ASX RELEASE

3 January 2023

Trilogy Minerals completes $8m raise and acquisition of 4 lithium licences in Argentina

HIGHLIGHTS

- **Trilogy Minerals Pty Ltd ("Trilogy") has completed two critical pre-acquisition conditions:**
  - **$8m fundraising; and**
  - **Acquisition of 4 lithium licences in the Rio Grande Salar.**
- **Strategy:**
  - **Attractive Lithium Resource - 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). CS-AMT surveys have identified Lithium enriched brines to a depth of 500m, and planned 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.**

    The mineral resource compiled in accordance with NI43-101, is a foreign mineral resource estimate which 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.
  - **Pathway to Feasibility – The Rio Grande Sur Project has a clear de-risked pathway to complete project feasibility and thereafter consider moving towards production given its location and proximity to an already existing NI43-101 resource. The next steps for the project are to complete an initial exploration program, followd by a Bankable Feasibility Study to convert the existing resource to JORC compliance at measured category and refining the cost accuracy of the commercial production scenario.**
  - **Strategic Tier 1 address - The Trilogy Project is located in the heart of the Lithium triangle in Argentina in close proximity to Livent's Fenix operation at the Hombre Muerto Salar, in addition to Allkem's (ASX:ORE) Olaroz Lithium mine. The Lithium triangle is considered the world's foremost region for future new Lithium supply and is home to industry leaders SQM and Albemarle, in addition to many junior resource companies.**
  - **Executive management team - Experienced Trilogy mining executive Tom Eadie (ex Syrah Resources Chairman) to join the Board of Pursuit assisted by highly experienced management team providing extensive in-country and resource development experience with significant exposure to the development of junior lithium companies.**
- **Board & Shareholder support: The respective boards and major shareholders of PUR and Trilogy support the transaction with the deal is expected to close in early February 2023.**

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

"The completion of the $8 million raise by Trilogy, which formed a critical condition precedent, has been completed and significantly reduces the risk profile of the acquisition as four of the five lithium licences have now been secured. Pursuit has continued its due diligence without any complications arising to date. Lithium prices continue to be in excess of $85,000 a tonne. The Notice of Meeting is currently being finalised with the meeting to be held in early February 2023."

Pursuit Minerals Ltd (ASX: **PUR**) ("PUR", "Pursuit" or the "Company") is pleased to confirm that Trilogy has completed its A$8m capital raising through the issue of convertible notes ("Trilogy Class B Notes"). The funds raised through the Trilogy Class B Notes have been used to exercise options over Tenements 1, 2, 3 and 4 and these Tenements are now owned by Trilogy.

Pursuit advises that it has continued its due diligence on Trilogy and its assets. No material issues have been identified to date.

The Company advises that Shareholder approval will be sought in early February 2023.

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 at the Rio Grande Sur Project. 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 Exercise Date
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	$2,500,000	28 Feb 2023
	Total	**9,232.96**	**USD**	**$2,500,000**	
			AUD (0.68)	$3,673,750	

* Vendors of Tenements 2, 3 and 4 retain a 1.5% net smelter royalty in respect of the relevant Tenements.

Key terms of the acquisition

Consideration

- Consideration payable to Trilogy shareholders (subject to 12 month escrow) for the acquisition of 100% of the issued capital in Trilogy is the issue of:
    - 372,916,666 fully paid ordinary shares ("Pursuit Shares");
    - 285,644,417 performance shares that convert into Pursuit Shares on the latest to occur of the announcement of NI43-101 resource minimum of 100kt LCE @ 350mg/Li on the Tenements 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) ("Class A Performance Shares");

- 222,894,417 performance shares 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 from the Tenements 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) ("Class B Performance Shares"); and
- 201,477,750 performance shares 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 from the Tenements 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) ("Class C Performance Share");

- Consideration payable to the holders of Class A Notes in consideration for cancellation and release of the Trilogy Class A Notes is the issue of 335,416,666 Pursuit Shares, 75% of these securities will be under voluntary escrow with 25% released each quarter post settlement; and
- Consideration payable to the holders of Class B Notes in consideration for cancellation and release of the Trilogy Class B Notes is the issue of 666,666,667 Pursuit Shares (equivalent to $0.012 per Pursuit Share).

