

18 September 2017

Drilling on the Bluebush Project Potentially Defines a Focal Point to the Prospective Zinc System for Follow Up Drilling

Highlights

- The second drill hole (BB02-017) and been completed at the Bluebush Zinc Project, North Queensland
- Geological data obtained from drill hole BB02-17, suggests a fault is located between holes BB01-17 and BB02-17, potentially defining a third-order sub-basin, which could be a focal point for mineralisation within the huge Bluebush SEDEX style zinc system
- 213 pending assay results, from the thick intersection of sulphides encountered in drill hole BB01-17, will determine if follow up drilling of the interpreted third order sub-basin is warranted
- If confirmed as prospective, follow up drilling of the third order sub basin will be conducted as soon as possible in 2018
- Drilling has commenced of the third drill hole (BB03-17) of the 2,000m drill program
- Drill hole BB03-17 is situated midway between historical holes BBDD051 (6m @ 2.6% Zn, 1.6% Pb) and BBDD047 (11m @ 2.3% Zn, 0.1% Pb), which are 1,400m apart

Pursuit Minerals Limited (ASX: PUR) (**Pursuit** or the **Company**) is pleased to announce that the third drill hole of a 2,000m drilling program, has been commenced on the Bluebush Zinc Project, northwest Queensland (Figure One).

The Bluebush Project is one of two key projects Pursuit recently purchased from Teck Australia Pty Ltd, containing zinc mineralisation over an area of 120km², within the Bluebush basin, which is classified as a second-order sub-basin, analogous to the sedimentary basin hosting the zinc mineralisation at the Century Zinc Mine.

A third-order sub-basin, within the larger Bluebush zinc mineralisation system, may have provided a focussing mechanism for zinc and lead mineralisation. The probability of encountering economic grades and thicknesses of zinc mineralisation is enhanced within third-order sub-basins containing SEDEX style zinc mineralisation.

Pursuit Minerals' Managing Director Jeremy Read said that the geological results from the first two holes (BB01-17 and BB02-17) on the drilling program strongly indicated that a third-order sub-basin bounding fault exists between drill holes BB01-17 and BB02-17.

"The first hole we drilled this year at Bluebush intersected in excess of 200m of rocks prospective for lead and zinc mineralisation," Mr Read said.

