14 May 2021

Phil's Hill Delivers Additional Conductors Highly Prospective For Ni-Cu-PGE Mineralisation

Highlights

- **Additional Discrete EM conductors** have been identified from secondary moving-loop ground electromagnetic ("MLEM") surveys at the Phil's Hill Target on the Calingiri East exploration licence, in the western Yilgarn province of Western Australia. The **Infill MLEM program** was designed to further refine the orientation and position of the EM anomalies previously identified and provide targets for drill testing.

- **Highly conductive features (up to 5,093 S/m)** are evident on 9 lines of MLEM data over a strike length of ~1,640m. The modelled depth to top of the conductors is ~100 m and coincident with the edge of an interpreted ultramafic sequence, in a location conducive to the concentration of PGE-Ni-Cu mineralisation.

- The **conductivity of the Phil's Hill Prospect is significant** and well within the known range of conductivity for the Gonneville PGE-Ni-Cu discovery (see Chalice Mining ASX Announcement 25 March 2021).

- The Phil's Hill target is open to the north and south and the Company is considering completing additional MLEM Survey's to further delineate the prospect for drilling purposes.

- The Company is now awaiting receipt of soil and rock chip assays over Phil's Hill and expects this within the next 2 weeks.

- A Heritage Agreement has been executed and the Company continues to expedite planning for drill testing.

- Additional conductors and PGE-Ni-Cu targets, identified from the interpretation of the final AEM data over Calingiri East, Wubin & Wubin South and Calingiri West, will be followed up with a **second phase of MLEM surveys and ground follow-up programs**.

Pursuit Managing Chief Executive Officer, Mark Freeman, said:

"The Company is extremely encouraged by the additional conductors at Phil's Hill Prospect; the MLEM program has extended and refined our drill targets. The Phil's Hill target is now over 1,600m in strike length, located in a highly prospective position on the margin of an interpreted mafic-ultramafic intrusion, where PGE-Ni-Cu mineralisation often concentrates, and is ready for drilling, subject to government and heritage approvals."

About the Warrior Nickel-Copper-PGE Project, Western Australia

The 100%-owned Warrior PGE-Nickel-Copper Project is located ~20 to 170km north-east of Chalice's high-grade Gonneville PGE-Ni-Cu discovery on the Julimar Project. The Project has direct access to major

highway, rail, power and port infrastructure in one of the world's most attractive mining jurisdictions – Western Australia (Figure 3). Phil's Hill is located 40 km north-east of Chalice Mining's Julimar Project.

The western margin of the Archean Yilgarn Craton is highly prospective for Platinum Group Elements ("PGE") and Nickel (Ni) – Copper (Cu) sulphide mineralisation associated with intrusive mafic to ultramafic rocks. The discovery of PGE-Ni-Cu mineralisation on the Julimar Project held by Chalice Mining Limited (see Chalice Mining ASX Announcement 23 March 2020), is the first significant PGE-Ni-Cu discovery in the region. It is becoming apparent that the prospective mafic-ultramafic intrusions which host Chalice Mining's PGE-Ni-Cu mineralisation are far more widespread than previously thought throughout the western margin of the Yilgarn Craton.

The PGE-Ni-Cu mineralisation at the Gonneville mafic-ultramafic intrusion was discovered by drilling a discrete moving-loop electromagnetic ("EM") anomaly associated with a high amplitude aeromagnetic anomaly. The aeromagnetic anomaly is due to the mafic-ultramafic intrusion which hosts the PGE-Ni-Cu mineralisation. The PGE-Ni-Cu mineralisation at Gonneville is strongly conductive and produces a significant anomaly in the EM data. Chalice Mining's success has demonstrated that the exploration approach of identifying prospective mafic-ultramafic intrusions from aeromagnetic data and then generating drill targets from EM surveys, is an effective method for targeting PGE-Ni-Cu sulphide mineralisation within the West Yilgarn province.