Figure 1: Rio Grande salar location, Salta Province Argentina

Remaining Conditions Precedent

Settlement is conditional upon the satisfaction (or waiver) of the following conditions precedent:

(a) **Due diligence:** completion of financial, legal and technical due diligence by PUR on Trilogy and the Tenements, to the absolute satisfaction of PUR. As noted above, no material issues have been identified to date;

(b) **Shareholder approval:** PUR obtaining all necessary shareholder approvals from its shareholders for the transaction, including a resolution authorising the allotment and issue of the consideration and the participation of related parties in the PUR Capital Raising (detailed below); and

(c) **Regulatory and third party approvals:** the Parties obtaining all necessary regulatory and third party approvals or waivers.

Rio Grande Sur Project

The Rio Grande salar (salt lake) covers approximately 27,500ha encompassing a NI43-101 inferred resource of 2.1 million tonnes LCE at an average grade of 370mg/Li to a depth of 100m, published by LSC Corporation of Canada[1]. A section of the Rio Grande Sur Project tenements (~9,260ha) are located within this resource.

The closest major Argentinian city, Salta is located 280km from the site (Figure 1). The Trilogy 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.

Drilling in 2011 by ADY Resources for sodium sulphate resources returned Li results ranging between 350-400mg/Li, consistent across all exploration holes. ADY also drilled 8 production wells, 2 exploration wells and 2 piezometer monitoring holes (Figure 2).

CS-AMT geophysical surveying and twin hole drilling carried out by LSC Lithium in 2017/2018 and ADY Resources close to the Trilogy leases revealed two major brine depocentres (Figure 3) which supports the prospectivity of the Rio Grande Salar for commercial lithium production operations.

The estimates of Mineral Resources and Mineral Reserves for the Rio Grande salar resource are qualifying foreign estimates under the ASX Listing Rules reported in accordance with NI 43-101 by LSC Lithium Corporation of Canada and filed on SEDAR (www.sedar.com) on 2 April 2018.

The categories of Mineral Resource and Mineral Reserve classification used are in accordance with NI 43-101 and the 2014 CIM Definition Standards for Mineral Resources and Mineral Reserves (the CIM Standards). NI 43-101 has similar categories of resource classification as the JORC Code (Appendix 5A, ASX Listing Rules). There are no material differences between the definitions of Measured, Indicated and Inferred Mineral Resources under the CIM Standards and the equivalent definitions of Measured, Indicated and Inferred Mineral Resources in the JORC Code.

Pursuit considers these estimates to be both material and relevant to the Company given that Rio Grande Sur will be a material mining project to Pursuit. In accordance with NI 43-101 and CIM Standards, Mineral Resources are not Mineral Reserves and do not have demonstrated economic viability. There is no certainty that all or any part of Mineral Resources will be converted to Mineral Reserves. Quantity and grades are estimates and are rounded to reflect that the estimates are an approximation.

[1] https://www.sedar.com/GetFile.do?lang=EN&docClass=24&issuerNo=00030361&issuerType=03&projectNo=02751951&docId=4288127

Pursuit's partner Trilogy Minerals has experience in managing similar operations to the Rio Grande Sur resource. Pursuit's key technical and operational personnel propose to undertake a site visit as part of the due diligence process.

Work programs, key assumptions, mining and processing parameters and method of preparation for the Mineral Reserves are described by LSC in the 2018 MI43-101 technical report by Hains Engineering reported on SEDAR on 2 April 2018 and ***can be found in a link on the bottom of the page above***.

Following completion of the transaction, it is Pursuit's intention to conduct a work program that incorporates additional deep resource definition drilling that along with pump and porosity testing would enable the evaluation of both the resource and reserve base for conversion to Mineral Resources and Ore Reserves that can be reported in accordance with the JORC Code. Work is anticipated to be completed within two years and will be funded using internal cash reserves currently being raised as part of the transaction.

