

PURSUIT MINERALS LIMITED | ASX: PUR

QUARTERLY REPORT

June 2024

PURSUIT
MINERALS

ASX RELEASE



30 June 2024 Quarterly Report

Pursuit Minerals Limited (ASX:PUR) (Pursuit or the Company) is a mineral development company focused on the commercialisation of its flagship Rio Grande Sur Lithium Project in Salta, Argentina.

ASX: PUR

Pursuit is pleased to present its activities report for the quarterly period ended 30 June 2024.

Directors

Peter Wall	Non-Executive Chairman
Aaron Revelle	Managing Director & CEO
Tom Eadie	Non-Executive Director

Senior Management

Vito Interlandi	Company Secretary
Alejandro Rodriguez	Chief Operating Officer

Issued Capital

3,635,399,992 Ordinary Shares
147,500,000 Listed / Unlisted Options
710,016,584 Performance Shares
120,000,000 Performance Rights

Shareholders

5,808 Shareholders
Top 20 Shareholders hold 33.07 %

Cash Balance

As at 30 June 2024, PUR's cash balance was approximately \$2.024 million AUD

Website

www.pursuitminerals.com.au

HIGHLIGHTS

1. Completion of Drill Hole 1 with outstanding results including multiple intercepts above 600mg/L Li.

2. Commencement of Drill Hole 2 at as part of the Stage 1 Drill Program at RGS.

3. Successful oversubscribed capital raising of \$2.4 million AUD completed.

4. \$2.024 million in cash and equivalents available at quarter end.

5. Commencement of production at 250t Pilot Plant to produce first Lithium Carbonate in H2, 2024.

PROJECT DEVELOPMENT



During the June 2024 quarter, Pursuit Minerals Ltd (“Pursuit” or “Company”) has continued to advance through numerous engineering and geological workstreams, permitting approval processes and stakeholder engagement activities at our flagship Rio Grande Sur Lithium Project in the Salta province of Argentina.

Rio Grande Sur (RGS) Lithium Project Argentina

The Rio Grande Sur Project comprises of 5 tenements prospective for lithium on the Rio Grande Salar in the Salta province of Argentina, in addition to a Lithium Carbonate Pilot Plant located in the city of Salta. The five tenements cover approximately 9,233 hectares (Table 1).

Table 1 – Rio Grande Sur 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
	Total	9,232.96	



Figure 2: RGS Project location in the ‘Lithium Triangle’ Region



Figure 1: Rio Grande Sur Tenement Map

Rio Grande Sur Stage 1 Drilling Campaign.

During the quarter, Pursuit announced the completion of Drill Hole 1 / DDH-1 at the Maria Magdalena tenement with substantial high-grade lithium assays achieved (see ASX announcement dated 29 May 2024).

DDH-1 achieved a depth of 560m, with Pursuit’s on-site geologists and drilling team having been extremely encouraged by the geological units encountered across the depths of the hole.

Of particular interest, at a depth of approximately 100-130m, was a highly porous sandy unit that was encountered with Lithium brine grades substantially above expectation, based on historical drilling results. This zone has been earmarked as the potential location of a pumping well due to its heightened porosity and average grade of 620mg/L. As drilling continued to depth, DDH-1 continued to deliver exceptional grades averaging above 600mg/L and the presence of good quality, porous and permeable sands.

Uco r rg'kpvgtxcn	Nkj kw 'Eqpegpvtcvlqp'*Oi 1N+
17.55m - 25.8m	408
38.85m - 48.30m	412
56.6m - 64.5m	424
115.5m - 117.5m	620
129m - 131m	607
258.25m - 260.25	611
369.25m - 371.25m	607
411.25m - 413.25m	605
423.25m - 425.25m	596
453.25m - 455.25m	603
483.25m - 485.25m	606
495.25m - 497.25m	608
512.75m - 518m	629
546m - 548m	592
555.25m - 557.25m	595

Drillhole	Latitude	Longitude	Elevation
DDH1	25°05'47.0"S	68°09'51.9"W	3665m ASL

Table 1 - Lithium Assays, Interval Data and Drillhole Collar

Intercepts from DDH-1 have shown highly favourable geology in line with, and exceeding expectations from historical drilling (to depths of 50m) carried out on the Rio Grande Salar. Lithium brine sample grades from the sampling of the hole are averaging above 600mg/L against the average grade of 351mg/L used to develop the current Mineral Resource Estimate (“MRE”). Additionally, the mineralisation extended to a depth of ~560m also well below the depth used to develop the MRE.