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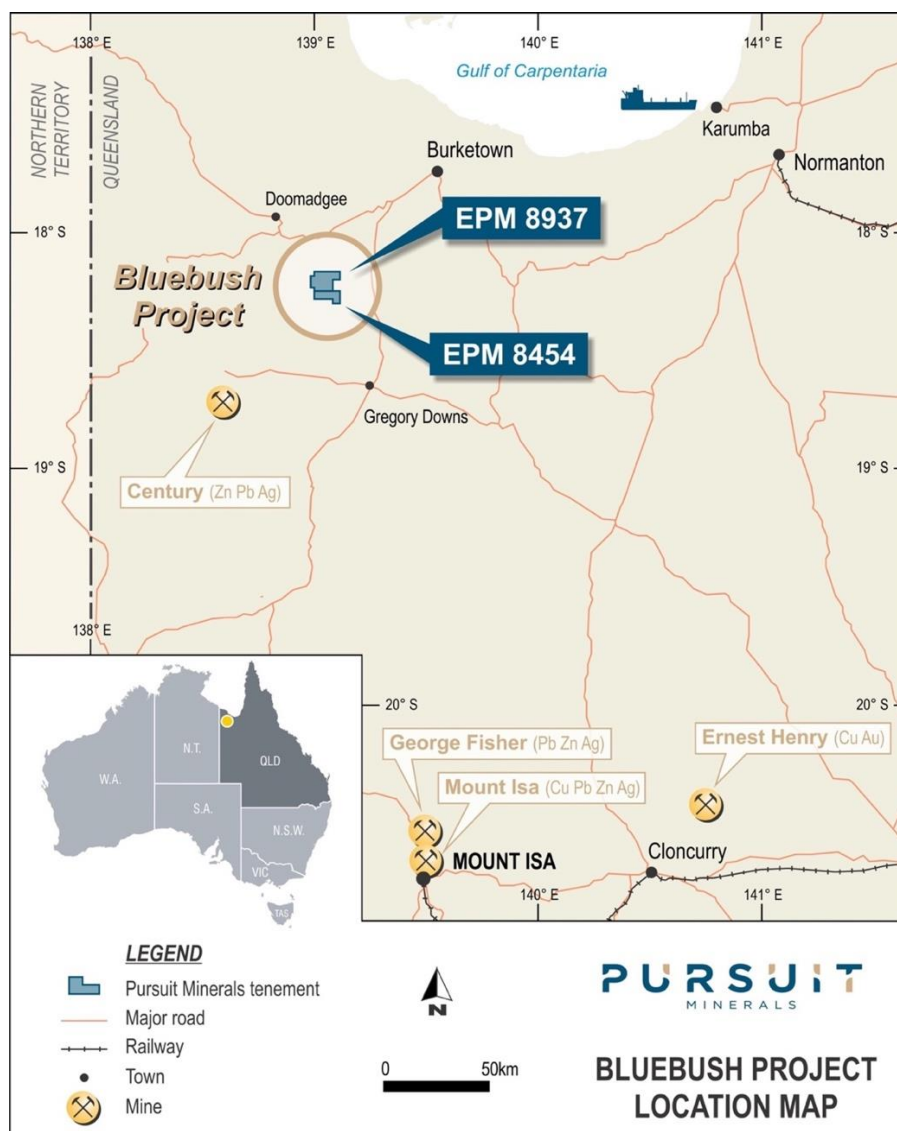
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“The second drill hole, BB02-17 contained the sequence basal to the prospective package and this indicates that a significant fault exists between holes BB01-17 and B02-17 potentially defining the eastern limit of a prospective sub-basin.

“Our drilling program was designed to give us the data needed to define a prospective third-order sub-basin, within the larger Bluebush zinc system and the results from the first two holes seem to have achieved this objective.

“If the assay results from drill hole BB01-17 provide encouraging levels of zinc and lead then we will have quickly defined at least one focus for further drilling at Bluebush.”

Figure One – Bluebush Project



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Bluebush Project – Zinc Exploration Drilling Program

The Bluebush Project is located approximately 280km north-northwest of Mount Isa and 72km northeast of the Century Mine in northwest Queensland and occurs within the Lawn Hill Platform of the Western Succession of the Mt. Isa Province. The primary exploration target on the Bluebush Project is sediment-hosted, stratiform and stratabound (SEDEX) zinc-lead-silver mineralisation within the Riversleigh Siltstone of the Upper McNamara Group.

The project consists of two exploration permits (EPM's 8454, 8937), covering an area of approximately 214km². Previous drilling has intersected zinc mineralisation over an area of 120km² making Bluebush one of the largest areas of zinc mineralisation in Australia.

The objective of the current drilling program of 2,000m, across up to five drill holes, is to attempt to locate the focal point of the zinc system, where the grades and thicknesses of zinc mineralisation have a higher probability of being economic. If such a focal point to the zinc system is able to be located, then follow up drilling will be conducted in 2018 with the ultimate objective of defining a Mineral Resource.

