

30 April 2019

## Quarterly Activities Report – Three months to 31 March 2019

### Overview

Pursuit Minerals made excellent progress during the March Quarter 2019 with the development of its key Scandinavian vanadium projects.

A highlight of the period was definition of maiden Inferred Mineral Resources at both the Koitelainen Vosa Prospect in Finland and at the Airijoki Project in Sweden, providing the foundation for the company to proceed with Scoping Studies for each project.

The Scoping Studies are now well advanced and have benefited from recent metallurgical test work which generated major improvements in magnetite mass recoveries and overall vanadium recoveries, through simple adjustments to processing parameters.

Pursuit Managing Director Jeremy Read said he was delighted with the rapid progress the Company was making with the development of its projects.

“The Company is clearly emerging as a potentially significant vanadium producer, with large, high grade projects situated in highly desirable jurisdictions, close to infrastructure and services.

“Outcomes from our Scoping Studies will be released imminently, and will determine whether we proceed with feasibility studies, and what form of feasibility studies, as the next step in the Company’s evolution.

“We have delivered on the milestones we promised the market in accordance with our announced timetable and we are reinforcing our reputation as a Company that achieves results. We are continuing to receive solid support from our investors and look forward to producing further good news in the coming weeks,” he said.

### Highlights

#### Finland – Koitelainen Vosa Prospect

1. An Inferred Mineral Resources was defined at the Koitelainen Vosa Prospect in February and classified in accordance with JORC (2012)
2. The Resource is defined as 116.4Mt, containing 5.8 million tonnes of magnetite @ 2.3% V<sub>2</sub>O<sub>5</sub> (in magnetite concentrate), for 131,000 tonnes of V<sub>2</sub>O<sub>5</sub> based on 5.0% mass recovery of magnetite concentrate<sup>1</sup>
3. Only the Maracas vanadium mine in Brazil produces a higher-grade vanadium magnetite concentrate than Koitelainen Vosa

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4. The vanadium mineralisation at Koitelainen Vosa is open to the north, south and east
5. Metallurgical test work undertaken since the release of the Inferred Mineral Resource in February 2019, has achieved significant increases in mass recoveries and overall vanadium recoveries which may lead to significantly improved project economics
6. A Scoping Study is currently being finalised for release within the current quarter

#### **Sweden – Airijoki Project**

1. An Inferred Mineral Resource was defined at the Airijoki Project in March and classified in accordance with JORC (2012)
2. The Resource is defined as 44.3 million tonnes, containing 5.9 million tonnes of magnetite @ 1.7% V<sub>2</sub>O<sub>5</sub> (in magnetite concentrate), for 100,800 tonnes of V<sub>2</sub>O<sub>5</sub> based on 13.3% mass recovery of magnetite concentrate<sup>2</sup>
3. Metallurgical test work undertaken since the release of the Inferred Mineral Resource in March 2019, has achieved significant increases in mass recoveries and overall vanadium recoveries which may lead to significantly improved project economics.
4. A Scoping Study is being finalised for release within the current quarter

#### **Corporate**

1. \$1.68 million capital raising (before costs) completed in February
2. As at 31 March 2019, Pursuit had cash reserves of \$1.38 million

<sup>1</sup>See Pursuit Minerals ASX Announcement 6 February 2019.

<sup>2</sup>See Pursuit Minerals ASX Announcement 8 March 2019.

*The Company is not aware of any new information or data that materially affects the information included in the referenced ASX announcements and confirms that all material assumptions and technical parameters underpinning the estimates in the relevant market announcements continue to apply and have not materially changed.*

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## Pursuit Project Locations in Finland and Sweden



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## Finland Vanadium Projects

Pursuit holds extensive Mineral Reservations covering the Koitelainen and Karhujupukka Vanadium Projects in northern Finland.

The Koitelainen Project is comprised of two reservations - Koitelainen UC and Koitelainen Vosa - covering 130km<sup>2</sup>. The Karhujupukka Project reservation covers 398km<sup>2</sup>, within which are two granted Exploration Licences covering 6.5km<sup>2</sup>.