In February 2021, Pursuit flew a detailed airborne EM survey over the Calingiri East, Calingiri West, Wubin and Wubin South exploration licences on the Warrior PGE-Nickel-Copper Project. Several conductive features identified at "Phil's Hill" in the Calingiri East survey were followed up with 2 moving loop ground EM ("MLEM") survey's confirming that the airborne conductors are discrete basement conductors, and all extend into late time (Figure 1). The modelled conductivities of all anomalies identified are consistent with that expected from PGE-Ni-Cu mineralisation associated with massive sulphides.

Highly conductive features (up to 5,093 S/m) are now evident on 9 lines of MLEM data over a strike length of ~1,600 m. The modelled depth to top of the conductors is ~100 m and coincident with the edge of an interpreted ultramafic sequence. The conductance of the Phil's Hill Prospect is significant and well within the known range of conductance for the Gonneville PGE-Ni-Cu discovery (see Chalice Mining ASX Announcement 25 March 2021). Based on the EM response, Phil's Hill represents a high-priority drill target. The Company has completed geochemical soil sampling over Phil's Hill and anticipates results within the next 2 weeks. Further MLEM surveys have now refined the interpreted EM plates and have identified 4 discrete EM responses and increased both the conductivity and strike length. These EM responses have not been closed off to either the south or north by MLEM surveys.

ID *(grid north)*	Easting	Northing	RL	Depth	Dip	Dip Azi	Strike/ Depth Extent	Conductivity (S/m)
	(Centre Top of Plate Referenced)							
06a	464290	6545240	113	132	60°	052	130/77	3,500
10a	464171	6545652	153	99	43°	069	352/80	5,093
17a	463995	6546380	134	128	65°	093	180/120	2,000
20a	463855	6546720	175	88	60°	085	80/80	3,300

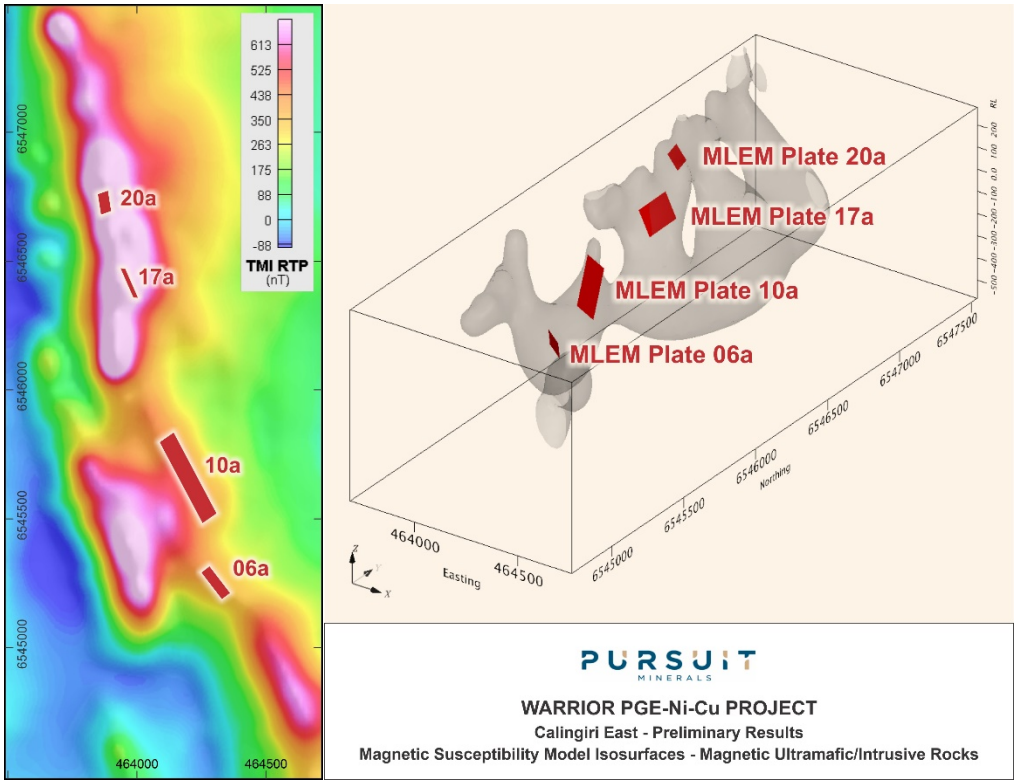

Figure 1 –Phil's Hill Prospect, MLEM plates (red) over RTP magnetic image (left) and 3D magnetic susceptibility isosurfaces (right). Magnetic Isosurfaces 10 and 20 x 10^{-3}SI.

