio Grande Sur Project area and is positioned to push forward with its proposed exploration programs on the project. We look forward to combining with the Trilogy team to grow the Company for all shareholders.”

Pursuit Minerals Ltd (ASX: **PUR**) (“Pursuit” or the “Company”) is pleased to announce it that it has completed the acquisition of Trilogy which holds the rights to acquire over 9,260 hectares at the Rio Grande Sur Project as approved by Pursuit shareholders on 6 February 2023 (the “Transaction”).

As part of the Transaction, Pursuit has negotiated a reduction in the option exercise price for the Cateo licence from US\$2.5m to US\$1.94m (cash saving of ~A\$883,000) (the purchase price to now be satisfied through a cash payment by Pursuit of A\$2.9m and the issue of 20.8 million shares, for a net saving of ~A\$416,000).

Capital Structure

The impact of the Transaction on the capital structure of Pursuit is set out below:

	Shares	Options	Performance Rights	Performance Shares
Current issued capital	1,187,250,867	158,500,000 ¹	59,666,666	Nil
Founding Consideration ²	372,916,667	Nil	Nil	710,016,585 ⁶
Trilogy Class A Noteholder ³	335,416,666	Nil	Nil	Nil
Trilogy Class B Noteholder ⁴	666,666,667	Nil	Nil	Nil
Cateo Shares ^{2, 5}	20,833,334	Nil	Nil	Nil
Total	2,583,084,201	158,500,000	59,666,666	710,016,585

1. Comprising of:
 - a. 36,000,000 unquoted options exercisable at \$0.007 each on or before 20 September 2023; and
 - b. 2,500,000 unquoted options exercisable at \$0.0281 each on or before 23 December 2024; and
 - c. 120,000,000 options with an exercise price of \$0.02 and expiry date 4 years from the date of issue.
2. Subject to 12 month voluntary escrow.
3. The Class A Noteholder Consideration will be subject to 75% voluntary escrow with 25% released each quarter post settlement.
4. Nil escrow as these securities raised \$8m in the March quarter at the equivalent of \$0.012 per PUR share.
5. Pursuit renegotiated the acquisition of the Cateo Option Exercise price down from US\$2,500,000 to US\$1,943,000 and 20,883,334 shares (a cash saving of US\$557,000 or AUD\$883,000).
6. Performance securities
 - a. 285,644,417 Performance Shares A that convert into Pursuit Shares on the latest to occur of the announcement of JORC resource minimum of 100kt LCE @ 350mg/Li and the VWAP of Pursuit Shares trading on the ASX being at least \$0.03 over 20 consecutive trading days (on which Pursuit Shares have actually traded) (with such milestones having a drop-dead date of 24 months from the date of issue of the Performance Shares);
 - b. 222,894,417 Performance Shares B that convert into Pursuit Shares on the latest to occur of the announcement of Pursuit entering into a binding agreement for commercial sale of 2,000tpa of LiC203 and the VWAP of Pursuit Shares trading on the ASX being at least \$0.05 over 20 consecutive trading days (on which Pursuit Shares have actually traded) (with such milestones having a drop dead date of 36 months from the date of issue of the Performance Shares); and
 - c. 201,477,750 Performance Shares C that convert into Pursuit Shares on the latest to occur of the announcement of positive completion of a bankable feasibility study that supports the financing and construction of a 20,000tpa commercial facility and the VWAP of Pursuit Shares trading on the ASX being at least \$0.07 over 20 consecutive trading days (on which Pursuit Shares have actually traded) (with such milestones having a drop dead date of 48 months from the date of issue of the Performance Shares).

Pursuit has appointed Tom Eadie as non-executive director and Aaron Revelle as Chief Operating Officer to assist with managing the Rio Grande Sur Project.

Mr Tom Eadie -

Non-Executive Director

Mr Eadie has over 40 years' experience as an explorer and geologist in the resources industry. Tom was the founding Chairman of Syrah Resources (ASX:SYR), Executive Chairman of Copper Strike (ASX:CSE) as well as Chairman of Alderan Resources (ASX:ALR) and a non-executive director of New Century Resources (ASX:NCZ).