### Koitelainen Vosa Prospect

A major step forward in the development of the Koitelainen Project was achieved in February with the declaration of an Inferred Mineral Resource totalling 116.4Mt, containing 5.8 million tonnes of magnetite @ 2.3% V<sub>2</sub>O<sub>5</sub> (in magnetite concentrate), for 131,000 tonnes of V<sub>2</sub>O<sub>5</sub> based on 5.0% mass recovery of magnetite concentrate and a cut-off of 0.5% V. The Resource was estimated in accordance with JORC (2012), utilising data from 3,784m of drilling from 27 historical drill holes, of which 16 drill holes had been re-analysed by Pursuit.

The Resource result was at the upper end of the tonnage range in the project's prior Exploration Target, and the vanadium magnetite concentrate grade, at 2.3% V<sub>2</sub>O<sub>5</sub>, also was at the upper end of the grade range.

As far as Pursuit is able to ascertain the vanadium magnetite concentrate produced from the Koitelainen Vosa Prospect is the second highest globally, with only the Maracas Mine in Brazil producing a higher-grade vanadium magnetite concentrate.

The Resource consists of four zones of mineralisation (Zones A to D). The largest block of mineralisation, which also produces the highest-grade magnetite concentrates at 2.5% V<sub>2</sub>O<sub>5</sub> is D Zone, which is open to the north, south and east, at shallow depth. Due to D Zone being the largest and most coherent block of vanadium mineralisation, Pursuit plans to focus the next phase of work on D Zone.

Pursuit is anticipating being able to drill D Zone and its extents during the winter field season of 2019-2020, subject to receiving a granted Exploration Licence within Pursuit's existing Mineral Reservations, and government environmental approvals.