Project: Rio Grande Sur

Hole ID: 01 Maria Magdalena Easting: 584226 Elevation (mAMS): 3670
 Northing: 7224217 Total Depth (m): 536

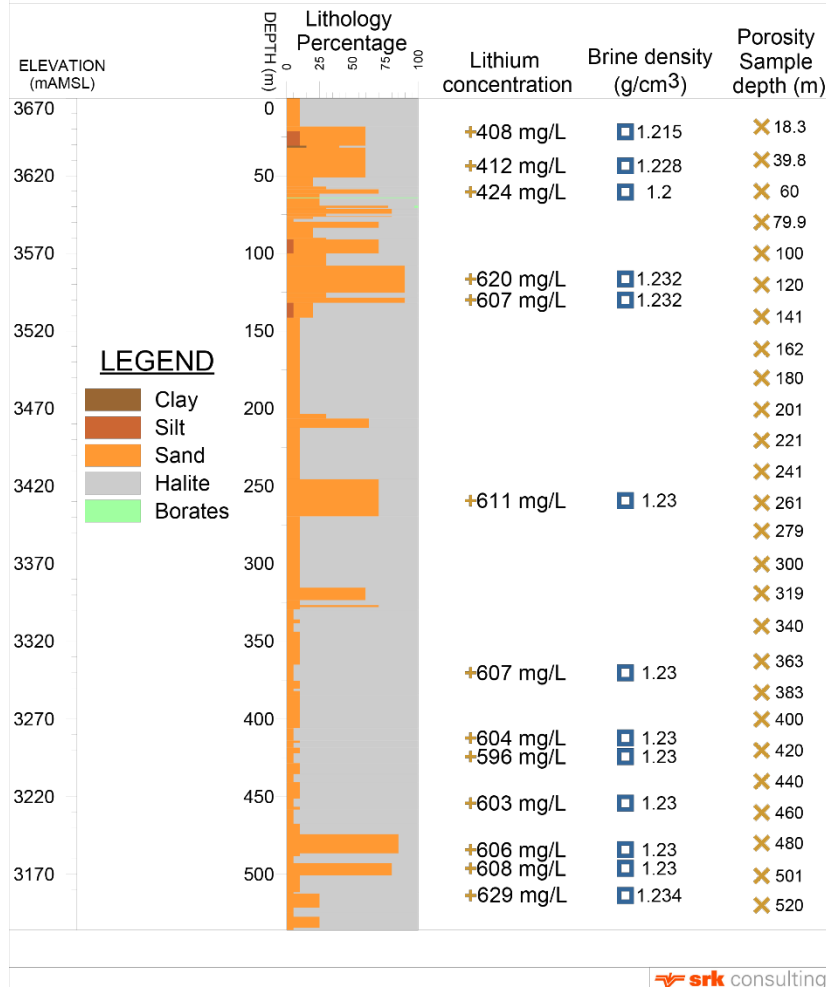


Figure 3 - Lithological section showing the continued presence of good quality, porous and permeable sands and high-grade Lithium concentrations

Pursuit is targeting a material resource upgrade in the 2nd half of the 2024 calendar year which will build on the recent maiden resource defined at the Rio Grande Sur Project (Maiden JORC Code 2012 compliant Inferred Mineral Resource Estimate of 251.3kt LCE at 351mg/Li - see ASX announcement dated 25 October 2023).

Comparing the existing MRE data to the data from DDH-1, the previous estimation was calculated to a depth of 400m, where DDH-1 reached a depth of 520m. The lithium concentration in the previous estimation was 382 mg/l, where DDH-1 the range is 400 to 600 mg/l with majority of the intercepts above 600mg/L. Additionally, the yield used in the previous estimation was 6% for sand and 5.3% for halite, and with DDH-1 the yield for halite is slightly smaller 4.8% however the yield for the sands is considerably higher at 25.5%.