Mr Aaron Revelle

COO

Aaron is a senior mining executive with over 10 years' experience in the development and founding of natural resources companies. Aaron was the founder of an Argentinian Lithium focused exploration company Centaur Resources which was sold to Arena Minerals (CVE:AN—market cap C\$214.3m) for A\$23m. Prior to Centaur, Aaron was involved in the development and founding of various companies focused on the exploration and development Lithium exploration projects inclusive of the Hombre Muerto and Rincon Salars in Argentina.

All securities issued above are excluded from LR7.1 and 7.1A calculations except for the additional Cateo shares which are issued under Pursuit's LR 7.1 capacity. Further details relating to the issue of the securities are set out in the Appendix 3B that the Company released on 14 December 2022, the attached Appendix 2A and 3G's, 3X's and the Notice of Meeting dated 3 January 2022.

Background to Trilogy and the acquisition

Trilogy is a lithium exploration and development company. Trilogy has five option interests to secure various tenements that are prospective for lithium located near Salta, Argentina in the Rio Grande Sur Project. All 5 options have now been exercised. The five tenements cover approximately 9,233 hectares ("Tenements").

The key option and tenement details are set out below:

Table One - Tenement Schedule

	Tenement	Hectares	File Number	Option Exercise Price	Option Status
1	Maria Magdalena	73.26	3571		Acquired
2	Isabel Segunda*	59.25	16626		Acquired
3	Sal Rio 02*	298.26	21942		Acquired
4	Sal Rio 01*	142.19	21941		Acquired
5	Cateo	8,660.00	23704	\$1,943,000	Acquired
	Total	9,232.96	USD	\$1,943,000	
			AUD (0.67)	\$2,900,000	

