

31 October 2018

Quarterly Activities Report – Three months to 30 September 2018

Overview

Pursuit Minerals has made excellent progress in the development of its exploration portfolio during the September quarter.

Exploration programs and reviews of historical drilling data conducted during the quarter have reinforced the prospectivity of the Company's recently acquired vanadium exploration tenements in Finland and Sweden and confirmed the presence of extensive zones of high-grade vanadium in magnetite mineralisation.

The encouraging results have been received as global vanadium prices reach new record levels of more than US\$33.6/lb (Vanadium Pentoxide Flake 98%), up from approximately US\$6/lb in November 2017 and now an all-time high.

Pursuit CEO Jeremy Read said he was pleased with the progress being achieved and excited by the excellent results emerging from the analysis of historical data.

"It is clear that we have assembled some highly prospective territory, with contemporary re-analysis of historical drilling data revealing extensive mineralisation at Koitelainen in Finland and at Airijoki in Sweden.

"We are in the fortunate position of having access to extensive previous drilling data to assist us in targeting our exploration efforts to identify a JORC resource, which significantly reduces our costs, speeds up our project progression and improves our chances of success.

"We have therefore been able to move forward rapidly with our projects, so that we now have a major exploration target in place at Koitelainen, and we're intending to start drilling at Airijoki in early November. We're looking forward to some exciting developments in the coming months," he said.

Highlights

Finland – Koitelainen Vosa Prospect

- A reassessment of historical drill hole assay data from the Koitelainen Vosa project showed that vanadium grades were significantly higher than previously estimated.
- The revised data indicates that high-grade vanadium mineralisation at the project extends over at least 1000m of strike, from south to north, is open in both directions and is directly associated with magnetic anomalies in excess of 3.5km in strike length.
- An in-situ Exploration Target was estimated as 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.
- The Target was estimated using data from 25 historical drill holes totalling 3,742m of drilling

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.

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- Re-sampling of historical drill core has been aimed at definition of an Inferred Mineral Resource in accordance with JORC (2012), prior to the end of 2018
- Following finalisation of the Inferred Mineral Resource, Pursuit intends to commence a Scoping Study, potentially to be followed by a Pre-Feasibility Study to develop a mining project

Finland – Ala Postojoki Project

- Pursuit has applied for an additional Mineral Reservation covering the Ala Postojoki vanadium project in northern Finland. The project contains confirmed vanadium mineralisation associated with a magnetic anomaly of 3.5km strike length. There are no competing Mineral Reservation applications.

Sweden – Airijoki Project

- Geochemical assaying of historical drill holes on the Airijoki Project delivered exceptional high-grade vanadium intersections, in magnetite concentrates, of substantial thickness.
- High-grade vanadium in magnetite concentrates were generated from historical drill holes K-AIR1 and K-AIR5.
- Drill hole K-AIR1 returned 178.3m @ 1.33% V_2O_5 from 9.0m, including 16.0m @ 2.03% V_2O_5 from 171.3m, in magnetite concentrate
- Drill hole K-AIR5 also delivered a highly encouraging vanadium in magnetite concentrate intersection of 10.0m @ 2.01% V_2O_5 from 77.15m
- A heli-magnetic survey was conducted which showed the magnetic anomaly associated with the high-grade vanadium mineralisation extended for 3.5km to the north-east of drill holes K-AIR1 and K-AIR5.
- During September, Pursuit completed an additional rock chip sampling program along the length of the magnetic anomaly confirming the vanadium mineralisation was extensive.
- A drill program is intended to commence in November 2018 and all required permits have been obtained from the County Administration Board.

Sweden - Kullberget

- At the Kullberget project in central Sweden, strong magnetic anomalies associated with outcropping vanadium bearing magnetite have been identified
- An east-west trending magnetic anomaly, 2km in strike length, has associated vanadium mineralisation in rock chip samples grading 0.12 – 0.30% V_2O_5
- A second large magnetic anomaly of 2.2km strike length has associated vanadium mineralisation in rock chip samples grading 0.14 – 0.28% V_2O_5
- Pursuit is preparing applications for drilling in the northern hemisphere winter field season, following drilling at Airijoki

Corporate

- The price for V_2O_5 (flake 98%) is currently US\$33.60/lb, an all-time high
- The Company appointed PAC Partners as its Corporate Broker in August, to provide strategic and financial advice as well as corporate and marketing.

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Pursuit Project Locations in Finland and Sweden



Finland Vanadium Projects

In April 2018, the Company announced that it had secured Mineral Reservations covering the Koitelainen and Karhujupukka Vanadium Projects in northern Finland. The mineral tenements covered open ground, enabling them to be secured in a very cost-effective manner.

The Koitelainen Project is comprised of two reservations covering 130km²:

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- Koitelainen UC, which contains a historical mineral resource estimate of 70Mt @ 0.4% V (0.7% V₂O₅), 14.4% Cr and 1.1g/t Platinum Group Elements¹;
- Koitelainen Vosa contains an in-situ Exploration Target estimated as 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.