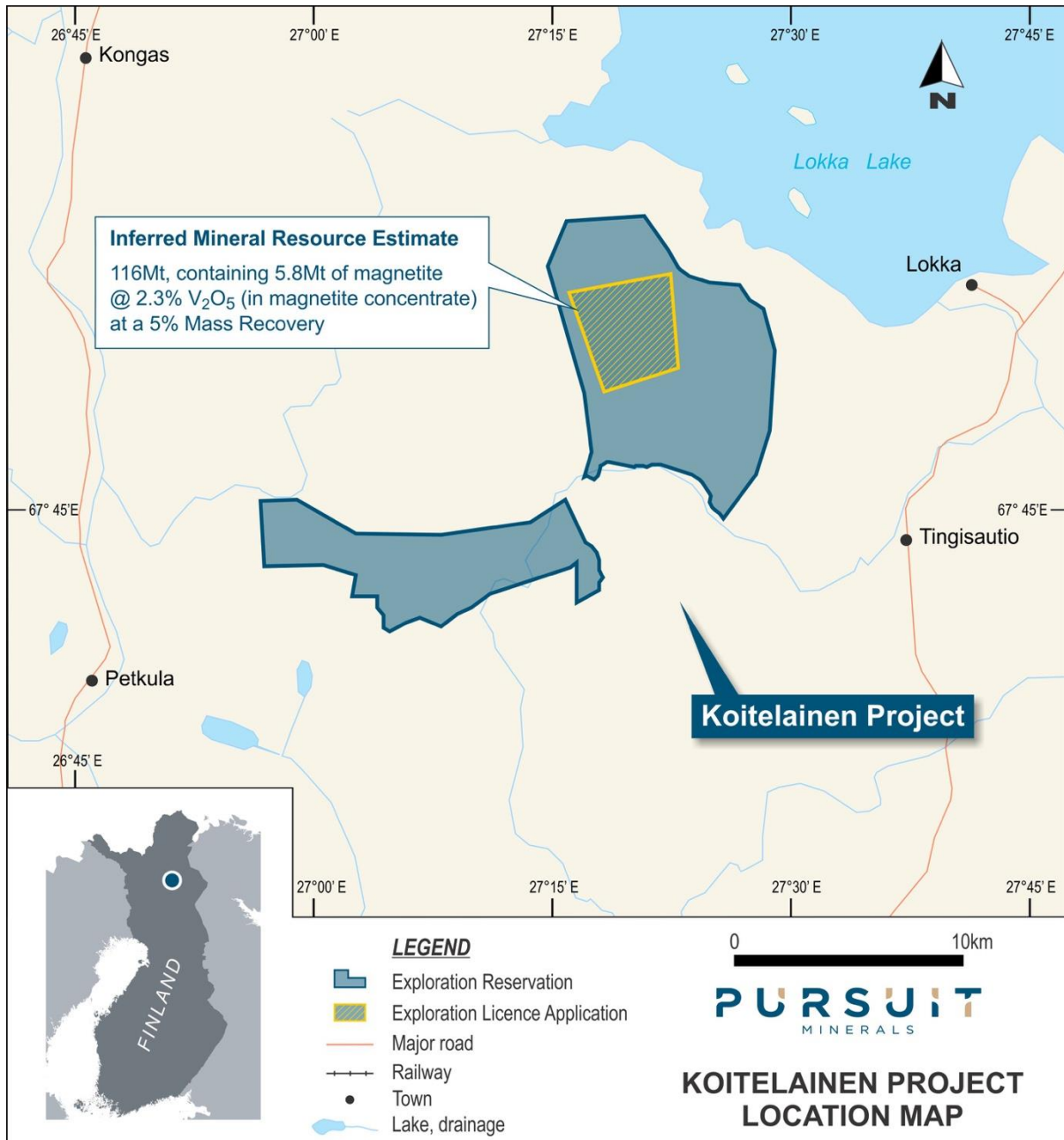
### Scoping Study

Pursuit has commenced a Scoping Study of the Koitelainen Vosa Prospect and the new Inferred Mineral Resource for Koitelainen Vosa is the key input into the Scoping Study.

In addition, metallurgical test work undertaken since the definition of the initial Inferred Mineral Resource has delivered substantial increases to the mass recovery and overall recovery of vanadium into vanadium magnetite concentrates at Koitelainen, which suggest the economics of the projects can be significantly enhanced through minor adjustments to processing parameters.<sup>3</sup>

<sup>3</sup>See Pursuit Minerals ASX Announcement 9 April 2019. The Company is not aware of any new information or data that materially affects the information contained in that announcement.

## Koitelainen Project Location



The increased recoveries were achieved by a simple increase in crushing size to 355 microns, compared to the original finer crush of 106 microns.

For the three holes tested from the Koitelainen Project, the average mass recovery was increased by 66%, from 5.3% to 8.8%.

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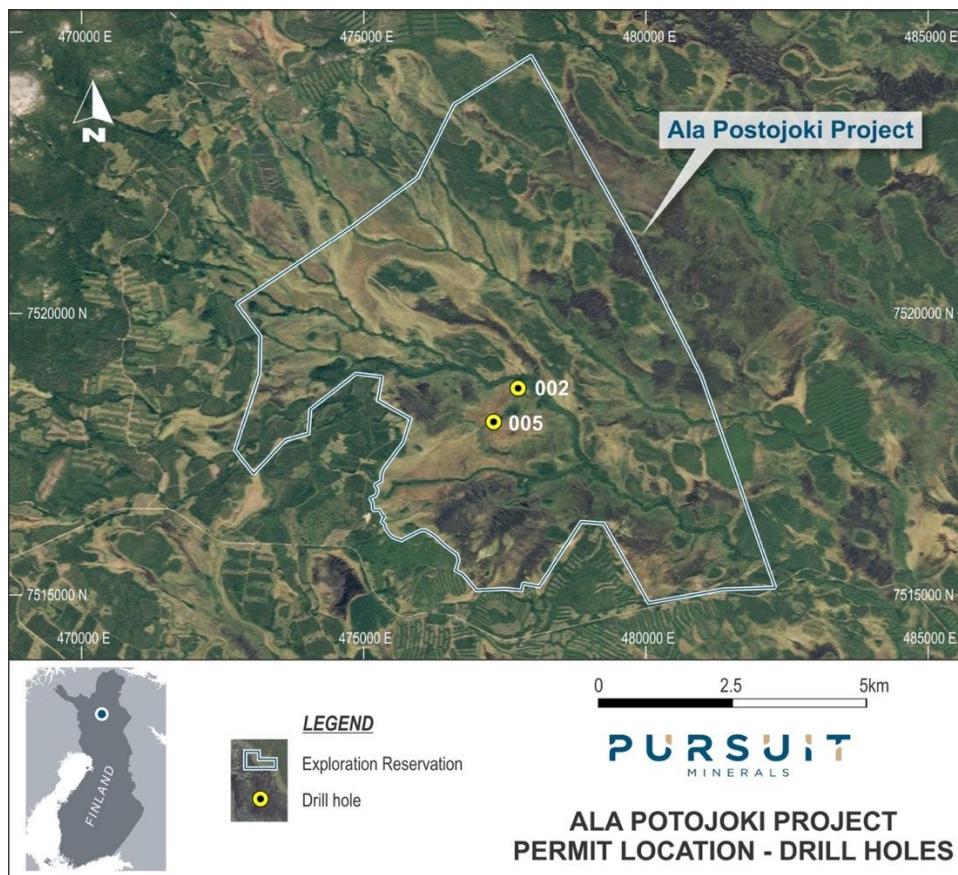
The test work is continuing, with results to be incorporated into the Scoping Study which is due for completion imminently.