Following completion of DDH-1, the drilling crew mobilised to DDH-2 located on the Sal Rio 02 tenement where drilling is well advanced.



Figure 4 – Drilling at DDH-2 at the Sal Rio 02 Tenement

Drilling progress at DDH-2 has continued with the hole set for completion by the end of August 2024 with multiple packer samples already taken from shallower depths.

The anticipated increase to Rio Grande Sur mineral resource will allow for the support of a larger commercial operation to be anticipated in the project feasibility study which is scheduled for delivery between Q4 2024 / H1 2025.

Further drilling is anticipated following the completion of the Stage 1 program at the Mito tenement located in the north of the Rio Grande Salar. The Company is currently investigating the opportunity to advance drilling at Mito and incorporate this into the Stage 1 drilling program ahead of other drill holes currently planned at the on salar tenements. This alteration in the strategy would focus on maximising the current resource at the Rio Grande Sur Project and be subject to environmental permitting required from the Salta Mining Secretary.

Lithium Carbonate Pilot Plant

During the quarter, the Company continued the start up works of the Lithium Carbonate Pilot Plant following its commissioning working toward first production of Lithium Carbonate of both battery and technical grade.



Figure 5: 250tpa Lithium Carbonate Plant at Pursuit's purpose facility in Salta, Argentina

The Pilot Plant operation at the facility in Salta and later at site at Rio Grande is the first significant step in the development of a larger commercial scale operation where Pursuit is targeting continuous production at the Rio Grande Salar at a small scale prior to expanding to a larger size facility.

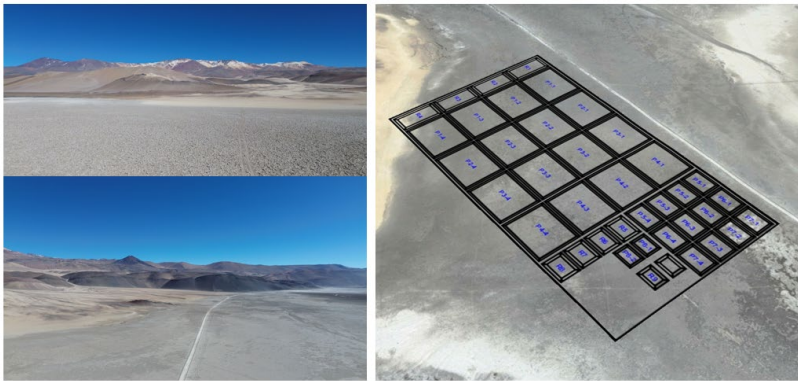
The Pilot Plant allows for the testing of the circuit chemistry in a real time environment seeking to minimise both scalability and quality control issues. The Pilot Plant will look to produce an initial sample batch using synthetic brine of approximately 50-100kg of product.



Figure 6: 250tpa Lithium Carbonate Plant at Pursuit's purpose facility in Salta, Argentina

Currently, Pursuit's engineering team is developing the final pond layout and design for the 250tpa plant for the environmental permit applications for construction of the evaporation ponds with a preliminary design shown at Figure 7.

The construction of the ponds is anticipated to occur in 2025 subject to environmental approvals from discussions with the Salta Mining Secretary, other relevant government stakeholders, lithium market conditions and Pursuit's board approval. The ponds and plant are intended to be located on the Sal Rio 02 tenement where first production of Lithium Carbonate at site could occur in 2025.



Following completion of DDH-1, the Company is currently in the process of constructing small evaporation ponds for the purposes of brine evaporation testing to which the intention is to

Figure 7 - Proposed Pond Location and Layout at Rio Grande Sur

utilise the evaporated brine from DDH-1 in the Pilot Plant to produce Lithium Carbonate before its planned relocation to site for a continuous operating facility.

Relocation of the plant to site is expected to occur following completion of the initial circuit testing at the facility in Salta. The relocation of the plant is expected to be straightforward with the equipment packed down and transported to site, where it will be installed in the exact same layout at Rio Grande, in a facility constructed in a similar manner as the facility in Salta which is expected to produce product for preliminary quality testing by end users.