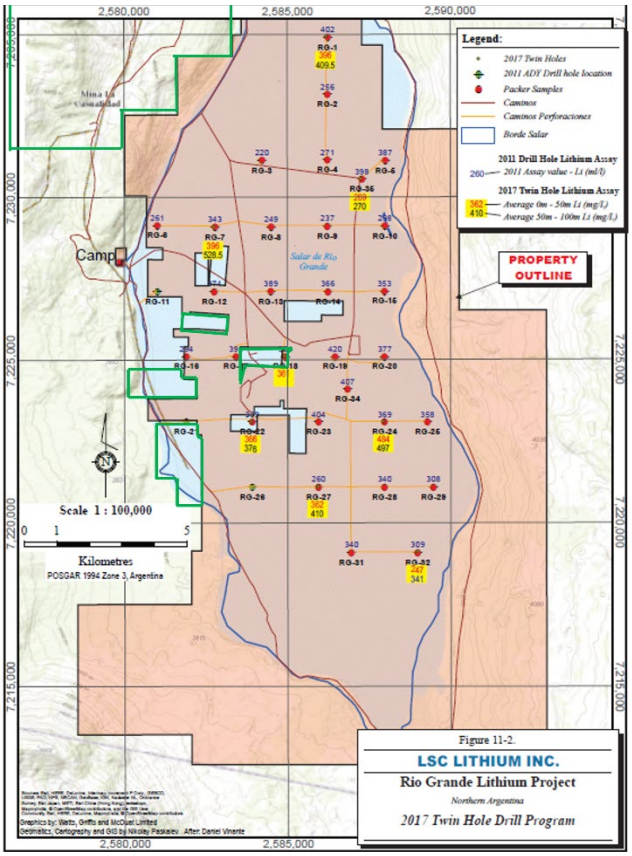

Figure 2: Drillhole location by previous explorers, Rio Grande salar

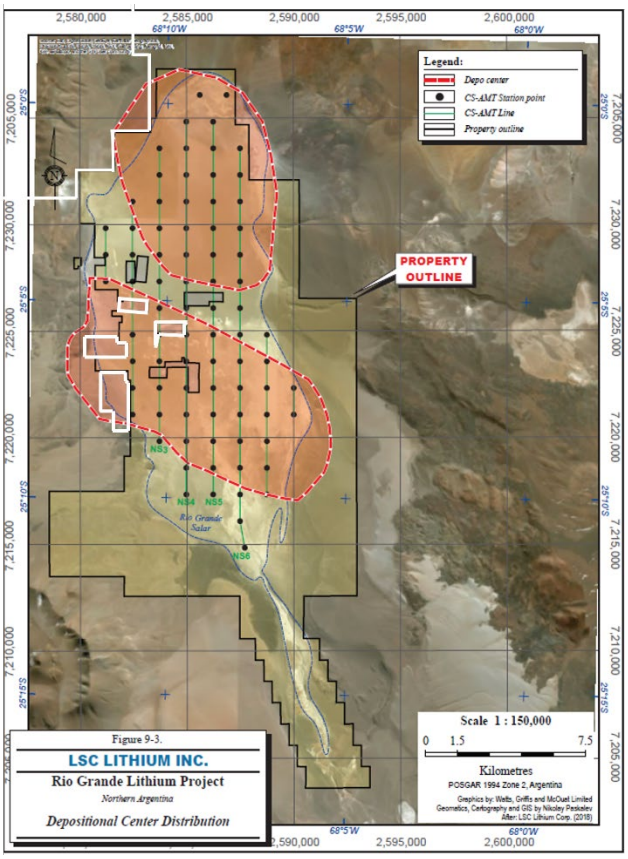

Figure 3: Brine depocentre model from CS-AMT geophysical surveying

In addition, CS-AMT surveys have identified Lithium enriched brines to a depth of 500m. Accordingly, Pursuit believes the Rio Grande Sur Project has a de-risked pathway to complete feasibility studies and thereafter to potential production given its location and proximity to an already existing NI43-101 foreign resource estimate. The next steps for the project are to carry out a Bankable Feasibility Study to convert the existing resources to be JORC compliant to measured category.

