

18 October 2018

Koitelainen Vosa Vanadium Prospect Advances with Sampling of Historical Drill Holes

Highlights

- Vanadium mineralisation has been re-sampled from eleven historical drill holes at the Koitelainen Vosa Prospect in northern Finland
- The new geological and geochemical data to be obtained from the vanadium mineralisation intersected by the historical drill holes, will allow the Exploration Target at the Koitelainen Vosa Prospect¹ to be upgraded to an JORC Inferred Mineral Resource, with the intention of announcing the Mineral Resource before the end of 2018
- Following the definition of an Inferred Mineral Resource for the Koitelainen Vosa Prospect, Pursuit intends to complete an internal Scoping Study, with the objective of completing this study before the end of the first quarter 2019
- The results from the planned internal Scoping Study will be a Key Decision Point for the commencement of a Pre-Feasibility Study on the Koitelainen Vosa Prospect in 2019
- Due to being able to access the historical drill core, Pursuit will be able to make a decision regarding a Pre-Feasibility Study for Koitelainen Vosa, without the need to undertake any drilling at the prospect
- Since the announcement of the Exploration Target for the Koitelainen Vosa Prospect on 12 September, the vanadium price has increased 50% to US\$28.1/lb, a 15-year high

Pursuit Minerals Limited (ASX: PUR) has re-sampled 11 of 25 historical drill holes at the Koitelainen Vosa Prospect, on the Koitelainen Project in northern Finland. The Koitelainen Vosa Prospect has an estimated Exploration Target of 80 - 105Mt, containing 4.0 - 10.5Mt of magnetite @ 2.0 - 2.3% V₂O₅ (in magnetite concentrate) for 80,000 - 241,000 tonnes of V₂O₅, at the Koitelainen Vosa prospect in northern Finland (Figure One). The Exploration Target was estimated in accordance with JORC (2012), utilising data from 3,742m of drilling from 25 historical drill holes.

The Exploration Target reported for the Koitelainen Vosa Prospect is conceptual in nature and there has been insufficient exploration work completed to estimate a Mineral Resource. It is uncertain if further exploration will result in the estimation of a Mineral Resource.

¹See Pursuit Minerals ASX Announcement 12 September 2018. The Company is not aware of any new information or data that materially affects the information contained in that announcement.

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Since announcing the Exploration Target for Koitelainen Vosa on 12 September, the price for V_2O_5 (flake 98%) has rapidly increased from US\$18.75/lb to US\$28.1/lb (17 October), a 50% increase.

Pursuit Minerals Managing Director Jeremy Read said the Koitelainen Vosa Prospect was being rapidly, and cost effectively, progressed due to the access to the historical drill core and the high-quality historical data available for vanadium projects in Finland.

“Sampling these 11 drill holes and assaying the vanadium mineralisation with modern techniques will provide the data that our independent Competent Person requires to upgrade the estimate of vanadium mineralisation at Koitelainen Vosa from an Exploration Target to an Inferred Mineral Resource,” Mr Read said.

“Once we have the Inferred Mineral Resource, we intend to build a Scoping Study level economic model for Koitelainen Vosa and this will be a Key Decision Point for the commencement of a Pre-Feasibility Study.

“By end of the first quarter in 2019 we will be able to decide whether to proceed with a Pre-Feasibility Study at Koitelainen Vosa and we will have been able to progress the project to that point in a highly efficient and cost-effective manner as no drilling is required to be undertaken.” Mr Read said.

Koitelainen Vosa Prospect

The vanadium mineralisation at the Koitelainen Vosa prospect occurs in a vanadium enriched gabbro, which is up to 40m thick. Pursuit compiled geochemical assay data from 25 historical drill holes², for a total of 3,742m, at the Koitelainen Vosa prospect and confirmed the location of several drill holes in the field. A consistent set of vanadium in magnetite concentrate data was able to be constructed for the 25 drill holes at the Koitelainen Vosa Prospect.

The mineralisation at Koitelainen Vosa consists of two main vanadium mineralised horizons in the magnetite gabbro. These horizons dip shallowly to moderately to the east. Magnetic data suggests that the blocks of vanadium mineralisation also plunge gently to the north-east. The vanadium mineralisation extends from the surface and it has been drilled to a maximum depth of 210m. The mineralisation is open down dip at depth. The average depth of the vanadium mineralisation is 91m.

Pursuit Minerals retained Measured Group to estimate an Exploration Target for the Koitelainen Vosa Prospect. Measured Group estimated an Exploration Target of 80 - 105Mt, containing 4.0 - 10.5Mt of magnetite @ 2.0 - 2.3% V_2O_5 (in magnetite concentrate) for 80,000 - 241,000 tonnes of contained V_2O_5 , at Koitelainen Vosa³.