Due to the compelling nature of the PGE-Ni-Cu target at the Phil's Hill Prospect, Pursuit continues to expedite drill testing. Following the recent execution of Aboriginal Heritage Agreements, the timing of the planned drilling program is now only contingent on Aboriginal Cultural Heritage requirements being met and confirmation of the lodged Program of Work ("POW") being accepted by the Department of Mines, Industry Regulation and Safety. The Company has secured a drilling contractor (Mount Magnet Drilling) and, subject to satisfying these two outstanding requirements, is preparing to undertake drilling within 6-8 weeks.

The Company is now also awaiting receipt of soil and rock chip assays within the next 2 weeks.

The Phil's Hill Prospect was identified from an initial interpretation of the preliminary AEM and magnetic data, additional follow-up areas of interest indicated at Calingiri West and Wubin, are awaiting post processing due to shallow conductive cover in these areas. Fully processed AEM data has been delivered in late April and is with the Company's consulting geophysicists undergoing post processing to identify further targets. These results will drive further on ground exploration programs at Calingiri West, Calingiri East, Wubin and Wubin South. Ground follow-up of targets identified from the full AEM and aeromagnetic data may entail additional ground EM surveys and/or soil geochemical surveys.

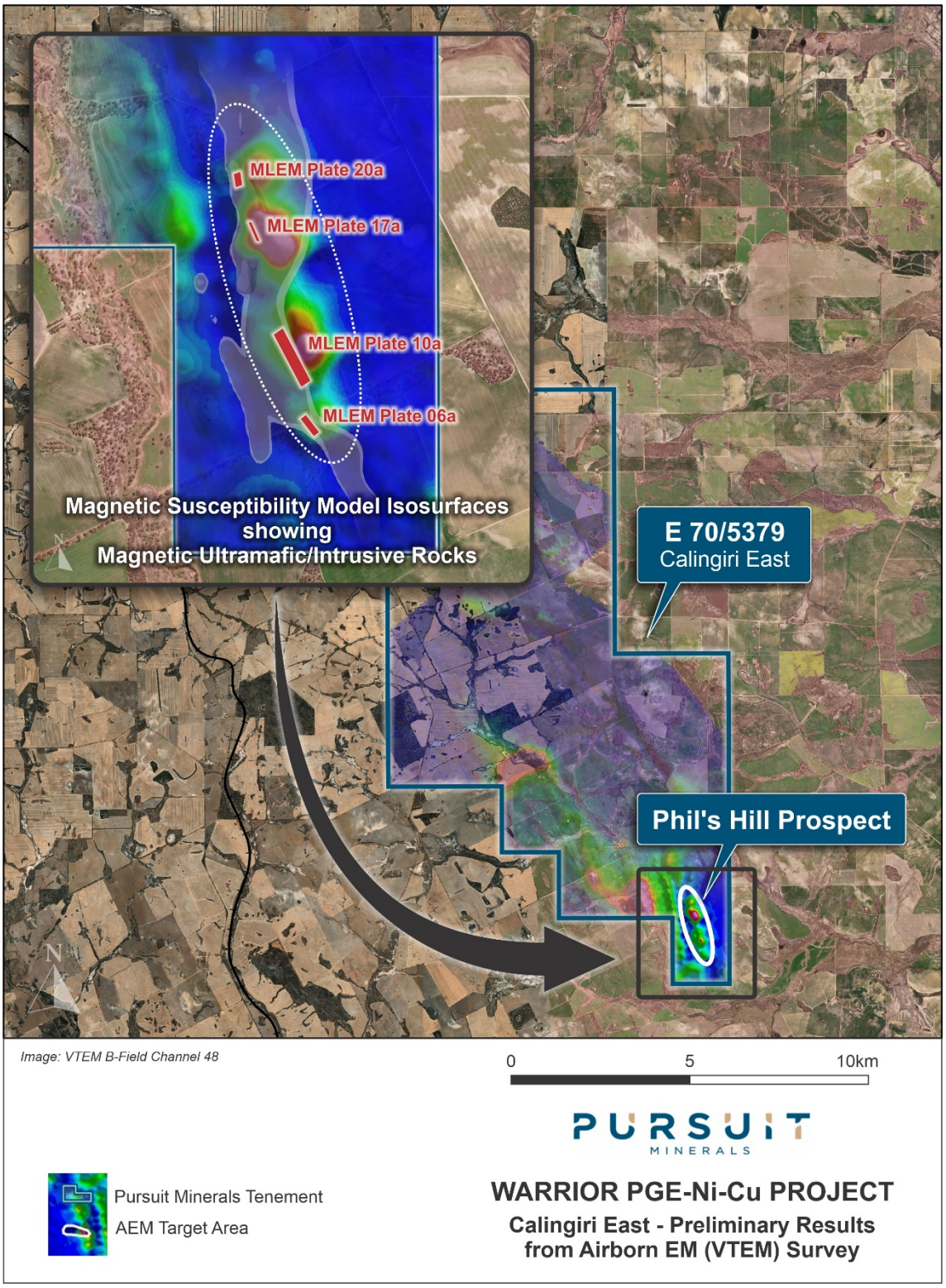

Figure 2 – Calingiri East (E70/5379) - Phil's Hill Prospect

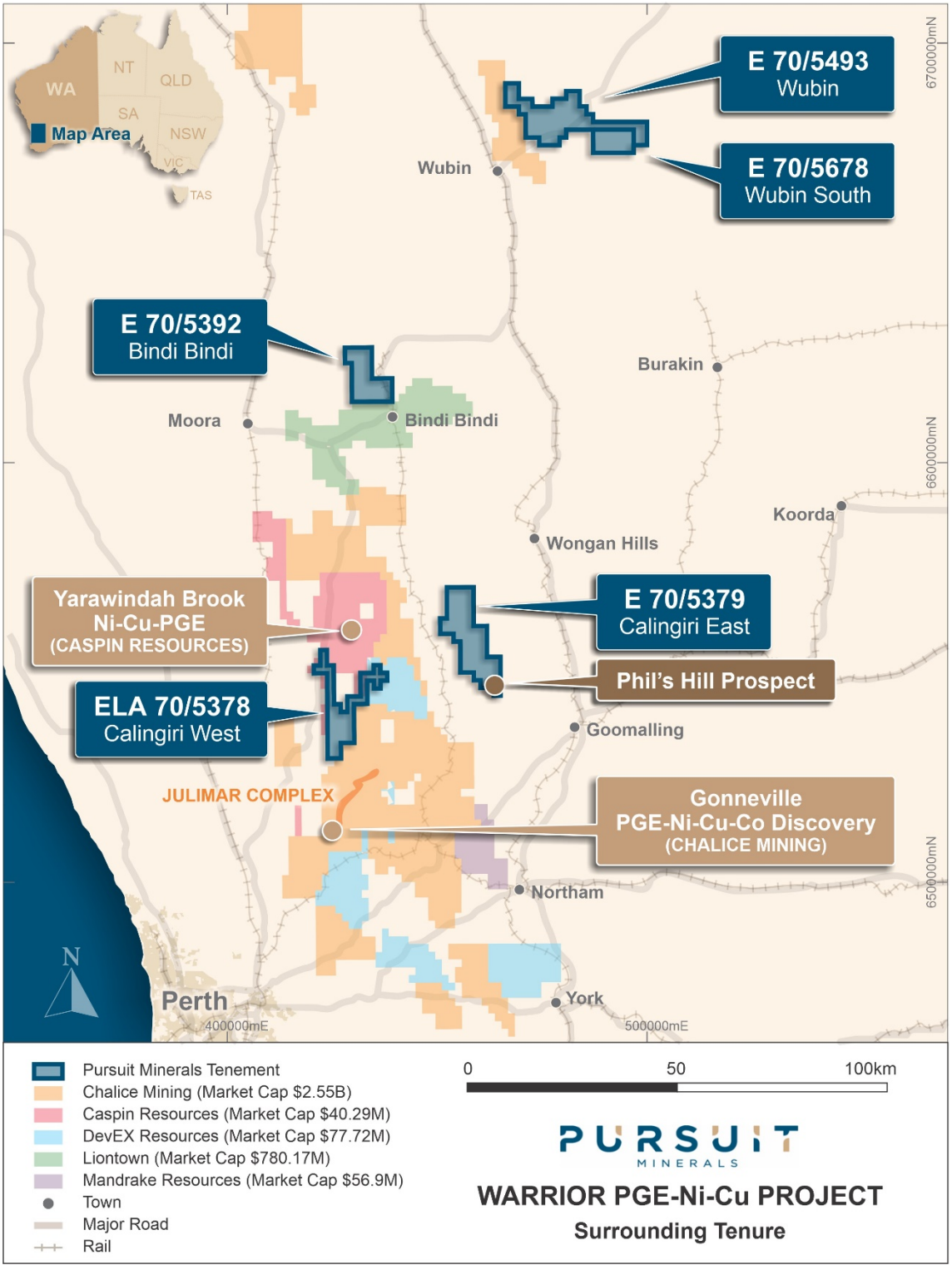

Figure 3 – Warrior PGE-Ni-Cu Project Location

This announcement has been authorised for release by the Board of Directors of the Company.

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About Platinum Group Elements

The Platinum Group Elements (PGEs) are a group of six precious metals clustered together on the periodic table: platinum (Pt), palladium (Pd), iridium (Ir), osmium (Os), rhodium (Rh) and ruthenium (Ru).

PGEs have many desirable properties and as such have a wide variety of applications. Most notably, they are used as auto-catalysts (pollution control devices for vehicles), but are also used in jewellery, electronics as well as in hydrogen production, purification and fuel cells.

Palladium is the most expensive of the four major precious metals – gold, silver and platinum being the others. With an acute supply shortage driving prices to a recent record high of US$2,856/oz in February 2020. The current spot price is approximately US$2,600/oz. Strong demand growth (~11.5Moz in 20191) is being driven by regulations requiring increased use of the metal, particularly as an auto-catalyst in gasoline and gasoline-hybrid vehicles. The total palladium market supply from all sources in 2019 was ~10.8Moz, and >75% is sourced from mines in Russia and South Africa[1].

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. Mathew Perrot, who is a Registered Practicing Geologist Member No 10167 and a member of the Australian Institute of Geoscientists, Member No 2804. Mr. Perrot is a full time employee the Company, as the Company's Exploration Manager 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 Perrot 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.

[1] Source: S&P Global Market Intelligence

JORC Code, 2012 Edition – Table 1 report template

Section 1 Sampling Techniques and Data

(Criteria in this section apply to all succeeding sections.)