Proposed Exploration Program

Pursuit intends to undertake an initial exploration program comprising of TEM Surveying, a desktop study to convert the NI43-101 to a JORC compliant Resource and drilling to publish an upgraded JORC resource. The main objective of the TEM Survey is to interpret the salar geology and hydrogeology and so define drilling targets. The planned drilling program includes completing approximately 4,000 metres of diamond drilling, sampling core and brine, delivering core samples for drainable porosity laboratory tests (e.g., RBRC), delivering brine samples for chemical analysis and performing short-term airlift tests to obtain preliminary results of hydraulic properties. The exploration program will also include a pumping well and a long-term (at least 30 days) hydraulic test. The latter test is considered of vital importance to assess sustainability of brine quality for future production.

Field activities related to classification of mineral resources include:

- Review existing QA/QC program for field sampling (brine and core);
- Review of borehole geophysics;
- Conduct brine sampling and analysis (e.g., open borehole, straddle or single packer, casing
- installation);
- Conduct matrix sampling and analysis (e.g., core logging, laboratory analysis - Relative Brine Release
- Capacity - RBRC);
- Prepare geologic model of hydro-stratigraphic layers in the salar and of underlying geology; and
- Perform in-situ brine aquifer testing (e.g., open borehole, cased/screened borehole) optional (e.g.,

- medium-term 7 to 15 day duration drawdown and recovery period with observation wells).

Concurrently, Pursuit will advance chemical engineering works focusing on the building of a Stage 1 Processing Plant. The brine extraction wells, evaporation ponds, and pilot plant associated with this plant is intended to produce 2,000 tonnes per annum of lithium carbonate from the Rio Grande Salar brines located in the Salta Province, Argentina.

Previous Exploration on the Project

Exploration on the salar has been in two phases. Drilling by ADY Resources for sodium sulphate in 2011 returned results ranging between 350-400mg/Li, consistent across all exploration drillholes

A drilling program by LSC Lithium Corporation in 2017/2018 returned positive results with Lithium enriched brines with grades as high as ~550mg/Li.

A previous Independent Report (NI43-101) confirms total resource of 2.19Mt LCE @ 374 mg/Li, at inferred category within the Plus Petrol/LSC Lithium project area of the Rio Grande Solar. The report is a public document previously submitted to the Toronto Stock Exchange that can be used by a competent person to verify continuity, volume and ore grade contained within the area of influence of the drilling program.

ADY drilling to a depth of 50 meters was carried out on the border line of the central tenement within the project with the following results. A list of all drilling results can be found in Appendix 2.

RG-17: 395mg/Li

RG-18: 391mg/Li

RG-18T: 361mg/Li

In addition, CS-AMT surveys have identified Lithium enriched brines to a depth of 500m. Accordingly, Pursuit believes the Rio Grande Sur project offers a de-risked pathway to production given its location and proximity to an existing NI43-101 resource. The next steps for the project are to carry out an extensive exploration program culminating in a Bankable Feasibility Study to convert the existing NI43-101 resource to JORC compliance at measured category.

The mineral resource compiled in accordance with Canadian National Instrument 43-101, is a foreign mineral resource estimate which 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.

