

1 November 2017

Successful Drilling Program at the Bluebush Project, North Queensland, Defines Area for Follow Up Drilling

Highlights

- **Drilling on the Bluebush Project has defined the north-west sector of the project as a region of higher grade zinc mineralisation within the overall Bluebush sub-basin**
- **Geological and geochemical indications from drill holes BB03-17, BB04-17, BB05-17 and historical drill holes BBDD047 and BBDD051, suggest these holes may be on the periphery of an area of enhanced grade zinc mineralisation**
- **The 2017 drilling program achieved its objective of defining an area for follow up drilling and detailed work in 2018**
- **The goal of follow up drilling will be to determine if a globally significant SEDEX style zinc deposit occurs in the north-west sector of the Bluebush Project**
- **Follow up drilling at Bluebush will commence as soon as possible following the conclusion of the northern Australian summer wet season**
- **Drilling continues on the Paperbark Project**
- **Significant news flow and drill results will continue for the remainder of 2017 and into 2018**

Pursuit Minerals Limited (ASX: PUR) (**Pursuit** or the **Company**) is pleased to announce that the five-hole drill program completed on the Bluebush Project, for a total of 1482.2m, has shown that there is an area of enhanced grade SEDEX style zinc mineralisation in the north-west sector of the project area. Consequently, the Bluebush drilling program achieved its objective of defining an area of the project warranting more focused work and follow up drilling. The goal of the follow up drilling, to be completed in 2018 following the northern Australian wet season, will be to determine if a globally significant SEDEX style zinc deposit occurs in the north-west sector of the Bluebush Project.

Pursuit Minerals Managing Director Jeremy Read said the drilling program at Bluebush achieved its key objective of locating an area of enhanced grade zinc within the huge 120km² Bluebush zinc system, and follow up drilling is now required.

"The geological and geochemical indications in holes BB03-17, BB04-17 and BB05-17 exhibit characteristics that suggest we could be on the periphery of a major zinc system," Mr Read said.

"What is now required is to go back to Bluebush in 2018 and complete follow up drilling between, and in close proximity to, holes BB03-17, BB04-17 and BB05-17, in order to test the north-west sector of the Bluebush zinc system for a globally significant zinc deposit