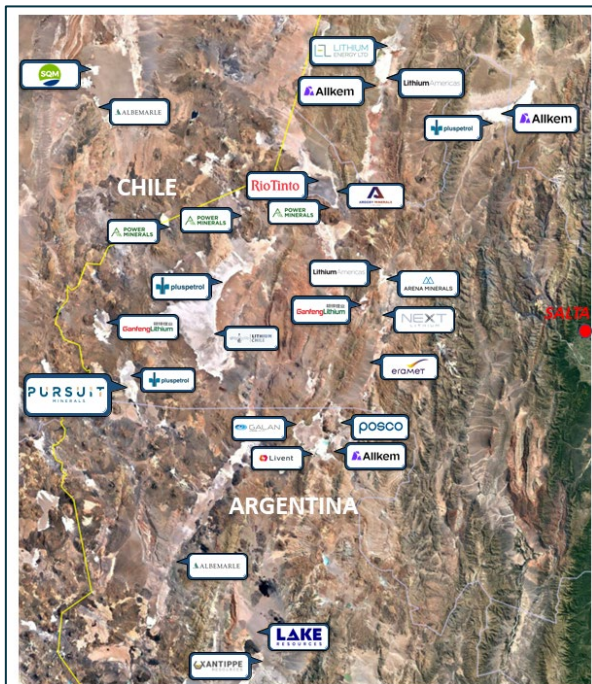


Figure 1: Rio Grande salar location, Salta Province, Argentina

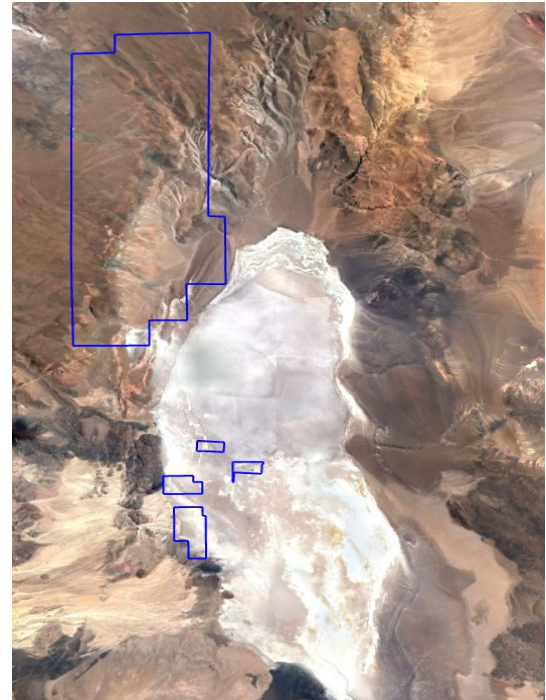


Figure 2: Trilogy Li brine leases, Rio Grande salar Argentina

Rio Grande Sur Project

The Rio Grande salar covers approximately 27,500ha and comprises a 2018 43-101 inferred resource outlined by LSC Corporation of Canada of 2.1 million tonnes LCE at an average grade of 370mg/Li to a depth of 100m.¹

The mineral resource compiled in accordance with Canadian National Instrument 43-101, is a foreign mineral resource estimate and it was not compiled in accordance with the JORC code. The Competent Person has not done sufficient work to classify this foreign mineral resource estimate as a Mineral Resource in accordance with the JORC Code. It is uncertain that following evaluation and/or further exploration work that the foreign mineral resource estimate will be able to be reported as Mineral Resources in accordance with the JORC code.

A section of the Rio Grande Sur Project tenements (~9,233ha) is located within this resource area (Figure 2). The closest major Argentinian city-Salta is located 280km from the site. The Rio Grande Sur Project also has easy access to the Chilean port of Antofagasta located 336km from the border crossing of Socompa, 40km North of the Rio Grande Sur Project. Antofagasta also offers port and rail facilities and a full suite of mining services.

Trilogy has outlined a detailed exploration program to explore the tenements in order to outline a JORC compliant resource for the project.

In January 2023, Trilogy raised \$8m and successfully acquired four of the five project tenements (Table 1). Trilogy and its team have experience in managing similar operations to the Rio Grande Sur Project.

Prior drilling in 2011 returned results ranging between 350-400mg/Li, consistent across- all prior exploration programs.

CS-AMT geophysical surveying and drilling carried out by LSC Lithium in 2017/2018 and ADY Resources in 2011 revealed several key geological findings to confirm the viability of the Rio Grande Salar for commercial lithium production operations.

In addition, CSAMT surveys have identified Lithium enriched brines to a depth of 500m. Accordingly, the Rio Grande Sur Project has a clear de-risked pathway to complete feasibility studies and therefore after to potential production given its location and proximity to an already existing JORC resource.

Proposed Exploration Program

Pursuit is currently planning to undertake further exploration work to determine the lithium brine resource, the effective recovery of brine and the economic viability of subsequent mining and refining operations.

Pursuit's Managing Director, Bob Affleck, is currently in Argentina undertaking a site visit.

Notice pursuant to Section 708A(5)(e) of the Corporations Act 2001

This notice is given by the Company in relation to the Shares which were issued without disclosure to investors under Part 6D.2 of the Corporations Act 2001 (Cth) (**Act**).

The Corporations Act 2001 ("Act") restricts the on-sale of securities issued without disclosure, unless the sale is exempt under section 708 or 708A of the Act. By giving this notice, the issue of the Shares will fall within the exemption in section 708A(5) of the Act.

Pursuant to section 708A(5)(e) of the Corporations Act 2001 (Cth) (Corporations Act), the Company gives notice that:

- a) The Company has issued the Shares without disclosure to investors under Part 6D.2 of the Act.
- b) The Company is providing this notice under section 708A(5)(e) of the Act.
- c) As at the date of this notice, the Company has complied with:
 - a. the provisions of Chapter 2M of the Act as they apply to the Company; and
 - b. section 674 of the Act.
- d) As at the date of this notice, there is no information:
 - a. that has been excluded from a continuous disclosure notice in accordance with the ASX Listing Rules; and
 - b. that investors and their professional advisers would reasonably require for the purpose of making an informed assessment of:
 - i. the assets and liabilities, financial position and performance, profits and losses and prospects of the Company; or
 - ii. the rights and liabilities attaching to the Shares.