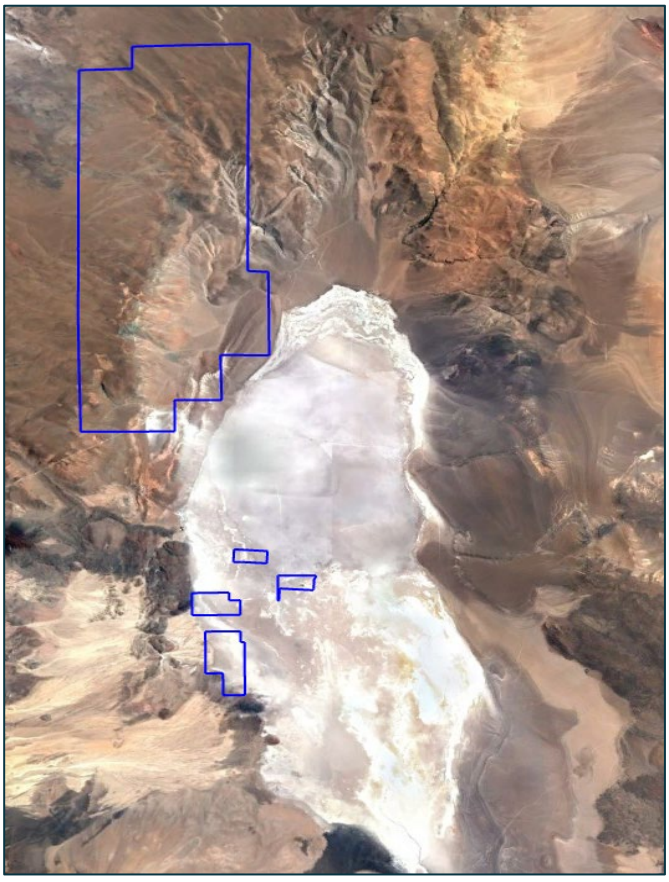

Figure 4: Trilogy Li brine leases, Rio Grande salar Argentina

Trilogy Team

Mr Tom Eadie -

Chairman

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 Managing Director	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.
Mr Kyle Stevenson	Kyle has held senior roles in the mining and resources industry with over 25 years' experience as a senior mining executive across arrange of commodities and jurisdictions. Most recently Kyle was the CEO and founder of Millennial Lithium. Under Kyle's leadership Millennial Lithium developed the Pastos Grandes Lithium brine project in the Salta province of Argentina through to bankable feasibility study level. In January 2022, Lithium Americas (TSX:LAC) acquired Millennial Lithium for C$491 million. Kyle was the founder and current advisor of Alpha Lithium (CVE:ALLI) which is developing the Tolilar Project located in the Salta province of Argentina.
Mr. Michael Hayes	Michael is an experienced business operator and entrepreneur having invested extensively in the development and formation of Lithium exploration companies. Currently Michael is the COO of Hilco Global APAC, A diversified financial services company providing valuation, monetisation, advisory and Capital solutions within Australia and South-East Asia. Michael was a founding shareholder and senior executive for over 20 years of Grays Online, Australia's largest eCommerce auction house which listed on the ASX in 2014 with a market capitalisation of A$135 million.

Following Settlement, Pursuit will appoint Tom Eadie as director of Pursuit. Aaron Revelle will also be engaged by Pursuit as Chief Operating Officer to assist with managing the Trilogy Project.

PUR Capital Raising

As announced on 20 December 2022, Pursuit completed a $1.5m raise via the issue of 125 million shares at $0.012 each from sophisticated and professional investors under Pursuits' placement capacity under ASX LR7.1. Under the terms of the acquisition agreement, Pursuit will issue the remaining $500,000 in shares under the placement following shareholder approval for directors and their related entities to be issued these shares. Proceeds of the capital raising, together with existing PUR funds, are intended to be used towards the exercise of the final option over Tenement 5 of the Trilogy Project.

Indicative Timetable

Announcement released to ASX	14 December 2022
Complete Tranche 1 of the PUR Capital Raising	19 December 2022
Notice of Meeting despatched to Shareholders	23 December 2022
General Meeting	7 February 2023
Completion of Acquisition and Tranche 2 of the PUR Capital Raising	Early February 2023

*Note, this timetable is indicative only and may be subject to change.

Capital Structure

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

	Shares	Options	Performance Rights	Performance Shares
Current issued capital	1,142,549,854	38,500,000[1]	60,000,000	Nil
PUR Capital Raising	41,666,667	Nil	Nil	Nil
Founding Consideration[2]	372,916,666	Nil	Nil	710,016,585
Trilogy Class A Noteholder[3]	335,416,666	Nil	Nil	Nil
Trilogy Class B Noteholder[4]	666,666,667	Nil	Nil	Nil
Director Options	Nil	120,000,000[5]	Nil	Nil
Total	**2,559,220,597**	**158,500,000**	**60,000,000**	**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.
2. Subject to 12 month voluntary escrow.
3. The Class A Noteholder Consideration will be subject to the following escrow periods from Settlement:
   a. 25% of the Class A Noteholder Consideration will not be subject to escrow;
   b. 25% of the Class A Noteholder Consideration will be subject to escrow for a period of 3 months;
   c. 25% of the Class A Noteholder Consideration will be subject to escrow for a period of 6 months; and
   d. 25% of the Class A Noteholder Consideration will be subject to escrow for a period of 9 months.
4. Nil escrow as these securities are being raised at the equivalent of $0.012 per PUR share.
5. 120,000,000 options with an exercise price of $0.02 and expiry date 4 years from the date of issue.