## Ala Postojoki Project

Pursuit has been granted a Mineral Reservation covering the Ala Postojoki vanadium project in northern Finland. The Reservation covers an area of 50km<sup>2</sup>. The project is close to the west of Pursuit's Koitelainen vanadium project. The project contains confirmed vanadium mineralisation associated with a magnetic anomaly 3.5km in 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.

Pursuit re-analysed historical drill hole POS-R002 in order to confirm the vanadium mineralisation and obtain modern geochemical assays from the project. Drill hole POS-R002 returned 6.7m @ 0.7% V<sub>2</sub>O<sub>5</sub> (whole rock), 0.9% V<sub>2</sub>O<sub>5</sub> (magnetite concentrate), at a 65% mass recovery from 12.30, down hole depth. Pursuit will now determine whether to submit an Exploration Licence application to cover both historical holes on the project.

### Ala Postojoki Project Historical Drill Hole Locations



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## 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 Karhujupukka Project covers 398km<sup>2</sup> and contains a historical mineral resource estimate of 5.2Mt @ 0.24% V (0.43% V<sub>2</sub>O<sub>5</sub>), 32% Fe, 6.2% Ti and 0.02% Co<sup>4</sup>.

*<sup>4</sup>The historical mineral estimate for the Karhujupukka Project is an historical estimate and is not reported in accordance with the JORC Code. A Competent Person has not done sufficient work to classify the historical estimate as Mineral Resources in accordance with the JORC Code. It is uncertain that following evaluation and/or further valuation work that the historical estimate will be able to be reported as Mineral Resources in accordance with the JORC code.*

Pursuit has been granted two exploration licences within the area of Pursuit's Karhujupukka Reservation covering a total of approximately 6.5km<sup>2</sup>.

Pursuit completed a two-hole drill program at Karhujupukka South in February for 277.2m. Drill hole KAR-19001 tested target 2-L1340 and was drilled to a depth of 144.7m. Drill hole KAR-19002 tested target 2-L1330 and was drilled to a depth of 132.5m. Both targets related to a +350m long electromagnetic conductor which was interpreted to be potentially due to nickel-copper sulphide mineralisation.

Anomalous geochemistry was not returned from either hole KAR-19001 or KAR-19002. In addition, a source for the electromagnetic conductor was not intersected by either drill hole and therefore the nickel-copper target remains unexplained. Pursuit is considering whether it will undertake ground electromagnetic surveys to more accurately define the target zone, which would then be followed up with one further drill hole.

## Sweden Vanadium Projects

Pursuit holds the Airijoki Project in northern Sweden, made up of four Exploration Licences covering a total 32km<sup>2</sup>. The Company also holds exploration licences covering four project areas in central Sweden (Sumåssjön, Kramsta, Simesvallen and Storåsen). 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.