The Karhujupukka Project covers 398km² and contains a historical mineral estimate of 5.2Mt @ 0.24% V (0.43% V₂O₅), 32% Fe, 6.2% Ti and 0.02% Co¹

The historical mineral estimates for the Koitelainen and Karhujupukka Projects are historical estimates and are not reported in accordance with the JORC Code. A Competent Person has not done sufficient work to classify the historical estimates as Mineral Resources in accordance with the JORC Code. It is uncertain that following evaluation and/or further valuation work that the historical estimates will be able to be reported as Mineral Resources in accordance with the JORC code.

Koitelainen Vosa Prospect

During the quarter, Pursuit completed an estimate of an exploration target at the Koitelainen Vosa project. The Target was estimated in accordance with JORC (2012), utilising data from 3742m of drilling from 25 historical drill holes.

The estimate was 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.

The formal identification of an exploration target follows an extensive review of historical data as well as recent exploration work conducted at the project.

A review of historical drill hole assay data found that an error in the recording of historical data had led to an underestimation of vanadium grades of magnetite concentrates from the prospect.

Reassessment of the historical data indicates vanadium values for the northern cross section range from 0.59-1.88% V₂O₅ in magnetite concentrate. These results follow the identification of exceptionally high-grade vanadium values for the southern cross section, ranging from 2.0-3.7% V₂O₅ in magnetite concentrate.

The revised data indicates that high-grade vanadium mineralisation at Koitelainen Vosa extends over at least 1000m of strike, from south to north, is open in both directions and is directly associated with magnetic anomalies in excess of 3.5km in strike length. High-grade vanadium mineralisation is not closed off to the north as previously suggested.

Pursuit has applied for an Exploration Licence to enable drilling to be conducted at the Koitelainen project. The application requires an environmental assessment to be carried out, which is expected to be finalised by the end of the March quarter of 2019.

¹See Pursuit Minerals ASX Announcement 12 April 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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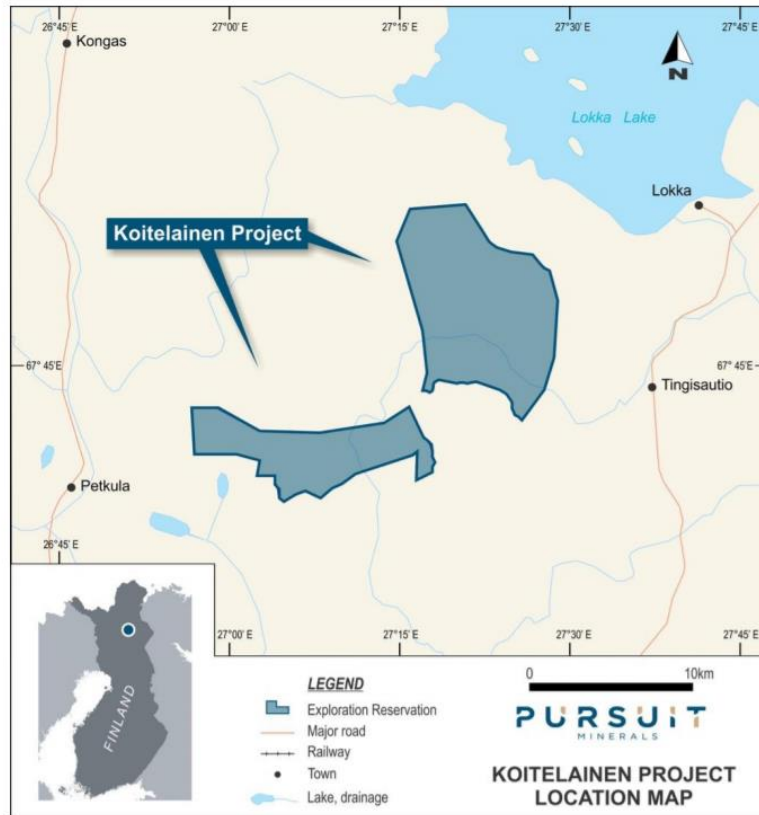
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Koitelainen Project Location



Ala Postojoki Project

Pursuit has applied for a Mineral Reservation covering the Ala Postojoki vanadium project in northern Finland. The project is close to the west of Pursuit's Koitelainen vanadium project. Pursuit was able to submit the Mineral Reservation over open ground and there were no competing applications.

The project contains confirmed vanadium mineralisation associated with a magnetic anomaly of 3.5km strike length. Only two holes have previously been drilled at the Ala Postojoki project, approximately 600m apart, suggesting there is significant potential to expand the known vanadium mineralisation.

Karhujupukka Project

The Karhujupukka Project is in north-western Finland, close to the Swedish border and the transport corridor which runs down the western Finland border. Vanadium mineralisation was discovered at Karhujupukka by the Geological Survey of Finland (GTK) in 1988, which led to GTK reporting an historical mineral resource estimate based on 30 drill holes (3453m). The strike length of the mineralisation is over 5km and remains open.