Criteria	JORC Code explanation	Commentary

Sampling techniques	• *Nature and quality of sampling (eg cut channels, random chips, or specific specialised industry standard measurement tools appropriate to the minerals under investigation, such as down hole gamma sondes, or handheld XRF instruments, etc). These examples should not be taken as limiting the broad meaning of sampling.*
	• *Include reference to measures taken to ensure sample representivity and the appropriate calibration of any measurement tools or systems used.*
	• *Aspects of the determination of mineralisation that are Material to the Public Report.*
	• *In cases where 'industry standard' work has been done this would be relatively simple (eg 'reverse circulation drilling was used to obtain 1 m samples from which 3 kg was pulverised to produce a 30 g charge for fire assay'). In other cases more explanation may be required, such as where there is coarse gold that has inherent sampling problems. Unusual commodities or mineralisation types (eg submarine nodules) may warrant disclosure of detailed information.*
		• A time-domain moving loop electromagnetic survey (MLEM) has been acquired over the Phil's Hill prospect on the Calingiri East tenement.
		• A total 6.9 line-Km have been completed at Phil's Hill.
		• Lines are orientated 050°
		• **MLEM** Configuration
		  ○ Transmitter loop diameter = 100 x 100 m
		  ○ Transmitter current = ~90 A
		  ○ Station Spacing 100m with 50m infill
		  ○ Transmitter Frequency = 0.5,1 Hz
		  ○ EM Receivers measure Z, X and Y components
		• The **MLEM** survey was acquired by Vortex Geophysics Pty Ltd
		• The survey is under supervision of consulting geophysicists at Terra Resources Pty Ltd.

Drilling techniques	• *Drill type (eg core, reverse circulation, open-hole hammer, rotary air blast, auger, Bangka, sonic, etc) and details (eg core diameter, triple or standard tube, depth of diamond tails, face-sampling bit or other type, whether core is oriented and if so, by what method, etc).*	• N/A
Drill sample recovery	• *Method of recording and assessing core and chip sample recoveries and results assessed.* • *Measures taken to maximise sample recovery and ensure representative nature of the samples.* • *Whether a relationship exists between sample recovery and grade and whether sample bias may have occurred due to preferential loss/gain of fine/coarse material.*	• N/A
Logging	• *Whether core and chip samples have been geologically and geotechnically logged to a level of detail to support appropriate Mineral Resource estimation, mining studies and metallurgical studies.* • *Whether logging is qualitative or quantitative in nature. Core (or*	• N/A

Criteria	JORC Code explanation	Commentary
	costean, channel, etc) photography. • *The total length and percentage of the relevant intersections logged.*	
Sub-sampling techniques and sample preparation	• *If core, whether cut or sawn and whether quarter, half or all core taken.* • *If non-core, whether riffled, tube sampled, rotary split, etc and whether sampled wet or dry.* • *For all sample types, the nature, quality and appropriateness of the sample preparation technique.* • *Quality control procedures adopted for all sub-sampling stages to maximise representivity of samples.* • *Measures taken to ensure that the sampling is representative of the in situ material collected, including for instance results for field duplicate/second-half sampling.* • *Whether sample sizes are appropriate to the grain size of the material being sampled.*	• N/A
Quality of assay data and laboratory tests	• *The nature, quality and appropriateness of the assaying and laboratory procedures used and whether the technique is considered partial or total.* • *For geophysical tools, spectrometers, handheld XRF instruments, etc, the parameters used in determining the analysis including instrument make and model, reading times, calibrations factors applied and their derivation, etc.* • *Nature of quality control procedures adopted (eg standards, blanks, duplicates, external laboratory checks) and whether acceptable levels of accuracy (ie lack of bias) and precision have been established.*	• N/A
Verification of sampling and assaying	• *The verification of significant intersections by either independent or alternative company personnel.* • *The use of twinned holes.* • *Documentation of primary data, data entry procedures, data verification, data storage (physical and electronic) protocols.* • *Discuss any adjustment to assay data.*	• N/A
Location of data points	• *Accuracy and quality of surveys used to locate drill holes (collar and down-hole surveys), trenches, mine workings and other locations used in Mineral Resource estimation.* • *Specification of the grid system used.* • *Quality and adequacy of topographic control.*	• **MLEM**: SMARTem/ handheld GPS • Data location is recorded in WGS84-UTM Zone 50 south.