### Airijoki Project

An Inferred Mineral Resource was defined at Airijoki in March. The Resource totals 44.3 million tonnes, containing 5.9 million tonnes of magnetite @ 1.7% V<sub>2</sub>O<sub>5</sub> (in magnetite concentrate), for 100,800 tonnes of V<sub>2</sub>O<sub>5</sub> based on 13.3% mass recovery of magnetite concentrate and a cut-off of 0.7% V. The Resource was estimated in accordance with JORC (2012) using data from 3,226m of drilling from 20 drill holes.

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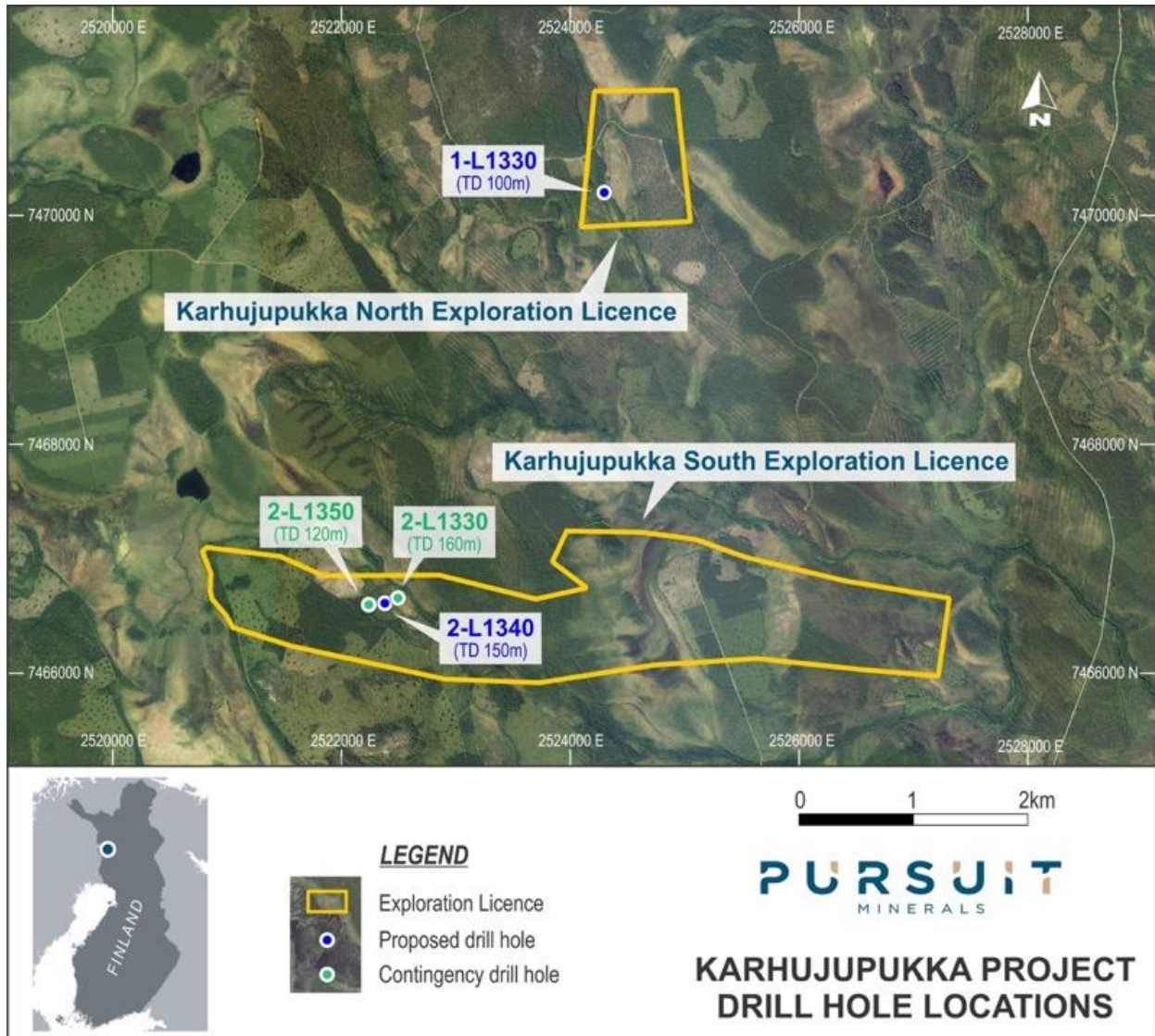
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Of these, 18 were completed by Pursuit in November and December 2018, and two were historical drill holes.