The initial focus at the Karhujupukka Project will be to restate the historical mineral resource estimate in accordance with JORC (2012) and to ascertain the size of the mineralisation.

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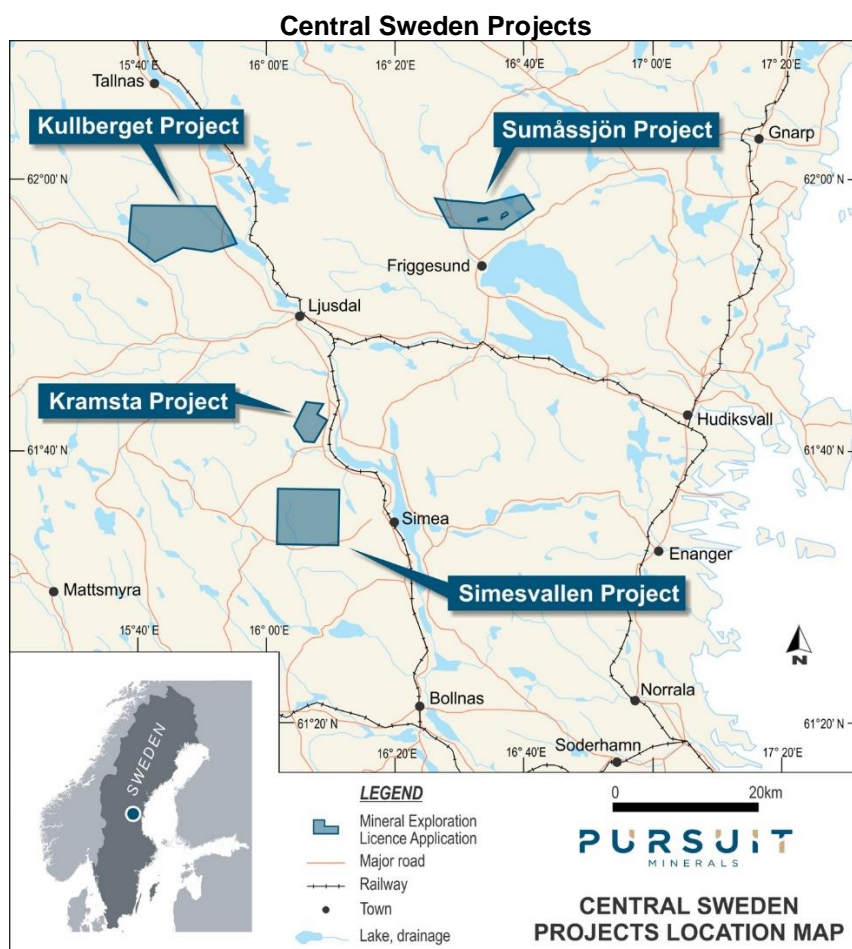
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Pursuit has applied for two Exploration Permits to enable a drilling program to be conducted in the coming winter field season. The Exploration Permits are currently being processed by the Finish government authority TUKES and Pursuit expect the Exploration Permits will be granted in November.

Drilling will focus on targets identified from an airborne electromagnetic survey conducted by the previous holder of the project area, including two walk-up, shallow Ni-Cu targets. Modelling of the airborne geophysical data has been completed and drill co-ordinates defined. Drilling will commence following the completion of the planned drilling programs at Airijoki and Kullberget in Sweden. It is anticipated that the two hole drill program at Karhujupukka will commence in January or February 2019.

Sweden Vanadium Projects

Pursuit has been granted Mineral Exploration Licences covering five project areas in Sweden: Sumåssjön, Kramsta, Simesvallen and Storåsen in Central Sweden and the Airijoki Project in northern Sweden. Mineral Exploration Licences allow the company to undertake exploration activities including geophysical surveys, mapping, sampling and drilling, subject to the relevant County Administration Boards approving work plans.