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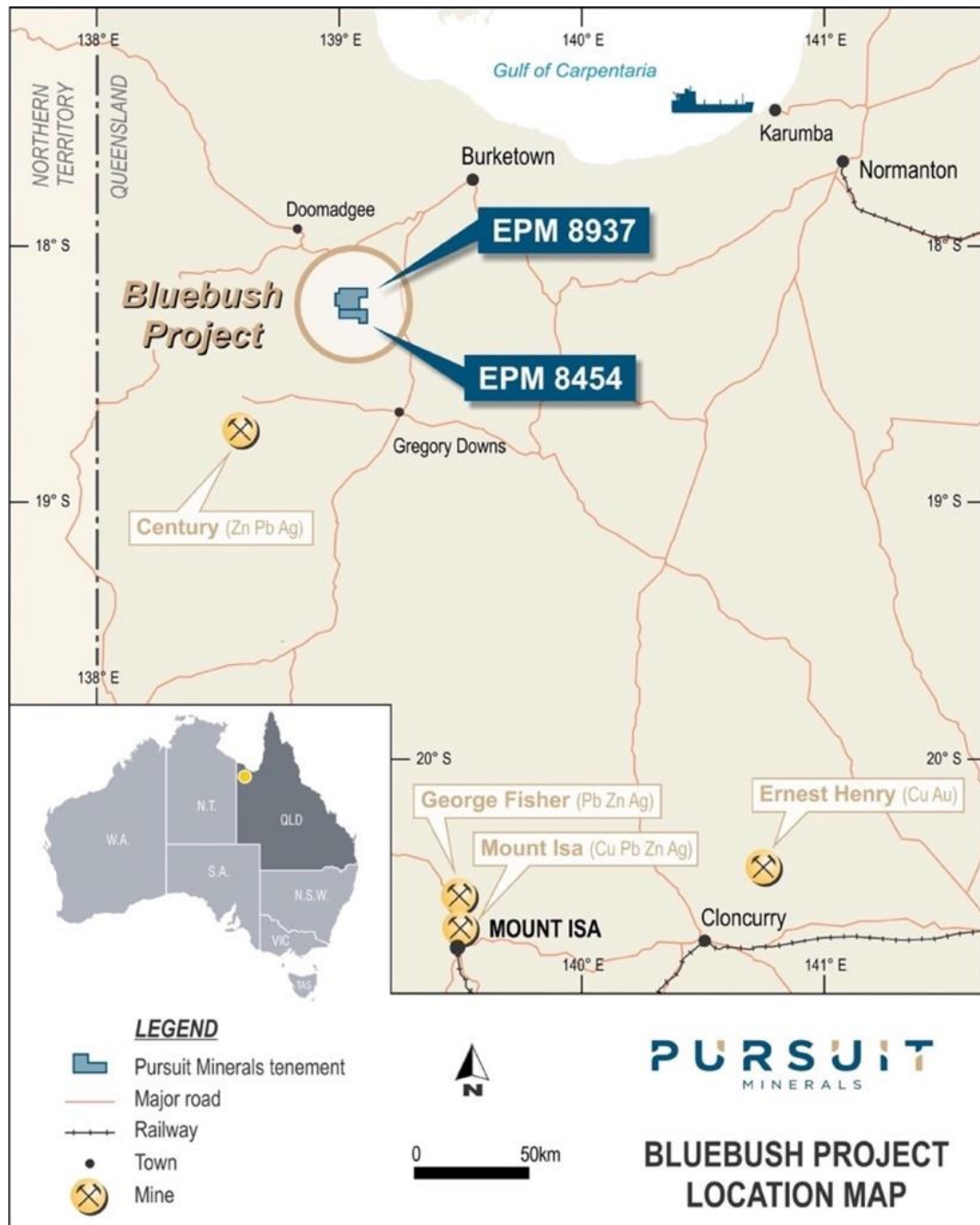
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“Having upgraded the potential of this part of the Bluebush zinc system, our measure of success in 2018 will be to deliver a clearly economic intersection from the follow up drilling.”

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 north-east of the Century Mine in northwest Queensland. It 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 intersected zinc mineralisation over an area of 120km² making Bluebush one of the largest areas of zinc mineralisation in Australia.

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 permissive for SEDEX zinc-lead mineralisation.

The majority of mineralisation intersected by previous drilling has been located 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. The mineralisation is typically stratabound.

Five drill holes (Table One, Figure Two)¹ were drilled into five potentially separate third-order sub-basins, where SEDEX style mineralisation could have been concentrated and focussed. The overall objective of the drilling program was then to select one of these third-order sub-basins for more detailed work and drilling in 2018, provided the drilling showed evidence of increased grade zinc mineralisation, in comparison to the zinc mineralisation across the broader Bluebush sub-basin.

Drill hole BB03-17 intersected 20m of zinc and lead mineralisation from a downhole depth of 175m until 195m, returning the best intersection to date on the Bluebush Project. Within the 20m interval of zinc and lead sulphides the following intersections were recorded:

- 3m @ 1.54% Zn and 6.07% Pb (7.61% Pb+Zn) between 185m – 188m
- 9m @ 0.77% Zn and 2.93% Pb (3.70% Pb+Zn) between 175m – 184m

Table One – Bluebush Project Drill Holes

¹ Detailed information regarding the Bluebush drill holes and assay results is presented in the Company's ASX announcements dated 5 October 2017, 10 October 2017, 12 October 2017, 19 October 2017 and 30 October 2017. The Company is not aware of any new information or data that materially affects the information presented in those announcements.