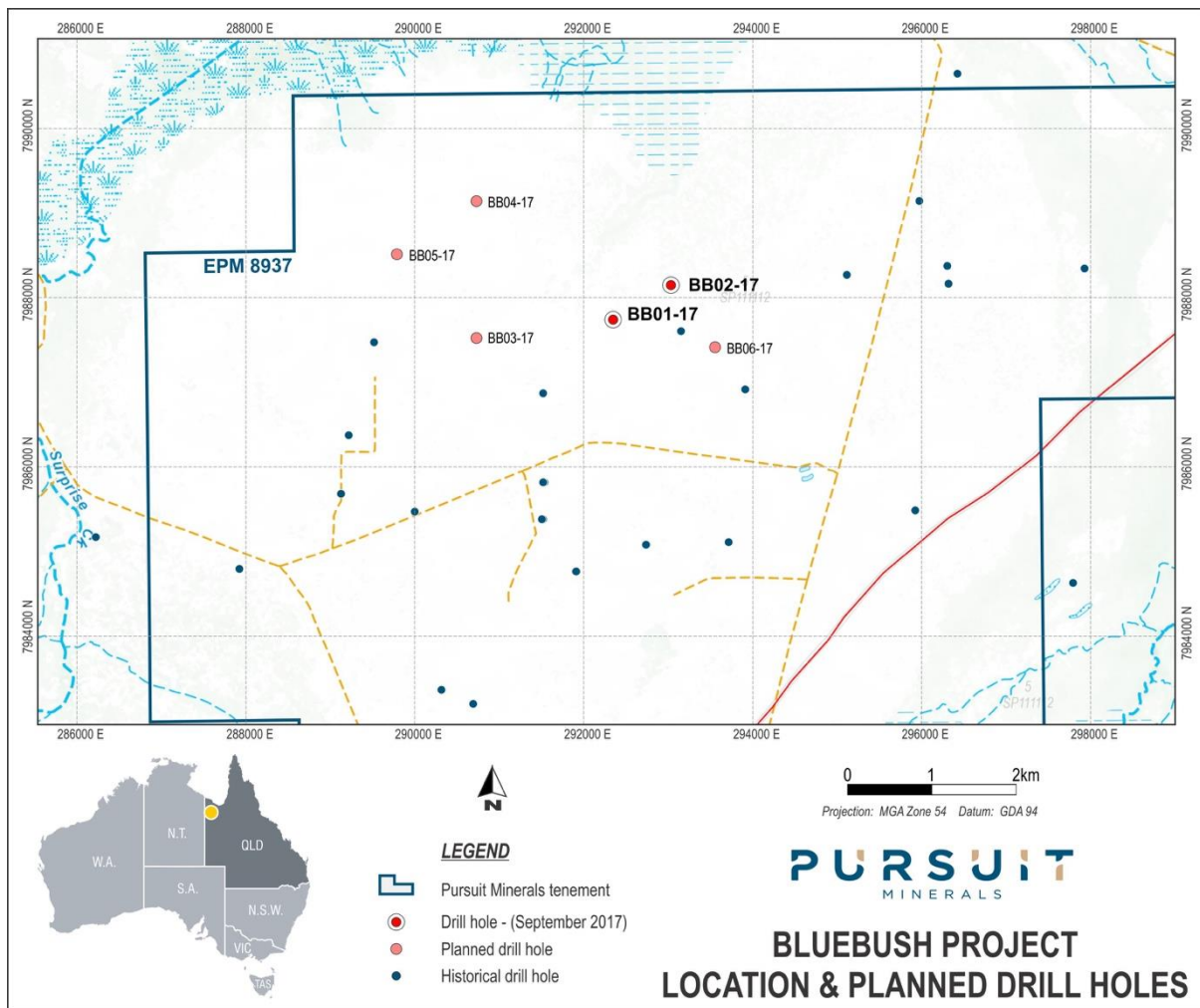
The Bluebush Project has no visible surface expression of the Proterozoic rocks prospective for and hosting the known, zinc and lead mineralisation. The rocks of interest are concealed beneath Cenozoic and Mesozoic sedimentary cover of variable thickness (averaging around 150m). The extensive zinc mineralisation at the Bluebush Prospect is interpreted to lie within the Bluebush basin, a large second order sub-basin developed between the Elizabeth Creek Fault Zone and the Tin Tank Fault to the south. Intra-basinal fault interactions (Seeder and V8 faults) active during basin extension events have resulted in the creation of a number of smaller third order smaller sub-basins, which are considered prospective for focussing the SEDEX zinc-lead mineralisation.