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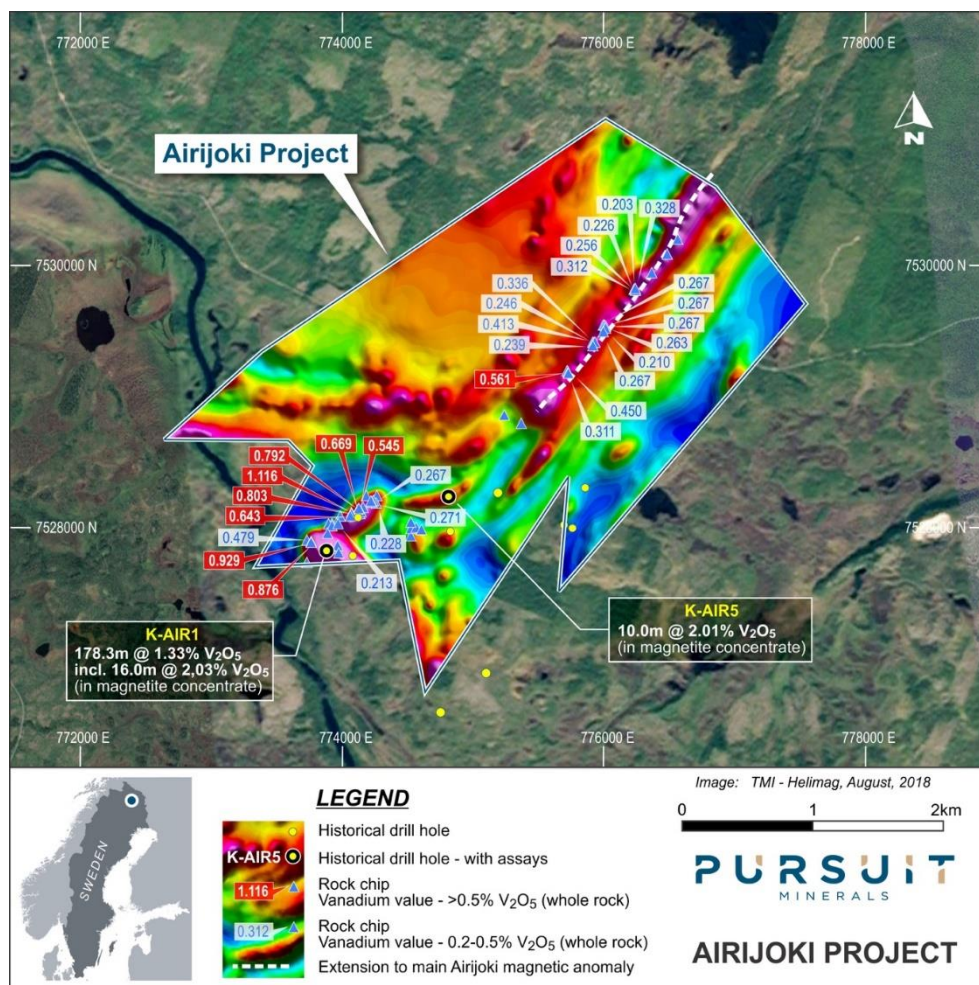
Airijoki.

Geochemical assaying of historical drill holes on the Airijoki Project in northern Sweden was completed in August, and delivered exceptional high-grade vanadium intersections. Analysis of drill hole K-AIR1 returned 178.3m @ 1.33% V_2O_5 from 9.0m, including 16.0m @ 2.03% V_2O_5 from 171.3m (in magnetite concentrate) and hole K-AIR5 also delivered an intersection of 10.0m @ 2.01% V_2O_5 from 77.15m (in magnetite concentrate)².

The mineralisation in these holes was hosted by a meta-dabase rock unit which generates a strong magnetic anomaly. During the September quarter Pursuit conducted a heli-magnetic survey which indicated that the anomaly extends for a further 3.5km to the north-east of drill holes K-AIR1 and K-AIR5.

²See Pursuit Minerals ASX Announcement 27 August 2018. The Company is not aware of any new information or data that materially affects the information contained in that announcement.

Airijoki Project Location



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Pursuit completed an additional rock chip sampling program along the length of the magnetic anomaly extending to the north-east from drill holes K-AIR1 and K-AIR5. A total of 59 rock chip samples were taken. Of these samples, 55 contained detectable levels of vanadium mineralisation. Whole rock vanadium contents of these 55 samples ranged from 0.01 – 0.56% V_2O_5 and averaged 0.17 % V_2O_5 .

A drilling program is intended to commence in early November, with the objective of completing enough drilling to define an Inferred Mineral Resource in accordance with JORC (2012).

Kullberget-Storåsen Project

The Kullberget - Storåsen magnetic anomaly is 6km long and is divided into a western section (Kullberget) and an eastern section (Storåsen). At Kullberget, outcropping vanadium mineralisation returned values of 20%Fe and 0.9% V_2O_5 in historical samples. At Storåsen, historical rock samples from a minor trial mine returned values of 12-20% Fe and 0.11-0.2% V_2O_5 .

A low level heli-magnetic survey and rock chip sampling program was conducted at the Kullberget project which identified two prominent, intense magnetic anomalies associated with outcropping vanadium mineralisation.

The program identified an east-west trending magnetic anomaly, 2km in strike length, with associated vanadium mineralisation in rock chip samples grading 0.12 – 0.30% V_2O_5 . A second large magnetic anomaly of 2.2km strike length, trending northeast-southwest, also was identified, with associated vanadium mineralisation in rock chip samples grading 0.14 – 0.28% V_2O_5 . The survey which located these large, high-amplitude magnetic anomalies provides a clear focus for further exploration³.

Sumåssjön Project

The Sumåssjön project area contains vanadium mineral occurrences and areas of historic mining activity. Seven drill holes have been previously drilled intersecting vanadium mineralisation over a strike length of 200m. Field work by Pursuit has not yet been conducted.