Criteria	JORC Code explanation	Commentary
Data spacing and distribution	• *Data spacing for reporting of Exploration Results.* • *Whether the data spacing and distribution is sufficient to establish the degree of geological and grade continuity appropriate for the Mineral Resource and Ore Reserve estimation procedure(s) and classifications applied.* • *Whether sample compositing has been applied.*	• **MLEM** 200 m line separation, 100 m station spacing along line with 50m infill.
Orientation of data in relation to geological structure	• *Whether the orientation of sampling achieves unbiased sampling of possible structures and the extent to which this is known, considering the deposit type.* • *If the relationship between the drilling orientation and the orientation of key mineralised structures is considered to have introduced a sampling bias, this should be assessed and reported if material.*	• **MLEM** orientation is perpendicular to general strike of geological formations.
Sample security	• *The measures taken to ensure sample security.*	• N/A
Audits or reviews	• *The results of any audits or reviews of sampling techniques and data.*	• **MLEM** system was checked prior to commencement of data acquisition. • All data was inspected daily by the Vortex site crew and verified by a consulting geophysicist at Terra Resources.

Section 2 Reporting of Exploration Results

(Criteria listed in the preceding section also apply to this section.)

Criteria	JORC Code explanation	Commentary
Mineral tenement and land tenure status	• *Type, reference name/number, location and ownership including agreements or material issues with third parties such as joint ventures, partnerships, overriding royalties, native title interests, historical sites, wilderness or national park and environmental settings.* • *The security of the tenure held at the time of reporting along with any known impediments to obtaining a licence to operate in the area.*	• **MLEM** survey was acquired in E70/5379.
Exploration done by other parties	• *Acknowledgment and appraisal of exploration by other parties.*	• June, 1997, Kevron completed a MAG/RAD/DEM survey for Stockdale Prospecting Ltd. The survey was acquired with line spacing of 250 m, line orientation of 000/180° and a mean terrain clearance of 60 m. (MAGIX ID - 1164) • June 2003, UTS Geophysics completed a MAG/RAD/DEM survey for Geoscience Australia. The survey was acquired with line spacing of 400 m, line orientation of 000/180° and a mean terrain clearance of

Criteria	JORC Code explanation	Commentary
		60 m. • November, 2010, Fugro Airborne Surveys completed a MAG/RAD/DEM survey for Brendon Bradley. The survey was acquired with line spacing of 50 m, line orientation of 090/270° and a mean terrain clearance of 35 m. (MAGIX ID - 3288) • Dominion Mining Limited undertook auger sampling on the project in 2010. The results of this work are summarised in the ASX announcement. Further details can be obtained by accessing WAMEX Report a86032 at: https://geoview.dmp.wa.gov.au/geoview/?Viewer=GeoVIEW&layerTheme= • Kingsgate Consolidated Limited undertook aircore drilling within the area of Calingiri East Tenement Application in 2011. The results of this work are summarised in the ASX announcement. Further details can be obtained by accessing WAMEX Report a89716 at: https://geoview.dmp.wa.gov.au/geoview/?Viewer=GeoVIEW&layerTheme= • Poseidon N.L. undertook auger soil sampling and rock chip sampling within the area of Bindi Bindi Tenement Application in 1968. The results of this work are summarised in the ASX announcement. Further details can be obtained by accessing WAMEX Report a7292 at: https://geoview.dmp.wa.gov.au/geoview/?Viewer=GeoVIEW&layerTheme= • Washington Resources Limited undertook rock chip sampling within the area of Bindi Bindi Tenement Application in 2008. The results of this work are summarised in the ASX announcement. Further details can be obtained by accessing WAMEX Report a82005 at: https://geoview.dmp.wa.gov.au/geoview/?Viewer=GeoVIEW&layerTheme= • Magnetic Resources Limited undertook aircore and RC drilling within the area of Wubin Exploration Licence in 2010. The results of this work are summarised in the ASX announcement. Further details can be obtained by accessing WAMEX Reports a91440 and a84500 at: https://geoview.dmp.wa.gov.au/geoview/?Viewer=GeoVIEW&layerTheme=