In conjunction with these engineering and construction works, Pursuit is advancing several off-take discussions with a target of executing off-take and counterpart agreements to support continuous production from the 250 tonne per annum plant at the Rio Grande Salar.

WA Project Portfolio

Pursuit has received a number of third-party expressions of interest to acquire or joint-venture our WA projects, which the board continues to review and evaluate.

Managing Director & CEO, Mr. Aaron Revelle was a presenter at Market Talk: Natural Resources Matinee Event. Held in Sydney, the event showcased several ASX companies as well as featuring a discussion panel featuring panellists from Lowell Resources Funds, Resource Capital Funds and Tribeca Natural Resources Funds. The event was hosted by Resolve IR and Investibility. Media replays of the presentations are available through each outlets social media and distribution channels.

Financial and Cashflow Update for the Quarter

The Company had a strong cash and equivalents position of \$2.024 million as of 31 June 2024 with no debt. The Company also completed an equity raising of \$2.4 million (before costs) after the end of the quarter.

In line with its obligations under ASX Listing Rule 4.7C.1, as outlined in the attached Appendix 5B (section 6.1) for the three months ended 30 June 2024, the Company recognised \$120,713 in payments were made to related parties and their associates for director salaries, superannuation, legal services and consultancy fees associated with services provided from 1 April 2024 to 30 June 2024.

Shareholder Communications

We encourage all shareholders and other interested parties to sign up to our email database to receive updates and announcements direct from the Company. This can be done via the Contact Us page on our website.

September 2024 Quarter Outlook & Focus

Pursuit's key focus for the September 2024 Quarter is:

- Continuation of maiden Stage 1 drilling program with completion of DDH-2 at Sal Rio 02 with DDH-3 to commence following its completion. Resource upgrade targeted by end of 2024.
- Commencement of operations at the Lithium Carbonate Pilot Plant with current plans to produce 5-10kg of Lithium Carbonate product by the end of 2024.
- Submissions of advanced environmental permits to the Salta Mining Secretary for the Stage 2 Drill Program at the Mito tenement.
- Evaluation of inclusion of drilling at the Mito tenement within the Stage 1 Drilling Program subject to environmental permitting approvals.
- Progression of off-take discussions seeking off-take agreement for product produced from the Pilot Plant.
- Continuation of engineering and geological works for project feasibility study targeting release in Q4, 2024.

INTEREST IN MINING TENEMENTS AT QUARTER END

This section provides information required under ASX listing rule 5.3.3 for mineral exploration entities.

Project	Tenement	Location	Area (km ²)	Expiry Date
Rio Grande Sur	Maria Magdalena	Argentina	0.7326	
Rio Grande Sur	Isabel Segunda	Argentina	0.5925	
Rio Grande Sur	Sal Rio 1	Argentina	2.9826	
Rio Grande Sur	Sal Rio 2	Argentina	1.4219	
Rio Grande Sur	Mito	Argentina	8.660	
Warrior	E70/5392 - Bindi Bindi	WA	94.49	01/12/2025
Warrior	E70/5379 - Calingiri East	WA	179.08	01/12/2025
Warrior	E70/5493 - Wubin	WA	192.98	25/11/2025
Warrior	E70/5678 - Wubin South	WA	53.41	17/01/2026
Commando	E24/199	WA	8.36	15/10/2025
Commando	M 24/282	WA	0.44	28/03/2031
Commando	M24/485	WA	0.10	16/07/2030
Commando	M24/503	WA	4.70	15/07/2030
Commando	M 24/641	WA	1.04	15/07/2030
Commando	P24/4961	WA	0.05	25/08/2024
Commando	P24/4967	WA	2.01	3/11/2023
Commando	P24/5192	WA	0.67	22/10/2025

Competent Person's Statement and Listing Rule 5.23 Disclosure

The detailed information relating to the Mineral Resources and Ore Reserves reported in this announcement were announced in the Company's ASX announcement dated 25 October 2023 and for which Competent Persons' consents were obtained. The Competent Persons' consents remain in place for subsequent releases by the Company of the same information in the same form and context, until a consent is withdrawn or replaced by a subsequent report and accompanying consent. The Company confirms that it is not aware of any new information or data that materially affects the information included in the ASX announcements dated 25 October 2023 and all material assumptions and technical parameters underpinning the estimates in the relevant market announcement continues to apply and has not materially changed. The Company confirms that the form and context in which the Competent Persons' findings are presented have not materially changed from previous market announcements.