Kramsta Project

An historical Exploration Target of 10-12Mt @ 0.1-0.25% V, 3-5 % Ti and 15-25% Fe has been estimated at the Kramsta Project.

The historical Exploration Target reported for the Kramsta Project 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. Pursuit's initial objective at the Kramsta Project will be to estimate a Mineral Resource in accordance with JORC (2012) and to ascertain the size of the mineralisation. Field work by Pursuit has not yet commenced.

³See Pursuit Minerals ASX Announcement 2 October 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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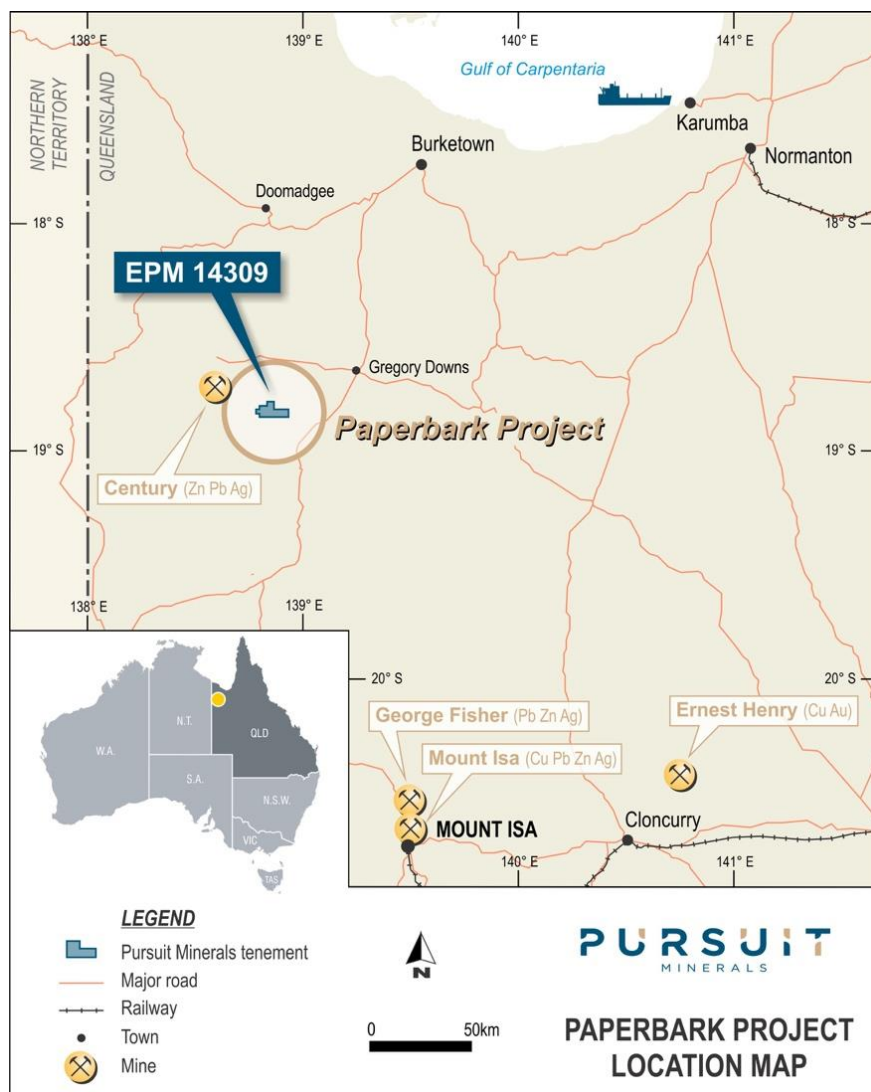
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Paperbark Project

The Paperbark Project is located approximately 215km north-northwest of Mount Isa and 25km south-east of the Century Mine in north-west Queensland. It occurs within the Lawn Hill Platform of the Western Succession of the Mt Isa Province.

The project consists of one exploration permit, EPM 14309, covering an area of approximately 70km². Exploration by previous companies focused on the JB Zone, where a Mineral Resource of 10.4Mt @ 2.7% Zn, 0.2% Pb, 1g/t Ag at 1.5% Zn cut-off grade and classified as Inferred in accordance with the JORC Code (2012) has been defined. Drilling conducted by Pursuit Minerals in 2017 and 2018 has focussed on understanding the potential to expand the existing Mineral Resource at the JB Zone, the potential of the newly discovered zinc system at the JE Zone and determining the probability that the JB and JE Zones are part of one large zinc system.

Paperbark Project Location



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A five hole diamond drilling campaign was completed at Paperbark during the June quarter, for a total of 1,377m. This takes the total number of holes drilled by Pursuit Minerals at the Project to nine.

Results suggest that the JB and JE Zones may form part of one larger mineral system. Consequently, the potential to extend the JB Zone Mineral Resource is significant.