This release was approved by the Board.

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

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Competent Person's Statement

Statements contained in this announcement relating to exploration results in respect of the Rio Grande Salar Project, are based on, and fairly represents, information and supporting documentation prepared by Dr. Brian Luinstra, BSc honours (Geology), PhD (Earth Sciences), MAIG, PGeo (Ontario). Dr Luinstra is a Principal Consultant of SRK Consulting (Australasia) Pty Ltd and a consultant to the Company. Dr. Luinstra 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 Luinstra consents to the use of this information in this announcement in the form and context in which it appears. Mr Luinstra confirms that the information in this announcement provided under listing rules 5.12 is an accurate presentation of the available data and studies for the material mining project.

Forward looking statements

Statements relating to the estimated or expected future production, operating results, cash flows and costs and financial condition of Pursuit Minerals Limited's planned work at the Company's projects and the expected results of such work are forward-looking statements. Forward-looking statements are statements that are not historical facts and are generally, but not always, identified by words such as the following: expects, plans, anticipates, forecasts, believes, intends, estimates, projects, assumes, potential and similar expressions. Forward-looking statements also include reference to events or conditions that will, would, may, could or should occur. Information concerning exploration results and mineral reserve and resource estimates may also be deemed to be forward-looking statements, as it constitutes a prediction of what might be found to be present when and if a project is actually developed.

These forward-looking statements are necessarily based upon a number of estimates and assumptions that, while considered reasonable at the time they are made, are inherently subject to a variety of risks and uncertainties which could cause actual events or results to differ materially from those reflected in the forward-looking statements, including, without limitation: uncertainties related to raising sufficient financing to fund the planned work in a timely manner and on acceptable terms; changes in planned work resulting from logistical, technical or other factors; the possibility that results of work will not fulfil projections/expectations and realize the perceived potential of the Company's projects; uncertainties involved in the interpretation of drilling results and other tests and the estimation of gold reserves and resources; risk of accidents, equipment breakdowns and labour disputes or other unanticipated difficulties or interruptions; the possibility of environmental issues at the Company's projects; the possibility of cost overruns or unanticipated expenses in work programs; the need to obtain permits and comply with environmental laws and regulations and other government requirements; fluctuations in the price of gold and other risks and uncertainties.

Glossary

Term	Meaning
AC Drilling	Air Core drilling utilises high-pressure air and dual walled rods to penetrate the ground and return the sample to the surface through the inner tube and then through a sampling system. The ground is cut through with the use of a steel blade type bit.
Diamond Drilling	Diamond Drilling is the process of drilling boreholes using bits inset with diamonds as the rock-cutting tool. By withdrawing a small diameter core of rock from the orebody, geologists can analyse the core by chemical assay and conduct petrologic, structural, and mineralogical studies of the rock.
Disseminated sulphides	Sulphides throughout the rock mass – not joined together and not conductive
Epigenetic	Mineralisation forming after rocks were formed by later mineralising events
Intrusive	Body of igneous rock that has crystallized from molten magma below the surface of the Earth
Lithium brine	Salt rich groundwater containing enriched Li leached from surrounding rocks
Litho-geochemistry	Study of common elemental signatures in different rock types to aid accurate logging by geologists
Magnetotelluric traverses (MT)	A passive geophysical method which uses natural time variations of the Earth's magnetic and electric field to measure the electrical resistivity of the sub-surface and infer deep seated structures
Massive Sulphides	The majority of the rock mass consists of various sulphide species
Metamorphism	The solid state recrystallisation of pre-existing rocks due to changes in heat and/or pressure and/or the introduction of fluids, i.e. without melting
Orogenic Gold Deposit	A type of hydrothermal mineral deposit where rock structure controls the transport and deposition of mineralised fluids. Over 75% of all gold mined by humans has been from orogenic deposits
Pegmatite	Exceptionally coarse-grained granitic intrusive rock,
Polymetallic mineralisation	Deposits which contain different elements in economic concentrations
Pyroxenite	A coarse-grained, igneous rock consisting mainly of pyroxenes. It may contain biotite, hornblende, or olivine as accessories.
RC Drilling	Reverse Circulation drilling, or RC drilling, is a method of drilling which uses dual wall drill rods that consist of an outer drill rod with an inner tube. These hollow inner tubes allow the drill cuttings to be transported back to the surface in a continuous, steady flow.
REE	Rare earth element,
Saprolite	Saprolite is a chemically weathered rock. Saprolites form in the lower zones of soil profiles and represent deep weathering of bedrock.
Sulphides	Various chemical compounds of sulphur and metals
Ultramafic	Very low silica content igneous and metamorphic rocks – including pyroxenites and peridotites both are known to host significant Ni-Cu-PGE deposits