## Karhujupukka Project Drill Hole Locations



The Southwest Magnetic zone of the Airijoki Mineral Resource is the thickest and highest-grade area of vanadium mineralisation, totalling 22.3Mt containing 3.2 million tonnes of magnetite @ 1.9% V<sub>2</sub>O<sub>5</sub> (in magnetite concentrate), for 83,300 tonnes of V<sub>2</sub>O<sub>5</sub> based on 14.5% mass recovery of magnetite concentrate.

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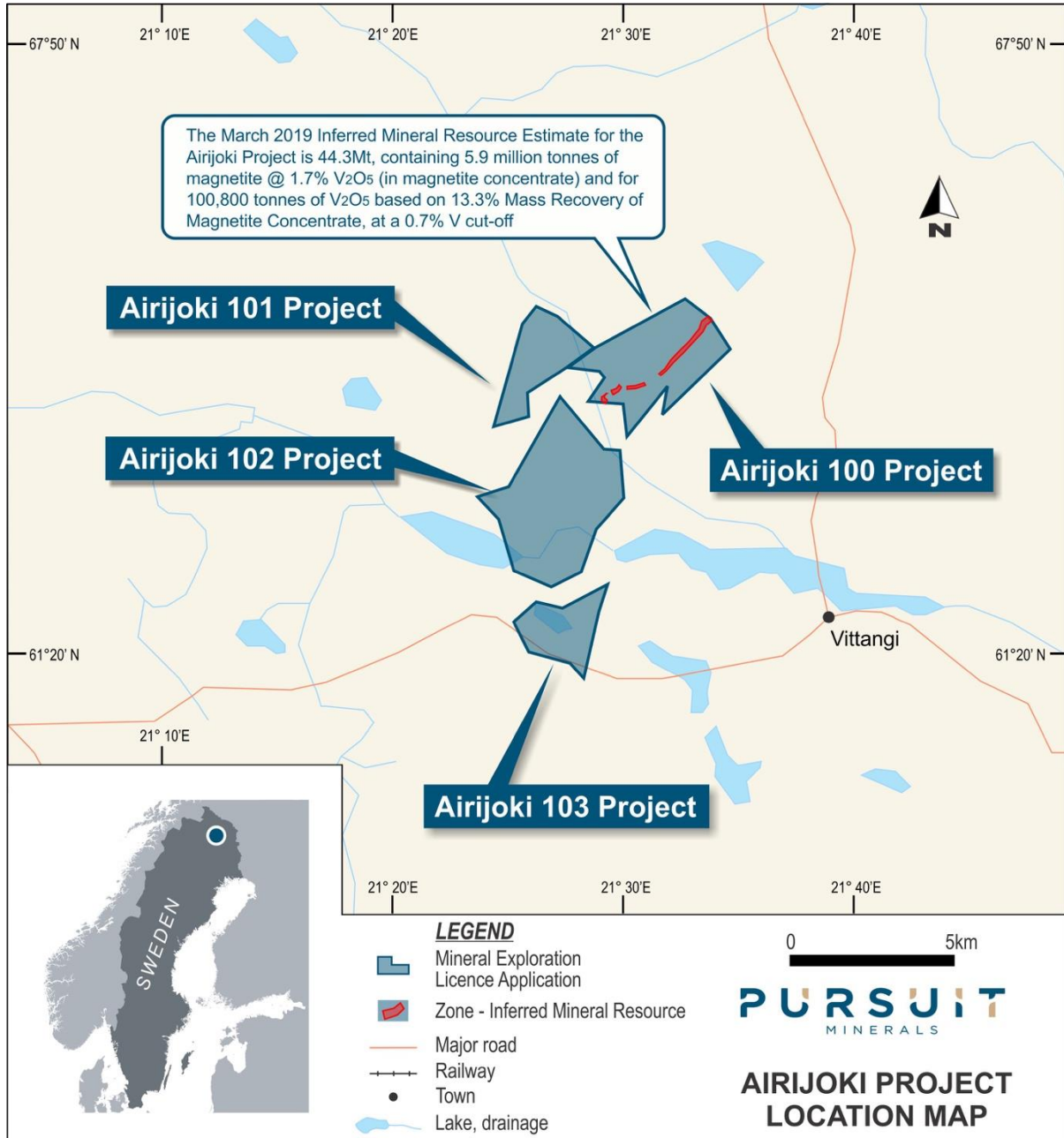
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## Airijoki Project Location