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, 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 5.12.2 to 5.12.7 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. JORC Code, 2012 Edition – Table 1 report template

1.1 Section 1 Sampling Techniques and Data

Criteria	JORC Code explanation	Commentary
Sampling techniques	• *Nature and quality of sampling (e.g. 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 (e.g. '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 (e.g. submarine nodules) may warrant disclosure of detailed information.*	• The sampling data is derrived from exploration reports by previous explorers LSC Lithium and ADY Resources. **See link to LSC 43-101 resource report in the body of this announcement** • ADY and LSC recovered brine by a packer system to isolate specific intervals downhole for chemical assay The packer system was run serveral times to purge the interval and samples collected in a clean 20l container. • Drill core was obtained with represenative samples of the stratigraphy and sediments • Brine samples were collected by purging the brine section of the hole of all fluid. The whole was then allowed to re-fill with ground water and the purged sample was collcted for lab analysis • Samples were taken from the relevant section based upon geological logging and conductvity testing of water • For pumping wells, brine samples were colelcted in different times during the pumping period, ensuring enough brine is pumped to renew the well storage volume several times.
Drilling techniques	• *Drill type (e.g. core, reverse circulation, open-hole hammer, rotary air blast, auger, Bangka, sonic, etc) and details (e.g. 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).*	• Diamond drilling with internal triple tube was used with LSC drilling HQ size core.. • ADY drilled 12 15 inch mud-rotary drillholes for production, exploration and monitoring • LSC completed 8 twin holes of the ADY drilling with increased drill depth to 100m
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.*	• Diamond drill core was recovered in 1.5m length intervals in triple tubes. Appropriate additives were used for hole stability to maximise core recovery. ADY drilling was supervised by SRK consulting who report core recoveries were high. • Brine samples were collected over relevant sections based upon the encountered lithology and ground water representation. • Brine samples are taken by purging a volume of water corresponding to at least one well volume from the drill hole, with greater brine volumes purged in the more permeable salt and sand sediment units. • Brine quality is not directly related to core recovery and is largely independent of the quality of core samples. However, the porosity and permeability of the lithologies where sample were taken is related to the rate of brine inflow.

Criteria	JORC Code explanation	Commentary
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 costean, channel, etc) photography.* • *The total length and percentage of the relevant intersections logged.*	• Diamond hole are logged by a geologist who also supervised taking of brine samples. Samples for laboratory porosity analysis were taken by a consultant geologist. • Logging is both qualitive and quantitative in nature. The relative proportions of different lithologies which have a direct bearing on the overall porosity, contained and potentially extractable brine are moted, as are more qualitative characteristics such as the sedimentary facies and their relationships. Cores are photographed when laid out for geological logging. • Core recoveries are measured for the entire core recovered. • All core was logged by a geologist
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.*	• **Sampling information contained in LSC 43-101 resource report, see link in the body of this announcement** • Core samples are systematically sub-sampled for laboratory analysis, cutting or selecting the lower 15cm of core in core runs. • LSC Relative Brine Release Capacity samples (RBRC) were selected by the logging geologist and cut to length (typically ~15 cm) using a hack saw, bubble wrapped for protection and then placed in PVC tubes and sealed with packing tape before despatch tp the lab • Water / brine samples were collected by purging the hole of all fluid in the hole, to minimise possibility of contamination. Subsequetnly the hole was allowed to re-fill with groundwater. Samples were taken from the relevant section. • Duplicate and standard samples were inserted in sample runs for quality control purposes.Duplicate performance is reported as reasonable for the major elements of interest
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 (e.g. standards, blanks, duplicates, external laboratory checks) and whether acceptable levels of accuracy (i.e. lack of bias) and precision have been established.*	• The Norlab Laboratory located in Jujuy, as well as ALS Buenos Aires and ASA Mendoza laboratories were used by ADY. • The Laboratories used are certified external service providors who are specialised in the chemical analysis of brines and inorganic salts. • Duplicates, blank and field standard samples were included
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.*	• Accuracy, the closeness of measurements to the “true” or accepted value, was monitored by the insertion of field standards. • Duplicate samples and blanks were included in the laboratory batch.
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.*	• The hole locations provided are the field locations measured with differential GPS (=/- 10cm) or hand-held GPS device with horizontal accruacy is +/- 4 m which is adequate for early stage exploration. • The location is in zone 3 of the Argentine Gauss Kruger coordinate system, using the