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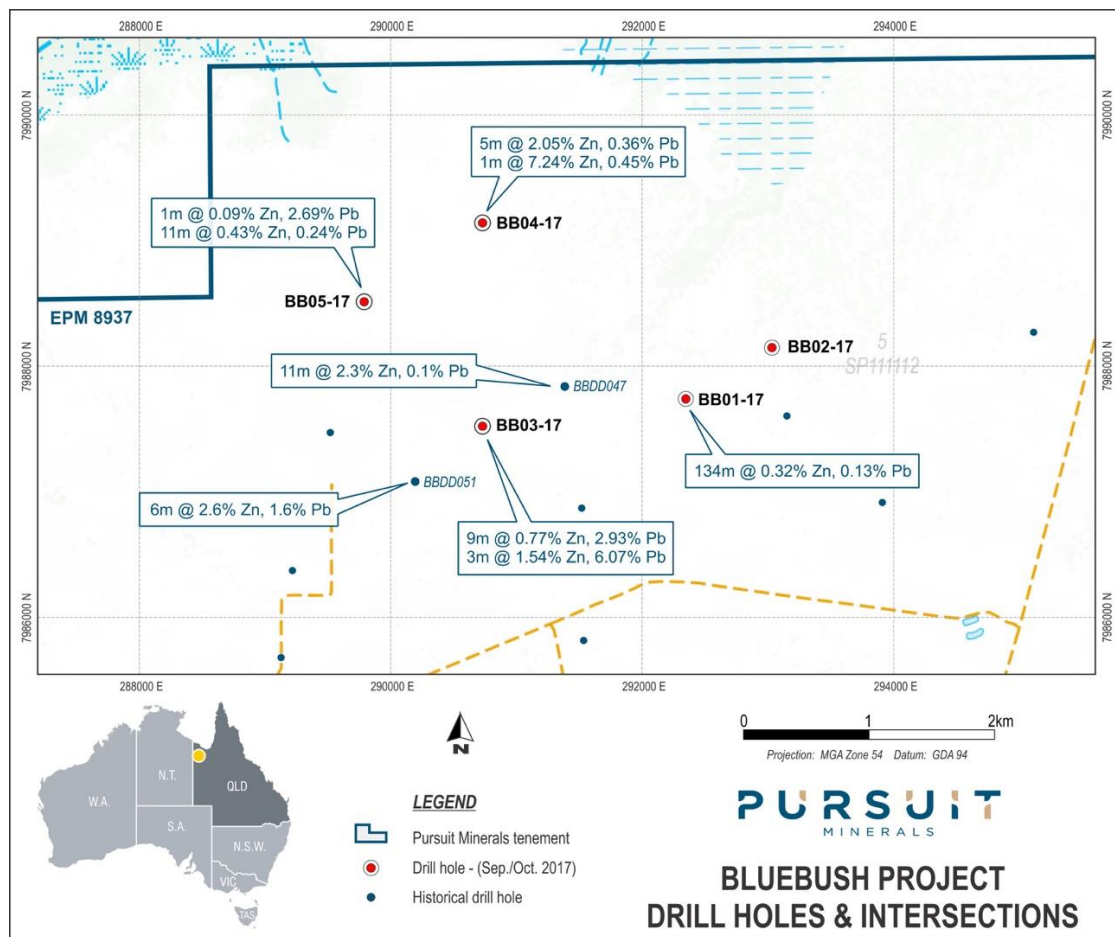
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Prospect	Drill Hole Name	Easting (GDA94, Zone 54)	Northing (GDA94, Zone 54)	Azimuth (Degrees)	Dip (Degrees)	Actual Depth (m)
Bluebush	BB01_17	292368	7987725	0	90	431.9
Bluebush	BB02-17	293054	7988140	0	90	207.0
Bluebush	BB03-17	290746	7987513	0	90	270.0
Bluebush	BB04-17	290750	7989125	0	90	333.0
Bluebush	BB05-17	289814	7988506	0	90	240.3

Figure Two – Location of Drill Holes



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Drill hole BB04-17 intersected a 35.1m (down hole width) zone of strong zinc and lead mineralisation in a brecciated fault zone. In addition to the mineralised fault zone, BB04-17 also intersected zinc and lead mineralisation in pyritic laminated siltstones and mudstones (PSM geological unit) below the mineralised fault zone.