The majority of the zinc and lead mineralisation at Bluebush has been intersected in the Pyritic Carbonate (PC) rock sequence as disseminated, recrystallised pale-yellow sphalerite occurring in the coarser carbonate beds, and fine to coarse-grained sphalerite associated with bedding-parallel carbonate veins. Sporadic sphalerite and galena also occurs as bedding-parallel veins and disseminations in the Laminated Siltstone (LS) and Pyritic Siltstone/Mudstone (PSM) sequences. Sitting directly below the rock package prospective for zinc and lead mineralisation is a distinctive rock unit called the Interbedded Turbidite Sandstone/Siltstone (ITSS).

Drill hole BB02-17 (Figure Two) was drilled to test for the formation of a SEDEX style mineralisation zone in the northeast quadrant of the intersection between the Seeder and V8 faults. The closest historical drill hole, BLBD022, within the same interpreted third-order sub-basin, returned 12m @ 2.7% Pb* (Figure Three).

* Refer to ASX Announcement, "Burrabulla Corporation to Acquire Base Metals Projects" made by Pursuit Minerals on 24 April, 2017

Figure Two – Location of Drill Hole BB01-17



Drill Hole BB02-17

Drill hole BB02-17 intersected the overburden/Proterozoic interface at a depth of 147.5m, in comparison to 163.6m in drill hole BB01-17. Drill hole BB02-17 immediately went into the basal Interbedded Turbidite Sandstone/ Siltstone (ITSS). The rock package, containing abundant sulphides, which was intersected in drill hole BB01-17, was not intersected in drill hole BB02-17. In order to explain the absence of the prospective ALC, LS, PC rock package a fault must exist between BB01-17 and BB02-17. This fault could define the eastern limit of a prospective third-order sub-basin. Providing encouraging levels of zinc and lead mineralisation has been intersected in BB01-17 (213 assays are pending), then the results from drill holes BB01-17 and BB02-17 would indicate a prospective third order sub-basin has been located and follow up drilling would be warranted in 2018.

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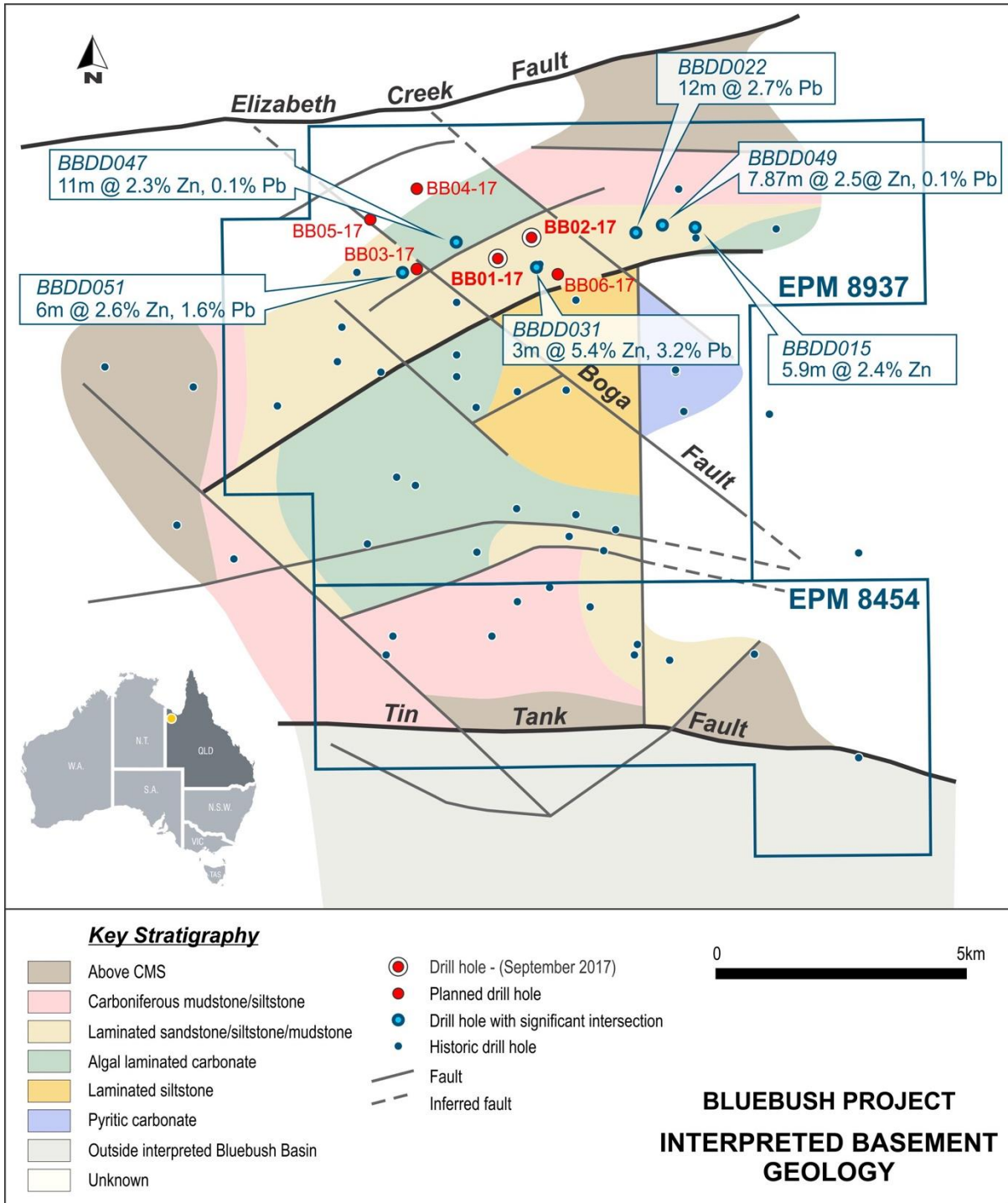
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Figure Three - Drill Hole BB01-17 in Comparison to Historical Drill Holes