²See Pursuit Minerals ASX Announcement 30 July 2018. The Company is not aware of any new information or data that materially affects the information contained in that announcement.

³See Pursuit Minerals ASX Announcement 12 September 2018. The Company is not aware of any new information or data that materially affects the information contained in that announcement.

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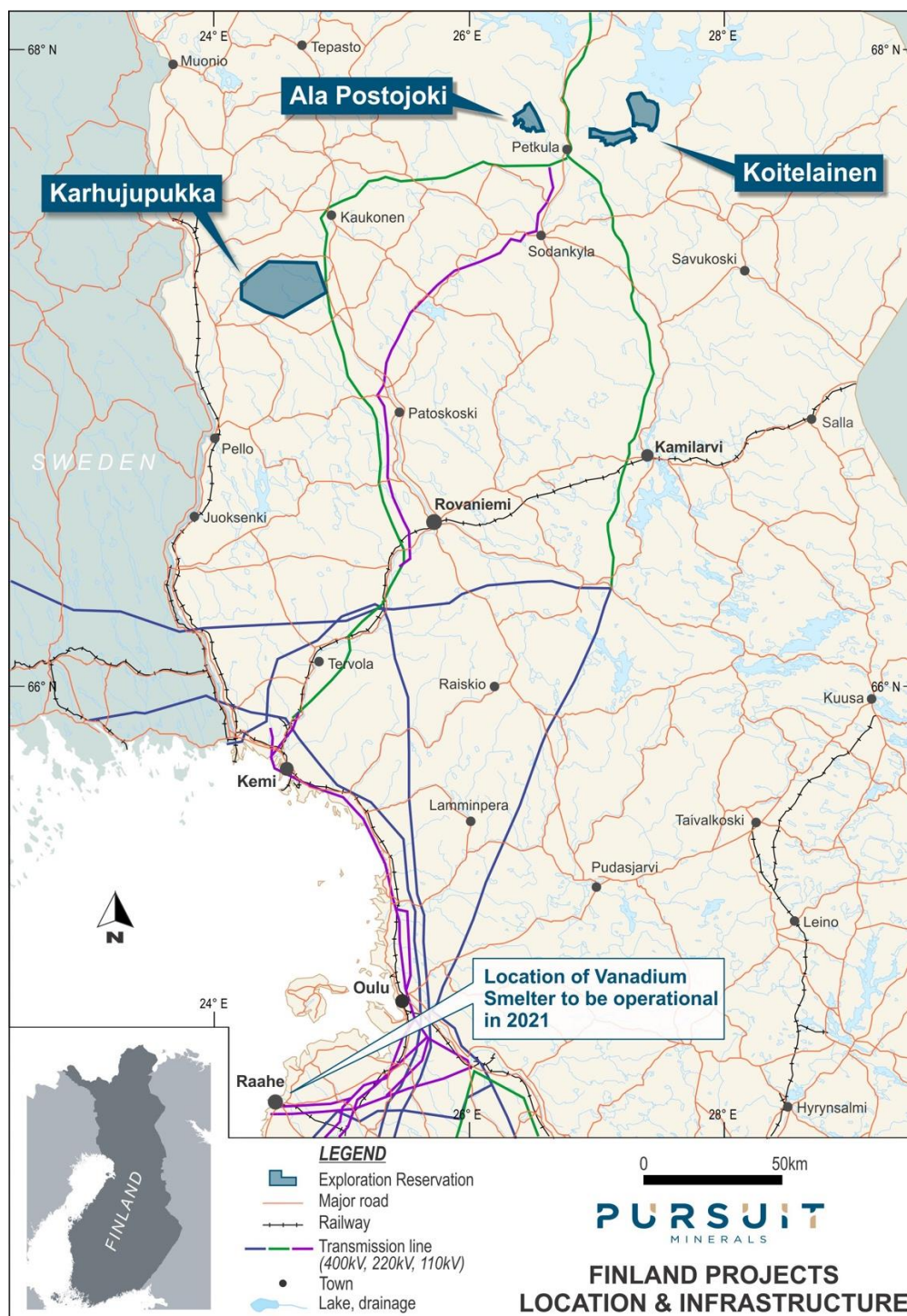
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Figure One – Koitelainen Project Location