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.

This release was approved by the Board of Directors of Pursuit Minerals Limited

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

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Managing Director & CEO

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Appendix 5B

Mining exploration entity quarterly report

Name of entity

Pursuit Minerals Ltd

ABN

27 128 806 977

Quarter ended ("current quarter")

30/06/2024

1. Cash flows from operating activities

- 1.1 Receipts from product sales and related debtors
- 1.2 Payments for
 - (a) exploration and evaluation
 - (b) development
 - (c) production
 - (d) staff costs
 - (e) administration and corporate costs
- 1.3 Dividends received
- 1.4 Interest and other items of a similar nature received
- 1.5 Interest and other costs of finance paid
- 1.6 Income taxes paid
- 1.7 Government Grants and tax incentives
- 1.8 Other Income
- 1.9 **Net cash from / (used in) operating activities**

Current quarter \$A'000	Year to date \$A'000
-	-
-	-
-	-
-	-
(111)	(524)
(489)	(1,528)
-	-
-	-
14	14
-	(3)
-	-
-	-
-	-
(586)	(2,041)

2 Cash flows from investing activities

- 2.1 Payments to acquire
 - (a) entities
 - (b) tenements
 - (c) property, plant and equipment
 - (d) exploration & evaluation (if capitalised)
 - (e) investments
 - (f) other non-current assets
- 2.2 Proceeds from sale of:
 - (a) entities
 - (b) tenements
 - (c) property, plant and equipment
 - (d) investments
 - (e) other non-current assets
- 2.3 Cash flow from Loans to other entities
- 2.4 Dividends received (see note 3)
- 2.5 Other - (Provide details if material)
- 2.6 **Net cash from / (used in) investing activities**

-	-
-	-
-	(566)
(1,085)	(3,123)
-	-
-	-
-	-
-	39
-	-
-	-
-	-
-	-
-	-
-	-
(1,085)	(3,650)

3. Cash flows related to financing activities

- 3.1 Proceeds from issues of equity securities (excluding convertible debt securities)
- 3.2 Proceeds from issue of convertible debt securities
- 3.3 Proceeds from exercise of share options
- 3.4 Transaction costs related to issues of equity securities or convertible debt securities
- 3.5 Cost of Capital
- 3.6 Repayment of borrowings
- 3.7 Provision of loan
- 3.8 Dividends paid
- 3.9 Other (provide details if material)

3.10 Net cash from / (used in) financing activities**4. Net increase / (decrease) in cash and cash equivalents for the period**

- 4.1 Cash at beginning of period
- 4.2 Net cash from /(used in) operating activities (item 1.9 above)
- 4.3 Net cash from /(used in) investing activities (item 2.6 above)
- 4.4 Net cash from /(used in) financing activities (item 3.10 above)
- 4.5 Effect of movement in exchange rates on cash held
- 4.6 **Cash and cash equivalents at end of period**

5. Reconciliation of cash and cash equivalents

- 5.1 Bank balances
- 5.2 Call deposits
- 5.3 Bank overdrafts
- 5.4 Other (provide details)
- 5.5 **Cash and cash equivalents at end of quarter (should equal item 4.6 above)**

Current quarter \$A'000	Year to date \$A'000
2,420	- 5,672
-	-
-	-
-	-
(93)	(278)
0	(70)
-	-
-	-
-	-
2,327	5,324
1,368	2,392
(586)	(2,041)
(1,085)	(3,650)
2,327	5,323
-	-
2,024	2,024
Current Quarter \$A'000	Previous quarter \$A'000
2,024	1,368
-	-
-	-
-	-
2,024	1,368

6. Payments to related parties of the entity and their associates

- 6.1 Aggregate amount of payments to the parties included in item 1.2 and 2.1(d)
- 6.2 Aggregate amount of loans to the parties included in item 2.3

Current quarter \$A'000
120
0

- 6.3 Explanation necessary for an understanding of the transactions
Payments include consulting fees and directors fees

7. Financing facilities

- 7.1 Loan facilities
- 7.2 Credit standby arrangements
- 7.3 Other (please specify)
- 7.4 **Total financing facilities**

Total facility amount at quarter end \$A'000	Amount drawn at quarter end \$A'000
0	0
-	-
-	-
0	0

7.5 Unused financing facilities available at quarter end

- 7.6 Include in the box below a description of each facility above, including the lender, interest rate, maturity date and whether it is secured or unsecured. If any additional financing facilities have been entered into or are proposed to be entered into after quarter end, include a note providing details of those facilities as well.