One of the four holes, drill hole PB07-18, intersected a 91m down hole interval of zinc and lead mineralisation from 122m, with zinc+lead values up to 5.05% recorded. The hole is 90m south-east of the current eastern limit of the JB Mineral Resource.

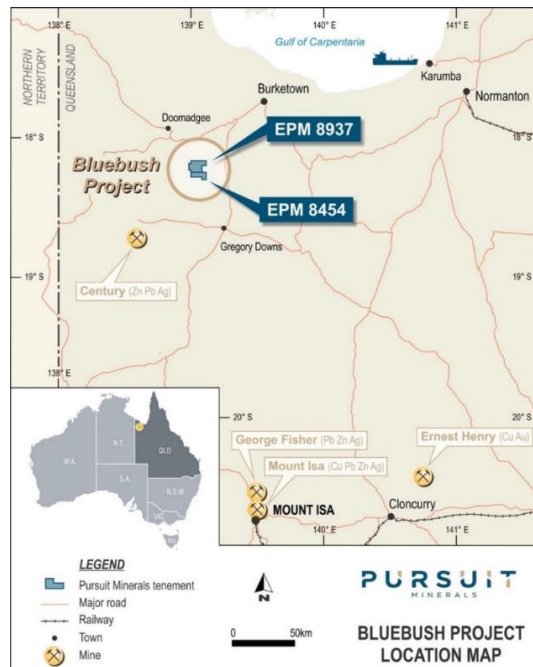
For full results from the drilling campaign, please refer to the following ASX releases:

- July 18, 2018. *Drilling Significantly Extends JB Zone Zinc-Lead Mineralisation on the Paperbark Project*
- June 12, 2018. *JE Zone on the Paperbark Project Confirmed as a Major New Area of Zinc-Lead Mineralisation*
- June 4, 2018. *Follow Up Drilling Highlights Potential to Further Extend the JB Zone Zinc Mineral Resource on the Paperbark Project*

Bluebush Project

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.

Bluebush Project Location



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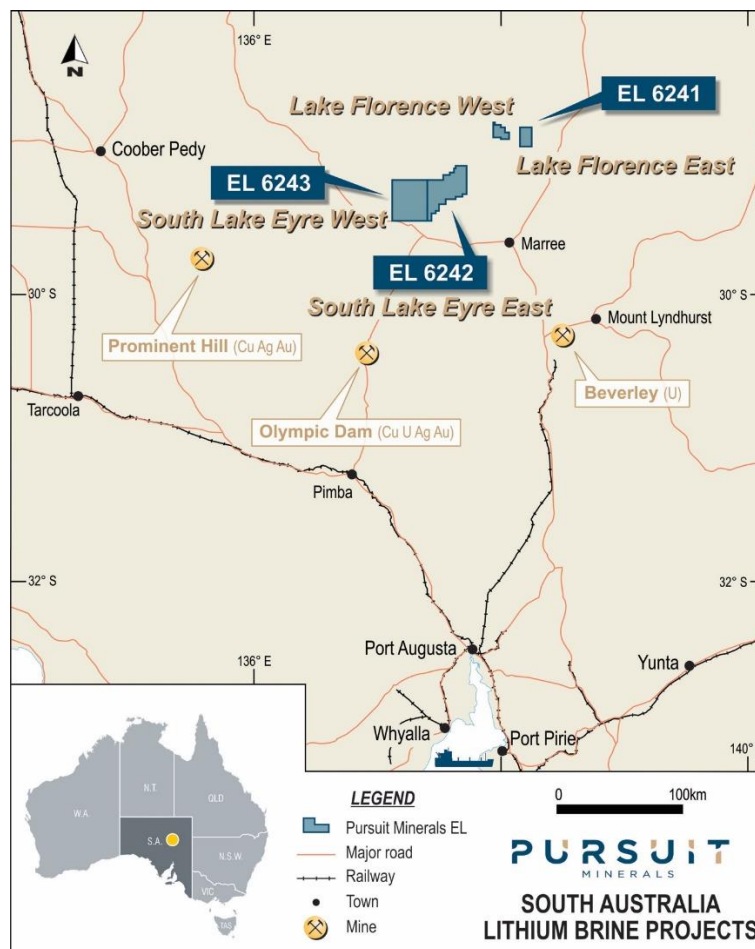
The project consists of two exploration permits (EPM's 8454 and 8937) covering an area of approximately 214km². Previous drilling has intersected zinc mineralisation over an area of 120km² making Bluebush one of the largest areas of zinc mineralisation in Australia.

A drill program of four holes for 1669m was completed in the September quarter. Drilling intersected broad intervals of zinc-lead sulphide mineralisation. For full results, see ASX announcement of Sept 25 entitled "49-89m thick Zinc-Lead mineralised intersections at Bluebush."

South Australia Lithium Brine Projects

On 6th September the Company was granted three Exploration Licences, covering a combined area of 1831km², in central and northern South Australia. The exploration targets are brines enriched in lithium associated with the large salt lakes in this region of South Australia. Pursuit will undertake a review of all available data relating to the chemistry of brines from bores within the area of the Exploration Licences, which will then determine if follow up sampling and data collection is warranted.