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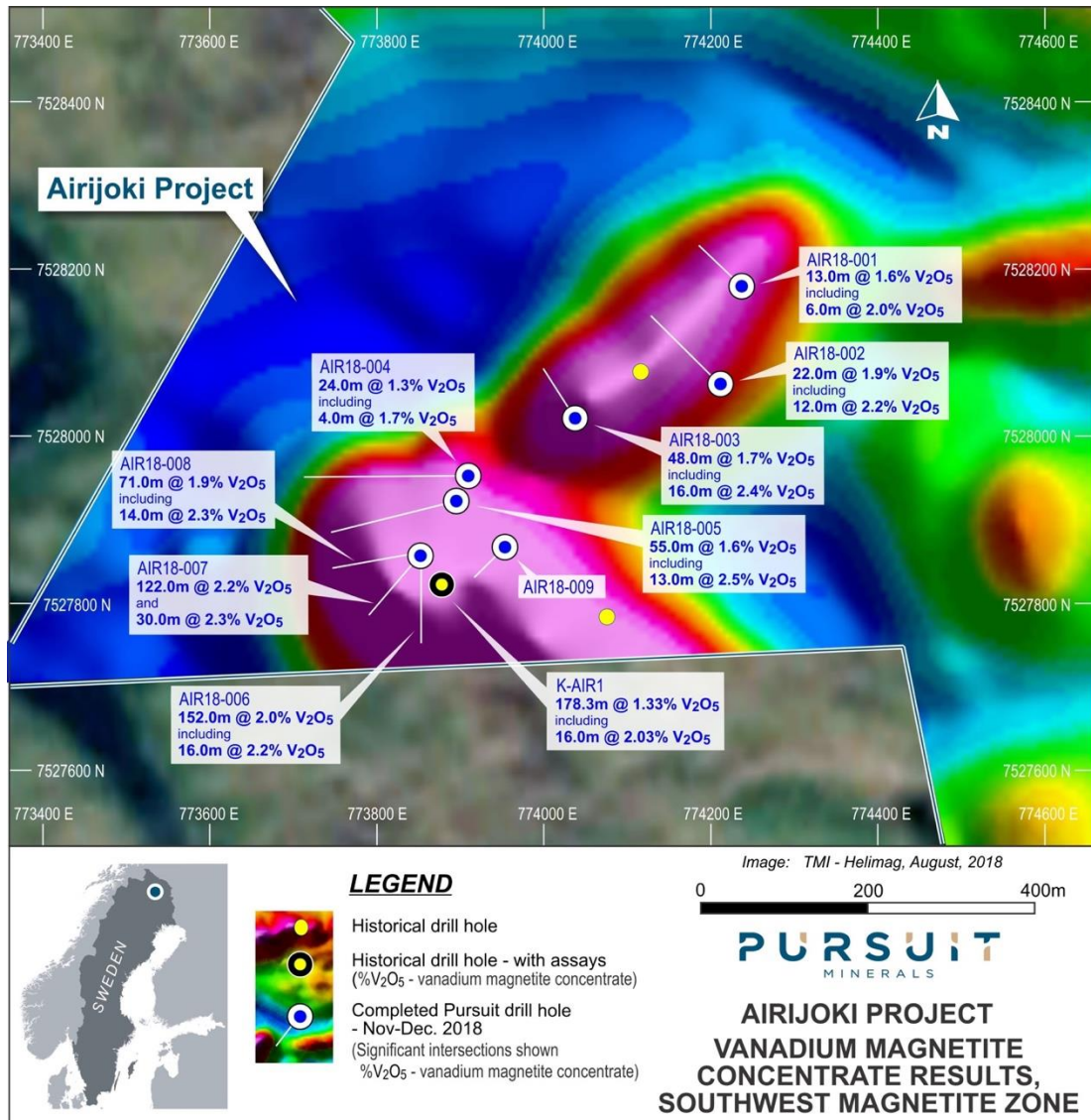
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## Airijoki Project Southwest Magnetic Zone



### Airijoki Scoping Study

The declaration of the Inferred Resource has enabled a Scoping Study to be conducted to ascertain the potential economics of the project.