-

8. Estimated cash available for future operating activities

- 8.1 Net cash from / (used in) operating activities (Item 1.9)
- 8.2 (Payments for exploration & evaluation classified as investing activities) (Item 2.1(d))
- 8.3 Total relevant outgoings (Item 8.1 + Item 8.2)
- 8.4 Cash and cash equivalents at quarter end (Item 4.6)
- 8.5 Unused finance facilities available at quarter end (Item 7.5)
- 8.6 Total available funding (Item 8.4 + Item 8.5)
- 8.7 **Estimated quarters of funding available (Item 8.6 divided by Item 8.3)**
- 8.8 If Item 8.7 is less than 2 quarters, please provide answers to the following questions:

\$A'000
(586)
(1,085)
(1,671)
2,024
-
2,024
1.2

1. Does the entity expect that it will continue to have the current level of net operating cash flows for the time being and, if not, why not?

Answer: The Company expects the current level of net operating cash flows to continue for the time being. Net operating cash flows are primarily comprised of exploration expenditure, staff costs and administration expenses.

2. Has the entity taken any steps, or does it propose to take any steps, to raise further cash to fund its operations and, if so, what are those steps and how likely does it believe that they will be successful?

Answer: The Company is in the process of taking steps to raise capital to secure funding for ongoing operational requirements (as and when required). The Directors are confident in the Company's ability to raise capital due to its historic experience in securing funding and ongoing communications with funding providers and major shareholders.

3. Does the entity expect to be able to continue its operations and to meet its business objectives and, if so, on what basis?

Answer: The Company expects to be able to continue operations and meet business objectives. This is on the basis the Directors are confident in the Company's ability to raise capital and manage discretionary spending to ensure that cash is available to meet debts as and when they fall due.

Compliance statement

- This statement has been prepared in accordance with accounting standards and policies which comply with Listing Rule 19.11A.
- This statement gives a true and fair view of the matters disclosed.

Date:

Tuesday, 30 July 2024

Authorised by:

The Board of Directors

(Name of body or officer authorising release – see note 4)

Notes

- This quarterly cash flow report and the accompanying activity report provide a basis for informing the market about the entity's activities for the past quarter, how they have been financed and the effect this has had on its cash position. An entity that wishes to disclose additional information over and above the minimum required under the Listing Rules is encouraged to do so.
- If this quarterly cash flow report has been prepared in accordance with Australian Accounting Standards, the definitions in, and provisions of *AASB 6: Exploration for and Evaluation of Mineral Resources* and *AASB 107: Statement of Cash Flows* apply to this report. If this quarterly cash flow report has been prepared in accordance with other accounting standards agreed by ASX pursuant to Listing Rule 19.11A, the corresponding equivalent standards apply to this report.
- Dividends received may be classified either as cash flows from operating activities or cash flows from investing activities, depending on the accounting policy of the entity.
- If this report has been authorised for release to the market by your board of directors, you can insert here: "By the board". If it has been authorised for release to the market by a committee of your board of directors, you can insert here: "By the *name of board committee – eg Audit and Risk Committee*". If it has been authorised for release to the market by a disclosure committee, you can insert here: "By the Disclosure Committee".
- If this report has been authorised for release to the market by your board of directors and you wish to hold yourself out as complying with recommendation 4.2 of the ASX Corporate Governance Council's *Corporate Governance Principles and Recommendations*, the board should have received a declaration from its CEO and CFO that, in their opinion, the financial records of the entity have been properly maintained, that this report complies with the appropriate accounting standards and gives a true and fair view of the cash flows of the entity, and that their opinion has been formed on the basis of a sound system of risk management and internal control which is operating effectively.