South Australian Lithium Brine Project Locations



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Coober Pedy Project

No exploration activity was undertaken on the Coober Pedy Project during the quarter.

Corporate

As at September 2018, Pursuit had cash reserves of \$457,000. On 30 October 2018 the Company requested that its securities be placed in a trading halt pending an announcement in relation to a capital raising.

Tenement Listing

As at 30 September 2018, the Company had an ownership interest in the following tenements.

Table 1 – Tenement listing at 30 September 2018

Project	Tenement	Location	Area (km ²)	Expiry Date
Paperbark	EPM 14309	Queensland	75	12/9/22
Bluebush	EPM 8937	Queensland	144	6/9/19
Bluebush	EPM 8454	Queensland	70	11/11/19
Coober Pedy	EL 5982	South Australia	215	23/5/19
Coober Pedy	EL 5983	South Australia	209	23/5/19
Karhujupukka	Karhujupukka	Finland	399	29/3/20
Koitelainen	Koitelainen A	Finland	44	29/3/20
Koitelainen	Koitelainen B	Finland	86	29/3/20
Simesvallen	Simesvallen nr 100	Sweden	63	20/6/21
Kullberget	Kullberget nr 100	Sweden	81	20/6/21
Kramsta	Kramsta nr 100	Sweden	16	20/6/21
Sumåsjön	Sumåsjön nr 1	Sweden	37	21/6/21
Sumåsjön	Sumåsjön nr 2	Sweden	5	21/6/21
Airijoki	Airijoki nr 100	Sweden	4	27/6/21
SA Lithium	EL6241	South Australia	255	6/9/2020
SA Lithium	EL6242	South Australia	712	6/9/2020
SA Lithium	EL6243	South Australia	864	6/9/2020

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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 in minerals transactions, Pursuit understands how to generate and capture the full value of 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 placed 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 positioned to participate in the energy revolution underway.

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

www.pursuitminerals.com.au.

– ENDS –

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Competent person's statement

Statements contained in this announcement relating to historical exploration results, historical estimates of mineralisation and Exploration targets 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 estimates for the Karhujupukka and Koitelainen magnetite-ilmenite-vanadium mineralisation, are historical estimates and are 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 estimates for the Karhujupukka and 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 estimates will be able to be reported as a Mineral Resources 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 style 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.

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.

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Appendix 5B

Mining exploration entity and oil and gas exploration entity quarterly report

Introduced 01/07/96 Origin Appendix 8 Amended 01/07/97, 01/07/98, 30/09/01, 01/06/10, 17/12/10, 01/05/13, 01/09/16

Name of entity

PURSUIT MINERALS LIMITED

ABN

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Quarter ended ("current quarter")

30 September 2018

Consolidated statement of cash flows	Current quarter \$A'000	Year to date (3 months) \$A'000
1. Cash flows from operating activities		
1.1 Receipts from customers		
1.2 Payments for		
(a) exploration & evaluation	(1,721)	(1,721)
(b) development	-	-
(c) production	-	-
(d) staff costs	(124)	(124)
(e) administration and corporate costs	(296)	(296)
1.3 Dividends received (see note 3)	-	-
1.4 Interest received	-	-
1.5 Interest and other costs of finance paid	(3)	(3)
1.6 Income taxes paid	-	-
1.7 Research and development refunds	-	-
1.8 Other	-	-
1.9 Net cash from / (used in) operating activities	(2,144)	(2,144)
2. Cash flows from investing activities		
2.1 Payments to acquire:		
(a) property, plant and equipment	-	-
(b) tenements (see item 10)	(23)	(23)

Appendix 5B

Mining exploration entity and oil and gas exploration entity quarterly report

Introduced 01/07/96 Origin Appendix 8 Amended 01/07/97, 01/07/98, 30/09/01, 01/06/10, 17/12/10, 01/05/13, 01/09/16

Consolidated statement of cash flows		Current quarter \$A'000	Year to date (3 months) \$A'000
	(c) investments	-	-
	(d) other non-current assets	-	-
2.2	Proceeds from the disposal of:		
	(a) property, plant and equipment	-	-
	(b) tenements (see item 10)	-	-
	(c) investments	-	-
	(d) other non-current assets	-	-
2.3	Cash flows 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	(23)	(23)

3.	Cash flows from financing activities		
3.1	Proceeds from issues of shares	-	-
3.2	Proceeds from issue of convertible notes	-	-
3.3	Proceeds from exercise of share options	-	-
3.4	Transaction costs related to issues of shares, convertible notes or options	-	-
3.5	Proceeds from borrowings	-	-
3.6	Repayment of borrowings	-	-
3.7	Transaction costs related to loans and borrowings	-	-
3.8	Dividends paid	-	-
3.9	Other (provide details if material)	-	-
3.10	Net cash from / (used in) financing activities	-	-