Table Two – Summary of Assay Results from Bluebush Drilling Program

Hole ID	Down Hole Depth From (m)	Down Hole Depth To (m)	Down Hole Interval (m)	Zn (%)	Pb (%)	Zn+Pb (%)
BB01-17	172	306	134	0.32	0.13	0.45
<i>including</i>	172	196	24	0.54	0.13	0.67
<i>including</i>	176	180	4	0.93	0.22	1.15
	212	225	13	0.44	0.33	0.77
<i>including</i>	219	220	1	1.05	0.23	1.28
	273	294	21	0.72	0.09	0.80
<i>including</i>	278	283	5	1.20	0.07	1.27
BB03-17	175	184	9	0.77	2.93	3.70
	185	188	3	1.54	6.07	7.71
	189	191	2	2.42	1.36	3.78
	194	195	1	1.24	1.40	2.64
BB04-17	200	205	5	2.05	0.36	2.41
<i>Including</i>	203	205	2	4.55	0.27	4.82
<i>including</i>	203	204	1	7.24	0.45	7.69
	209	218	9	1.56	0.47	2.04
<i>including</i>	209	211	2	2.70	0.90	3.59
<i>including</i>	209	210	1	4.56	1.10	5.66
<i>and</i>	215	218	3	0.92	0.09	1.01
BB05-17	190	191	1	0.09	2.69	2.78
	218	219	1	0.97	0.36	1.33
	224	235	11	0.43	0.24	0.67

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Within the 35.1m thick mineralised fault zone, the following intersections were recorded:

- 5m @ 2.05% Zn and 0.36% Pb (2.41% Pb+Zn) from 200m;
 - including 1m @ 7.24% Zn and 0.45% Pb (7.69% Pb+Zn) from 203m
- 9m @ 1.56% Zn and 0.47% Pb (2.04% Pb+Zn) from 209m

Drill hole BB05-17 intersected grey to black calcareous mudstones and minor siltstones of the PSM geological unit. Within the PSM, at a depth of 190m, there was a one metre interval of lead with minor zinc mineralisation. From a downhole depth of 224m until 235m, there were disseminated bands of sphalerite mineralisation and blebs of coarser grained sphalerite and galena. This coarser grained mineralisation appeared to be re-mobilised mineralisation along more permeable sandy layers from a nearby body of zinc mineralisation (Table Two).

When considered together and in context, the higher-grade zinc mineralisation in drill hole BB03-17, the fault controlled remobilised mineralisation in drill hole BB04-17 and the remobilised zinc mineralisation in the bottom of hole BB05-17, exhibit geological and geochemical indications that these holes could be on the periphery of an area of enhanced grade zinc mineralisation. Consequently, follow up drilling will be conducted as soon as possible in 2018, following the conclusion of the 2017-2018 northern Australian wet season, in order to determine if a globally significant, economic, deposit of SEDEX style zinc mineralisation occurs between and in close proximity to drill holes BB03-17, BB04-17 and BB05-17.

Paperbark Project Drilling and Ongoing New Flow

Drilling continues at the Paperbark project, 72km south-west of the Bluebush Project and 20km south-east of the Century zinc mine. Geological results will be released on an ongoing basis as each drill hole is completed at Paperbark. Assay results for each hole will be released as the results are available from the geochemical laboratory.

The estimated new flow for the remainder of 2017 and into 2018 is detailed in Table Three.

Table Three – Estimated News Flow

Item	Projected Date
JB Zone Drilling at Paperbark	Early November, 2017
Grunter North Drilling at Paperbark	Mid November, 2017
JE Zone Drilling at Paperbark	Late November, 2017
Assays from JB Zone Drilling at Paperbark	Early December, 2017
Stonemouse drilling at Paperbark	Early December, 2017
Assays from Grunter North Drilling at Paperbark	Mid December, 2017
Assays from JE Zone Drilling at Paperbark	Early January, 2017
Metallurgical test work program on JB Zone	Jan-Feb 2018
Revised JB Zone Mineral Resource	March 2018
Commencement of 2018 Drill Season	April 2018

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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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