

ASX RELEASE

8 May 2023

Production in sight with acquisition of Lithium Plant

HIGHLIGHTS

- Binding Agreement to acquire a Lithium Carbonate Pilot Plant.
- The Pilot Plant has historically produced technical (~99.0% purity) and battery grade (99.5%+ purity) Lithium Carbonate.
- Total Consideration \$365,000 USD subject to conditions precedent and satisfaction of due diligence by Pursuit. Purchase consideration substantially less than cost of replacement.

Pursuit Minerals Ltd (ASX: **PUR**) ("PUR", "Pursuit" or the "Company") is pleased to announce the acquisition of a Lithium Carbonate Pilot Plant located in the city of Salta, Argentina.



Figure 1 – Pilot Plant during site visit March 2023

In relation to the Pilot Plant acquisition, Pursuit COO, Aaron Revelle, said:

“With the acquisition of the Pilot Plant, Pursuit Minerals confirms its position as the newest pre-eminent Lithium development company in Argentina. The plant will allow Pursuit to begin immediately developing a chemical process pathway that is efficient and scalable for the Rio Grande Sur Project, fast tracking production.”

Background to the Rio Grande Sur Project

Pursuit holds five tenements collectively known as the Rio Grande Sur Project that are prospective for lithium located near Salta, Argentina. 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
1	Maria Magdalena	73.26	3571
2	Isabel Segunda*	59.25	16626
3	Sal Rio 02*	298.26	21942
4	Sal Rio 01*	142.19	21941
5	Mito	8,660.00	23704

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

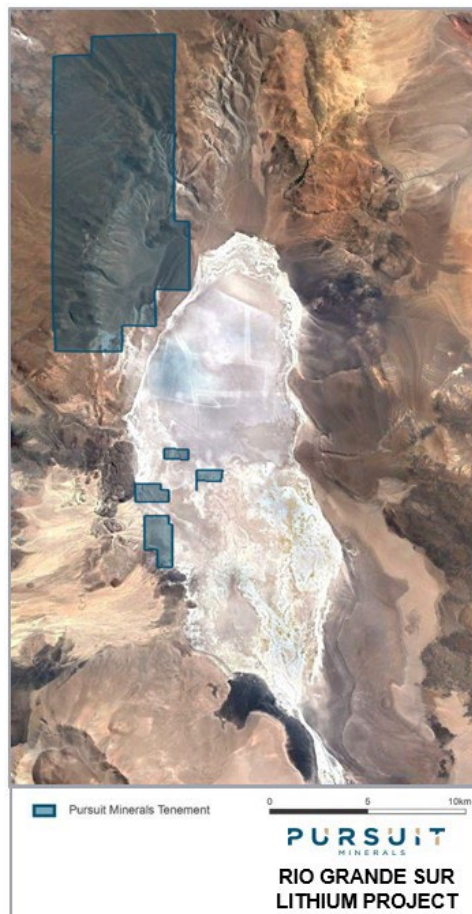


Figure 2 – Rio Grande Sur Lithium Project Map

Pilot Plant – Fast Track to Production

The plant was originally constructed in 2013 and purchased by the vendor at a cost of ~US\$3.6 million. When in previous operation the plant achieved a run rate of 750kg/d+ (100tpa nameplate capacity) and employed 33 people for a period of 12 months.





Figure 3 – Lithium Carbonate Pilot Plant

Pursuit's primary focus and principal Stage 1 production milestone is to produce consistent technical and battery grade Lithium Carbonate Equivalent ("LCE") production for on-going operations, whilst also confirming the chemical engineering and block flow process is efficient, cost effective and scalable for all development stages of the Rio Grande Sur Project. Upon commencing operations of the plant, the Company will target operation of the plant at 100 tonnes per annum of Lithium Carbonate production. Throughout this development stage, the Company will additionally evaluate a circuit for Lithium Hydroxide production from Lithium Carbonate in line with growing market demand for both products.

The Company is confident that historical process test works, along with concurrent engineering studies will form the basis to optimise the production process for Rio Grande brines for market acceptable Lithium products along with subsequent initial commercial sales of Lithium Carbonate products as a result.

Whilst the plant will remain in its current location, the Company will also investigate moving this plant to the Rio Grande Salar in conjunction with construction of evaporation ponds following the initial drilling campaign targeted for the second half of 2023.

Terms of Acquisition

On 5 May 2023, the Company entered into a 90-day option agreement to acquire 100% of the Pilot Plant in consideration of payment of the sum of \$365,000 USD.

Settlement of the acquisition is subject to the Company being satisfied with its due diligence enquiries, and entry into transaction documentation.

- ENDS -

Release was approved by the Board.

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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	Pt	Platinum
Cu	Copper	REE	Rare Earth Element
Bi	Bismuth	Sb	Antimony

B	<i>Boron</i>	Te	<i>Tellurium</i>
DHEM	<i>Down Hole Electro-Magnetic surveying</i>	Zn	<i>Zinc</i>
K	<i>Potassium</i>	VHMS	<i>Volcanic Hosted Massive Sulphide</i>
g/t	<i>Grams per ton</i>	W	<i>Tungsten</i>
La	<i>Lanthanum</i>	Y	<i>Yttrium</i>