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Drill hole BB02-17 (Table 1) was completed at a depth of 207.0m. The hole was drilled with a vertical inclination and therefore down-hole depths equate to depths below the surface.

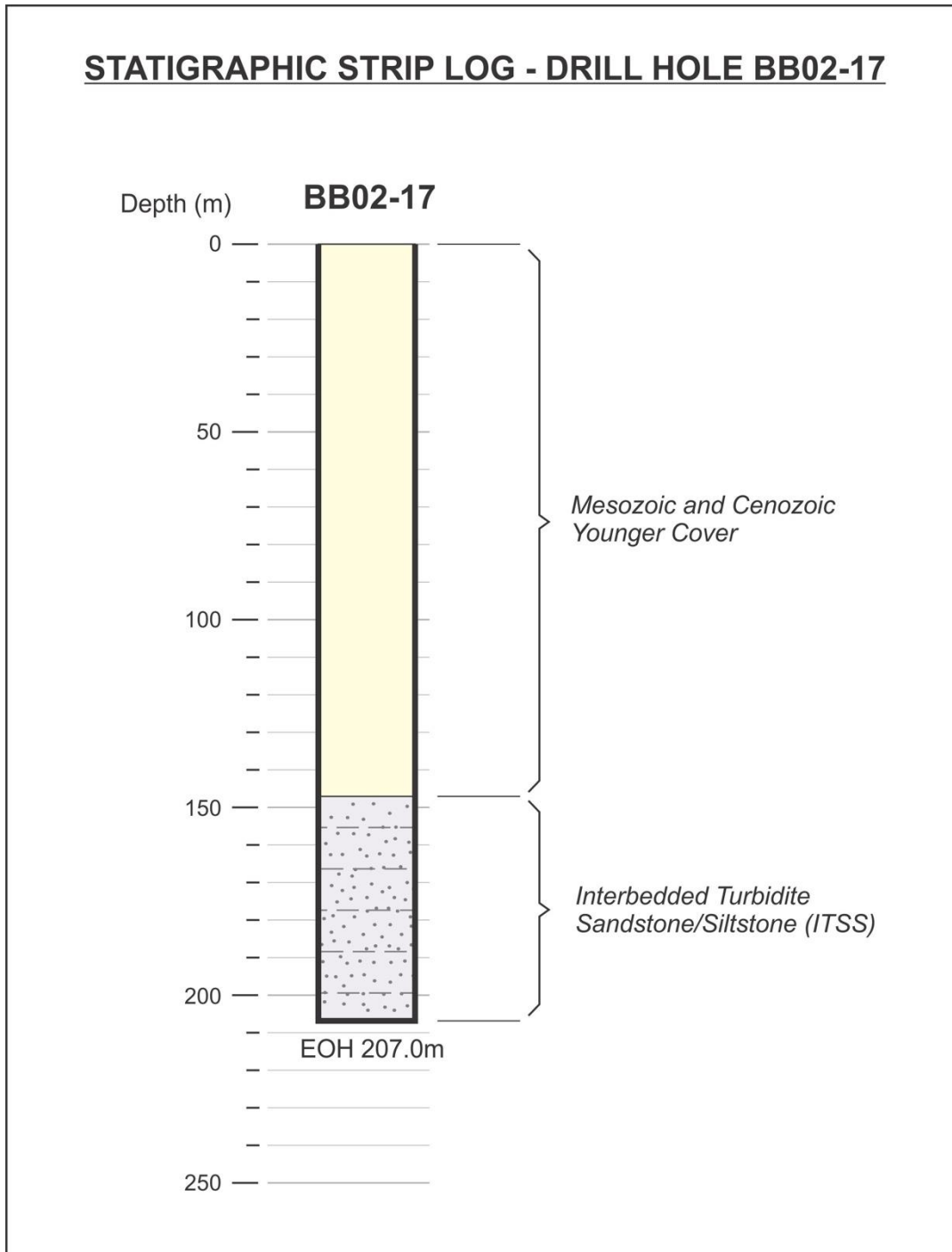
Table One

Prospect	Drill Hole Name	Easting (GDA94, Zone 54)	Northing (GDA94, Zone 54)	Azimuth (Degrees)	Dip (Degrees)	Actual Depth (m)
Bluebush	BB01_17	292368	7987725	0	90	431.9
Bluebush	BB02-17	293054	7988140	0	90	207.0

A summary of the geological sequence intersected in drill hole BB02-17 is given in Figure Four.

Following the completion of drill hole BB02-17, the drilling rig has moved to drill site BB03-17 (Figures Two and Three) and is currently drilling to test a target on the western side of the Boga Fault.

Figure Four – Geological Summary for Drill Hole BB02-17



About Pursuit Minerals

Following completion of acquisition of the Bluebush, Paperbark and Coober Pedy Projects from Teck Australia Pty Ltd, Pursuit Minerals Limited (ASX:PUR) has become a mineral exploration and project development company advancing copper and zinc projects in world-class Australian metals provinces.

Having acquired zinc and copper projects in the heart of the Mt Isa Province, Pursuit Minerals is uniquely placed to deliver value as it seeks to discover world class deposits adjacent to existing regional infrastructure and extract value from its existing mineral resources.

Led by a team with a wealth of experience from all sides of minerals transactions, Pursuit Minerals understands how to generate and capture the full value of minerals projects. From local issues to global dynamics, Pursuit Minerals knows how to navigate development and deliver returns to shareholders and stakeholders.

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

www.pursuitminerals.com.au.

– ENDS –

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. Jeremy Read, who is a member of the Australian Institute of Mining & Metallurgy (AusIMM), Member No 224610. Mr. Read is a full-time employee of the Company and has sufficient relevant experience in relation to the mineralisation styles being reported on to qualify as a Competent Person as defined in the *Australian Code for Reporting of Identified Mineral Resources and Ore Reserves (JORC) Code 2012*. Mr Read consents to the use of this information in this announcement in the form and context in which it appears.

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