Abbreviation	Abbreviation meaning	Abbreviation	Abbreviation meaning
Ag	Silver	Li	Lithium
Au	Gold	Mo	Molybdenum
As	Arsenic	Ni	Nickel
Co	Cobalt	Pb	Lead
Cr	Chromium	Pd	Palladium
Cs	Caesium	ppm	Parts per million
Ce	Cerium, a rare earth		
Cu	Copper	Pt	Platinum
		REE	Rare Earth Element
Bi	Bismuth	Sb	Antimony
B	Boron	Te	Tellurium
DHEM	Down Hole Electro-Magnetic surveying	Zn	Zinc
K	Potassium	VHMS	Volcanic Hosted Massive Sulphide
g/t	Grams per ton	W	Tungsten
La	Lanthanum	Y	Yttrium

¹ See ASX release 14/12/2022 Pursuit to Acquire Lithium Brine Project in Argentina. 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.

Appendix 3X

Initial Director's Interest Notice

Information or documents not available now must be given to ASX as soon as available. Information and documents given to ASX become ASX's property and may be made public.

Introduced 30/9/2001.

Name of entity	PURSUIT MINERALS LIMITED
ABN	27 128 806 977

We (the entity) give ASX the following information under listing rule 3.19A.1 and as agent for the director for the purposes of section 205G of the Corporations Act.

Name of Director	Ernest Thomas Eadie
Date of appointment	29 March 2023

Part 1 - Director's relevant interests in securities of which the director is the registered holder

In the case of a trust, this includes interests in the trust made available by the responsible entity of the trust

Note: In the case of a company, interests which come within paragraph (i) of the definition of "notifiable interest of a director" should be disclosed in this part.

Number & class of securities

+ See chapter 19 for defined terms.

Appendix 3X

Initial Director's Interest Notice

Part 2 – Director's relevant interests in securities of which the director is not the registered holder

In the case of a trust, this includes interests in the trust made available by the responsible entity of the trust

Name of holder & nature of interest	Number & class of Securities
Note: Provide details of the circumstances giving rise to the relevant interest. Thea Management Pty Ltd (ACN 612 566 355) ATF Thea Family Trust of Level 9, 408-410 Collins Street, Melbourne VIC 3000, Mr Eadie holds all of the issued share capital of the Holder and is the sole director and company secretary of the Holder.	6,811,263 Consideration Shares. 19,513,015 Class A Performance Shares. 8,333,333 Class B Performance Shares. 2,772,069 Class C Performance Shares

Part 3 – Director's interests in contracts

Note: In the case of a company, interests which come within paragraph (ii) of the definition of "notifiable interest of a director" should be disclosed in this part.

Detail of contract	
Nature of interest	
Name of registered holder (if issued securities)	
No. and class of securities to which interest relates	

+ See chapter 19 for defined terms.