Appendix 5B

Mining exploration entity and oil and gas exploration entity quarterly report

Introduced 01/07/96 Origin Appendix 8 Amended 01/07/97, 01/07/98, 30/09/01, 01/06/10, 17/12/10, 01/05/13, 01/09/16

Consolidated statement of cash flows		Current quarter \$A'000	Year to date (3 months) \$A'000
4.	Net increase / (decrease) in cash and cash equivalents for the period		
4.1	Cash and cash equivalents at beginning of period	2,624	2,624
4.2	Net cash from / (used in) operating activities (item 1.9 above)	(2,144)	(2,144)
4.3	Net cash from / (used in) investing activities (item 2.6 above)	(23)	(23)
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	457	457

5.	Reconciliation of cash and cash equivalents at the end of the quarter (as shown in the consolidated statement of cash flows) to the related items in the accounts	Current quarter \$A'000	Previous quarter \$A'000
5.1	Bank balances	457	457
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)	457	457

Appendix 5B

Mining exploration entity and oil and gas exploration entity quarterly report

Introduced 01/07/96 Origin Appendix 8 Amended 01/07/97, 01/07/98, 30/09/01, 01/06/10, 17/12/10, 01/05/13, 01/09/16

6.	Payments to directors of the entity and their associates	Current quarter \$A'000
6.1	Aggregate amount of payments to these parties included in item 1.2	134
6.2	Aggregate amount of cash flow from loans to these parties included in item 2.3	Nil

6.3 Include below any explanation necessary to understand the transactions included in items 6.1 and 6.2

Amounts totalling \$106 thousand were paid to Directors during the quarter as payment for Directors fees and salaries.

In addition to the amounts noted above, the following amounts were paid during the quarter to entities associated with Directors:

- Amounts totalling \$28 thousand were paid to Steinepreis Paganin for legal services. Peter Wall, the Non-Executive Chairman of the Company is a partner of Steinepreis Paganin.

7. Payments to related entities of the entity and their associates

7.1 Aggregate amount of payments to these parties included in item 1.2

7.2 Aggregate amount of cash flow from loans to these parties included in item 2.3

7.3 Include below any explanation necessary to understand the transactions included in items 7.1 and 7.2

Current quarter
\$A'000

Nil

Nil

N/a

Appendix 5B

Mining exploration entity and oil and gas exploration entity quarterly report

Introduced 01/07/96 Origin Appendix 8 Amended 01/07/97, 01/07/98, 30/09/01, 01/06/10, 17/12/10, 01/05/13, 01/09/16

8.	Financing facilities available <i>Add notes as necessary for an understanding of the position</i>	Total facility amount at quarter end \$A'000	Amount drawn at quarter end \$A'000
8.1	Loan facilities	-	-
8.2	Credit standby arrangements	-	-
8.3	Other (please specify)	-	-
8.4	Include below a description of each facility above, including the lender, interest rate and whether it is secured or unsecured. If any additional facilities have been entered into or are proposed to be entered into after quarter end, include details of those facilities as well.		

N/a		
9.	Estimated cash outflows for next quarter ^{##}	\$A'000
9.1	Exploration and evaluation	100
9.2	Development	-
9.3	Production	-
9.4	Staff costs	125
9.5	Administration and corporate costs	180
9.6	Other (provide details if material)	-
9.7	Total estimated cash outflows	405

^{##} On 30 October 2018 the Company requested that its securities be placed in a trading halt pending an announcement in relation to a capital raising. The estimated cash outflows for the next quarter do not take into consideration the use of any funds that may be received pursuant to the capital raising.

Appendix 5B

Mining exploration entity and oil and gas exploration entity quarterly report

Introduced 01/07/96 Origin Appendix 8 Amended 01/07/97, 01/07/98, 30/09/01, 01/06/10, 17/12/10, 01/05/13, 01/09/16

10.	Changes in tenements (items 2.1(b) and 2.2(b) above)	Tenement reference and location	Nature of interest	Interest at beginning of quarter	Interest at end of quarter
10.1	Interests in mining tenements and petroleum tenements lapsed, relinquished or reduced	N/a			
10.2	Interests in mining tenements and petroleum tenements acquired or increased	South Australian Lithium Projects EL6241 EL6242 EL6243	Direct ownership	NIL	100%

Compliance statement

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



Sign here:

Date: 31 October 2018

Company Secretary

Print name: Stephen Kelly

Notes

1. The quarterly report provides a basis for informing the market how the entity's activities have been financed for the past quarter and the effect on its cash position. An entity that wishes to disclose additional information is encouraged to do so, in a note or notes included in or attached to this report.
2. If this quarterly 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 report

Appendix 5B

Mining exploration entity and oil and gas exploration entity quarterly report

Introduced 01/07/96 Origin Appendix 8 Amended 01/07/97, 01/07/98, 30/09/01, 01/06/10, 17/12/10, 01/05/13, 01/09/16

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.

3. 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.