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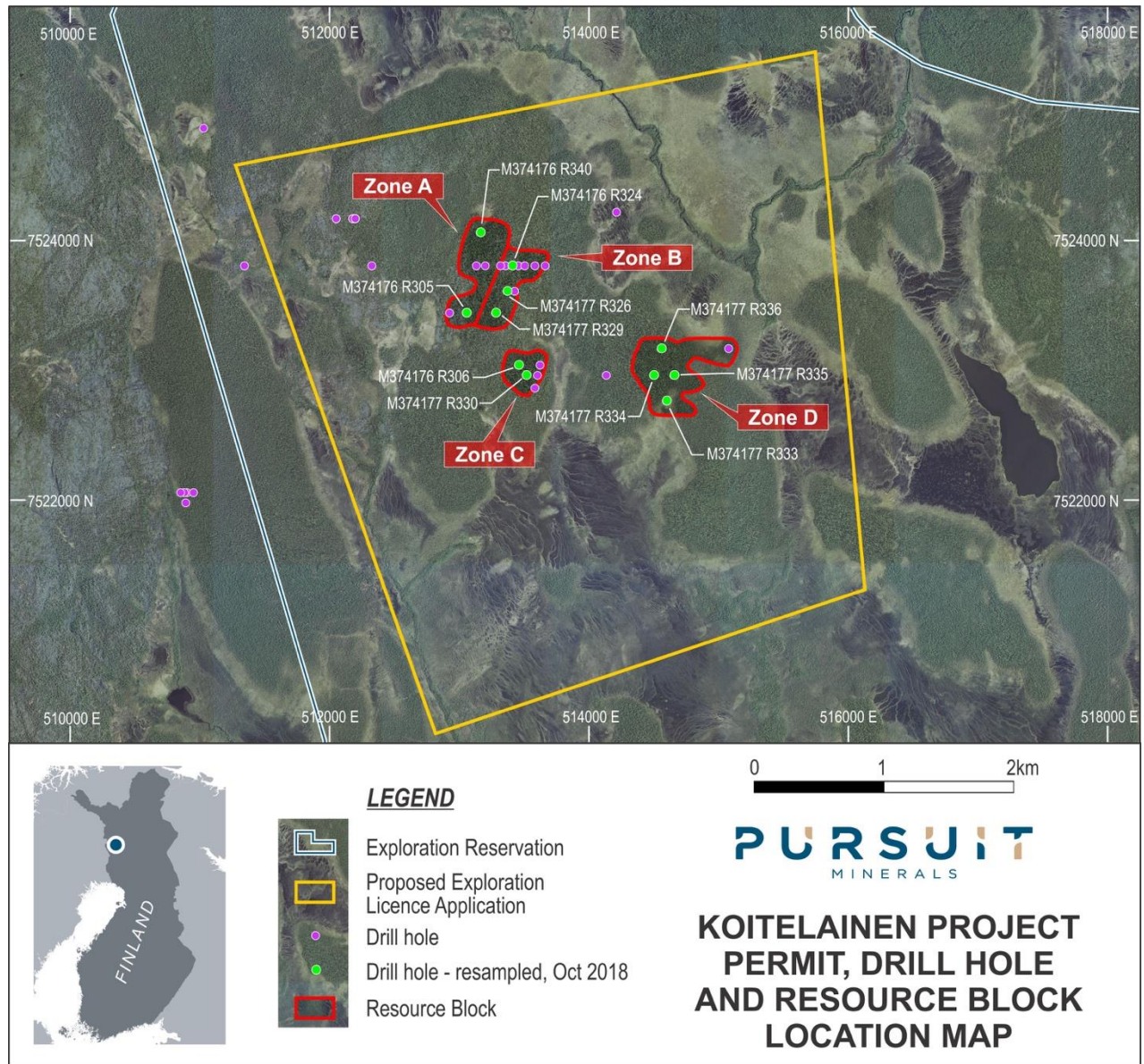
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Figure Two – Re-Sampled Historical Drill Holes Koitelainen Vosa Prospect



The Exploration Target at the Koitelainen Vosa Prospect is comprised of four main blocks of vanadium in magnetite mineralisation. The largest block of mineralisation is D Block, which is open to the north, south and east, at shallow depth.

During the week of 15-19 October, Pursuit was able to re-sample 11 of the 25 historical drill holes which were used to define the Exploration Target at Koitelainen Vosa (Figure Two). A total of 356 samples of vanadium mineralisation will be submitted for analysis to determine the whole rock

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vanadium grades and all intervals of vanadium mineralisation will be subjected to a Davis Tube Recovery (DTR) test. The DTR test determines the weight recovery of the magnetic iron proportion of the mineralisation and the vanadium grade of the magnetite concentrate.