Criteria	JORC Code explanation	Commentary
Geology	• *Deposit type, geological setting and style of mineralisation.*	• The western margin of the Archean Yilgarn Craton is highly prospective for Platinum Group Elements ("PGE") and Nickel (Ni) – Copper (Cu) mineralisation associated with intrusive mafic to ultramafic rocks. The discovery of PGE-NiCu mineralisation on the Julimar Project held by Chalice Gold Mines Limited (see Chalice Gold Mines ASX Announcement 23 March 2020) in 2020, is the first significant PGE-Ni-Cu discovery in the region which previously only had early-stage indications of mineralisation (Yarawindah, Bindi-Bindi). The PGENi-Cu mineralisation hosted by the ultramafic-mafic Gonneville intrusion on Chalice's Julimar Project, has the potential to be the most important deposit of PGE's in Australia. Increasingly it is becoming apparent that the prospective ultramafic-mafic intrusions are far more widespread than previously thought throughout the western margin of the Yilgarn Craton. The project area is located within the >3Ga age Western Gneiss Terrane of the Archean Yilgarn Block, which comprises a strongly deformed belt of gneisses, schists, quartzites, Banded Iron Formation, intruded by mafic to ultramafic rocks. The terrane is up to 70km wide, and possibly wider, and is bounded to the west of the Darling Fault and younger Archean rocks to the east. The general geological strike in northwest. The bedrock Archean metasedimentary gneisses, migmatites and intrusive mafic and ultramafic rocks occur in structurally complex settings. Dolerite dykes of Proterozoic Age also occur. Outcrops are rare and the basement geology is largely obscured by lateritic ironstones and deep saprolitic weathering.

Drill hole Information	• *A summary of all information material to the understanding of the exploration results including a tabulation of the following information for all Material drill holes:*
	  ○ *easting and northing of the drill hole collar*
	  ○ *elevation or RL (Reduced Level – elevation above sea level in metres) of the drill hole collar*
	  ○ *dip and azimuth of the hole*
	  ○ *down hole length and interception depth*
	  ○ *hole length.*
	• *If the exclusion of this information is justified on the basis that the information is not Material and this exclusion does not detract from the understanding of the report, the Competent Person should clearly explain why this is the case.*
		• N/A

Criteria	JORC Code explanation	Commentary
Data aggregation methods	• *In reporting Exploration Results, weighting averaging techniques, maximum and/or minimum grade truncations (eg cutting of high grades) and cut-off grades are usually Material and should be stated.* • *Where aggregate intercepts incorporate short lengths of high grade results and longer lengths of low grade results, the procedure used for such aggregation should be stated and some typical examples of such aggregations should be shown in detail.* • *The assumptions used for any reporting of metal equivalent values should be clearly stated.*	• N/A
Relationship between mineralisation widths and intercept lengths	• *These relationships are particularly important in the reporting of Exploration Results.* • *If the geometry of the mineralisation with respect to the drill hole angle is known, its nature should be reported.* • *If it is not known and only the down hole lengths are reported, there should be a clear statement to this effect (eg 'down hole length, true width not known').*	• N/A
Diagrams	• *Appropriate maps and sections (with scales) and tabulations of intercepts should be included for any significant discovery being reported These should include, but not be limited to a plan view of drill hole collar locations and appropriate sectional views.*	• Refer to figures in the body of text.
Balanced reporting	• *Where comprehensive reporting of all Exploration Results is not practicable, representative reporting of both low and high grades and/or widths should be practiced to avoid misleading reporting of Exploration Results.*	• N/A
Other substantive exploration data	• *Other exploration data, if meaningful and material, should be reported including (but not limited to): geological observations; geophysical survey results; geochemical survey results; bulk samples – size and method of treatment; metallurgical test results; bulk density, groundwater, geotechnical and rock characteristics; potential deleterious or contaminating substances.*	• N/A
Further work	• *The nature and scale of planned further work (eg tests for lateral extensions or depth extensions or large-scale step-out drilling).* • *Diagrams clearly highlighting the areas of possible extensions, including the main geological interpretations and future drilling areas, provided this information is not commercially sensitive.*	• Drilling and further moving loop ground EM survey is planned