Criteria	JORC Code explanation	Commentary
	• *Quality and adequacy of topographic control.*	Argentine POSGAR datum.
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.*	• Water / brine samples were collected within isolated sections of the hole based upon the results of geological logging. • Drillhole spacing is considered appropriate for an inferred resource clasification
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.*	• dipping to the west. The salar deposits that host lithium-bearing brines consist of sub-horizontal beds and lenses of halite, clay and sand. The verticle holes are essentially perpendicular to these units, intersecting their true thickness. • Vertical diamond drilling is ideal for understnading this horizontal stratigraphy as well as the nature of the sub-surface brine-bearing aquifers.
Sample security	• *The measures taken to ensure sample security.*	• Samples were transported to the laboratory for chemcial anlaysis in sealed rigid plastic bottles with sample numbers cleared identified. • These samples were moved from the drill site to the secure storage at the camp on a daily basis. All brine sample bottles are marked with a unique label.
Audits or reviews	• *The results of any audits or reviews of sampling techniques and data.*	• No audits or reviews have been conducted at this point in time.

1.2 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.*	• The Rio Grande Sur Properties are in the North West and South West of the Rio Grande Salar located in the Salta Province of Argentina. The tenements are owned by several different Argentine vendors and are under exclusive purchase option of Trilogy Minerals Pty Ltd (“Trilogy Minerals”). The Company and Trilogy Minerals have executed a Share Sales Agreement whereby Pursuit will pruchase 100% of the share captial of Trilogy.
Exploration done by other parties	• *Acknowledgment and appraisal of exploration by other parties.*	• Exploration has been carried out in adjacent properties by the Canadian Company LSC Lithium in 2018 who have defined an extensive Resource on their adajcaent properties. • ADY Resources / Enirig Group Corp carried out drilling and sodium sulphate exploration in 2011.
Geology	• *Deposit type, geological setting and style of mineralisation.*	• The sediments within the salar consist of multi-layered halite, clay and sand which have accumulated in the salar from terrestrial sedimentation and evaporation of brines within the salar. These units are interprested to be essentially flat lying, with semi-confined aquifier coniditons close to surface and confined conditions at depth. • Brines within the salar are formed by solar concentration and mineralised brines

Criteria	JORC Code explanation	Commentary
		saturating the entire sedimetnary sequence. • The sedimentary units have varying aquifer transmissitvities: fractured halite and sandy-aquifers may support direct extraction while clay-dominant and massive halite units will not. Lateral variation of salar units is noted which will requie additional drilling to define brine extractability.

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.*
		• There are no new or unreported drill holes.
		• All drillhole data has previously been reported in announcements by others (LSC Lithium and Enirgi).

Data aggregation methods	• *In reporting Exploration Results, weighting averaging techniques, maximum and/or minimum grade truncations (e.g. 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.*	• No weighting or cut off grades have been applied to the assay results.
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 (e.g. 'down hole length, true width not known').*	• Is is reasonably assumed that the brine layers lie sub-horizontally and, given that the drillhole is vertical, that any intercept thicknesses of brine would be of true thickness.
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.*	• Provided refer to figures and tables in the document.
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*	• The geological data is based only on the extrapolation of adjacent drilling and geological exploration.

Criteria	JORC Code explanation	Commentary
	misleading reporting of Exploration Results.	
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.*	• All relevant and material data and results are reported
Further work	• *The nature and scale of planned further work (e.g. 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.*	• Exploration progamme comprising up to 6 drill holes consisting of 4 diamond drill holes and 2 pumping wells up to depths of 500m is pallned • Drilling and testing will cover core and brine sample recovery, laboratory assays and testing to confirm hydraulic properties • TEM Surveys are also planned to identify appropriate drill targets and hole locations.

Appendix 2 – Drilling data