Utilising the geochemical and metallurgical results from the re-sampling of the historical drill holes, an Inferred Mineral Resource will be able to be estimated in accordance with JORC (2012). It is anticipated that the Inferred Mineral Resource will be completed in December 2018.

Following completion of the Inferred Mineral Resource, Pursuit intends to undertake an internal Scoping Study to investigate the viability of a vanadium mining operation at Koitelainen Vosa. It is anticipated that the Scoping Study will be completed by the end of the first quarter 2019. The result from this study will be a Key Decision Point for whether a Pre-Feasibility Study will be undertaken at the Koitelainen Vosa Prospect.

About Pursuit Minerals

Pursuit Minerals (ASX:PUR) listed on the ASX in August 2017 following the completion of acquisition of a portfolio of projects from Teck Australia Pty Ltd, which remains Pursuit's largest shareholder. Led by a Board and Management 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 resource projects. From local issues to global dynamics, Pursuit Minerals knows how to navigate project development and deliver returns to shareholders and broader stakeholders.

Pursuit's project portfolio is focussed on the emerging Energy Metal, vanadium. In 2018, through compilation and interpretation of historical data, Pursuit applied for and was subsequently granted Exploration Tenements in Sweden and Project Reservations in Finland, covering projects with historical deposits of vanadium and extensive confirmed areas of vanadium mineralisation. Finland has in the past produced up to 10% of the world's vanadium and is currently rated the number one jurisdiction globally for developing mineral projects. Sweden has a long mining history and culture and was the second country in the world where vanadium was recognised as a metal. With its Sweden and Finland projects very well positioned to take advantage of Scandinavia's world-class infrastructure, cost effective power and stable legislative frameworks, Pursuit is looking to accelerate assessment and potential development of its quality vanadium project portfolio.

With Europe rapidly transforming its energy grid to renewable energy, which will require large increases in battery storage, Pursuit's projects are well placed to participate in the energy revolution underway in the region.

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

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Competent Person's Statement

Statements contained in this announcement relating to historical exploration results and historical estimates of mineralisation 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. The historical mineral estimate for Koitelainen magnetite-ilmenite-vanadium mineralisation, is an historical estimate and is not reported in accordance with the JORC Code. The Competent Person has not done sufficient work to classify the historical estimate as a Mineral Resource in accordance with the JORC Code, due to the unavailability of sufficient data. The historical mineral estimate for the Koitelainen magnetite-ilmenite-vanadium mineralisation have been widely reported in the geological literature and hence are easily accessible by members of the public. However, it is uncertain that following evaluation and/or further valuation work if the historical estimate will be able to be reported as a Mineral Resource in accordance with the JORC code. 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.

Statements contained in this announcement relating to the Koitelainen Exploration Target, are based on, and fairly represents, information and supporting documentation prepared by Mr. Chris Grove, who is a member of the Australian Institute of Mining & Metallurgy (AusIMM), Member No 310106. Mr Grove is a full-time employee of the mineral resource consulting company "Measured Group", who were contracted by Pursuit Minerals Limited to prepare an estimate of the Exploration Target at Koitelainen. Mr Grove 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 Grove consents to the use of this information in this announcement in the form and context in which it appears.

Forward Looking Statements

Disclaimer: Forward-looking statements are statements that are not historical facts. Words such as "expect(s)", "feel(s)", "believe(s)", "will", "may", "anticipate(s)" and similar expressions are intended to identify forward-looking statements. These statements include, but are not limited to statements regarding future production, resources or reserves and exploration results. All of such statements are subject to certain risks and uncertainties, many of which are difficult to predict and generally beyond the control of the Company, that could cause actual results to differ materially from those expressed in, or implied or projected by, the forward-looking information and statements. These risks and uncertainties include, but are not limited to: (i) those relating to the interpretation of drill results, the geology, grade and continuity of mineral deposits and conclusions of economic evaluations, (ii) risks relating to possible variations in reserves, grade, planned mining dilution and ore loss, or recovery rates and changes in project parameters as plans continue to be refined, (iii) the potential for delays in exploration or development activities or the completion of feasibility studies, (iv) risks related to commodity price and foreign exchange rate fluctuations, (v) risks related

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to failure to obtain adequate financing on a timely basis and on acceptable terms or delays in obtaining governmental approvals or in the completion of development or construction activities, and (vi) other risks and uncertainties related to the Company's prospects, properties and business strategy. Our audience is cautioned not to place undue reliance on these forward-looking statements that speak only as of the date hereof, and we do not undertake any obligation to revise and disseminate forward-looking statements to reflect events or circumstances after the date hereof, or to reflect the occurrence of or non-occurrence of any events.

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