As was the case with the Koitelainen project in Finland, metallurgical test work conducted on the vanadium mineralisation, following the release of the initial Inferred Mineral Resource from Airijoki,

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delivered substantial increases to the mass recovery and overall recovery of vanadium into vanadium magnetite concentrates.

The increased recoveries were achieved by increasing crushing size to 355 microns, compared to the original finer crush of 106 microns.

For the three holes tested from the Airijoki Project, the average mass recovery increased by 38% from 13.3% to 18.3%. If similar increases are achieved across a broader range of drill holes from the project, then this will have a significant positive effect on the potential project economics, upgrading the Inferred Mineral Resource at Airijoki by substantially increasing the amount of vanadium bearing magnetic minerals able to be recovered.

The test work is ongoing with the results to be incorporated into the Scoping Study which is close to being finalised.

### **Kullberget-Storassen Project**

The Kullberget - Storassen magnetic anomaly is 6km long and is divided into a western section (Kullberget) and an eastern section (Storassen). At Kullberget, outcropping vanadium mineralisation returned values of 20%Fe and 0.9% V<sub>2</sub>O<sub>5</sub> in historical samples. At Storassen, historical rock samples from a minor trial mine returned values of 12-20% Fe and 0.11-0.2% V<sub>2</sub>O<sub>5</sub>.<sup>5</sup>

A low level heli-magnetic survey and rock chip sampling program was conducted at the Kullberget project during the September 2018 quarter which identified two prominent, intense magnetic anomalies associated with outcropping vanadium mineralisation.<sup>6</sup>

No work was conducted at the project in the March quarter.

<sup>5</sup>See Pursuit Minerals ASX Announcement dated 3 September 2018.

<sup>6</sup>See Pursuit Minerals ASX Announcement dated 2 October 2018.

*The Company is not aware of any new information or data that materially affects the information contained in the referenced announcements.*

### **Simesvallen Project**

The Simesvallen project covers an approximately 15km long magnetic unit. In the early 1980s, a minor part of the northern structure at Simesvallen was investigated with reconnaissance drilling along 560m of strike and to a depth of 50m. Re-sampling of historical drill holes has confirmed that the vanadium mineralisation hosted in the magnetite gabbro at Simesvallen produces high-grade magnetite concentrates. The vanadium mineralisation occurs at shallow depth and geochemical results from the historical trial mining confirms that the mineralisation crops out at the surface.<sup>7</sup>

No work was conducted at Simesvallen during the March quarter.

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<sup>7</sup>See Pursuit Minerals ASX Announcement dated 29 October 2018.

*The Company is not aware of any new information or data that materially affects the information contained in the referenced announcements.*

### **Sumåssjön Project**

The Sumåssjön project area contains vanadium mineral occurrences and areas of historic mining activity. Seven historical drill holes have been previously drilled intersecting vanadium mineralisation over a strike length of 200m.

No work was conducted at Sumåssjön during the March quarter.

### **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.<sup>8</sup>

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.

No work was conducted at Kramsta during the March quarter.

<sup>8</sup>Refer ASX Announcement dated 12 April 2018. The Company is not aware of any new information or data that materially affects the information contained in that announcement as it relates to the referenced tenements.

*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.*

## **Queensland Exploration Projects**

### **Paperbark Project**

The Paperbark Project is located approximately 215km north-northwest of Mount Isa and 25km southeast 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 70km<sup>2</sup>. 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.<sup>9</sup>

<sup>9</sup> Refer ASX Announcement dated 24 April 2017. The Company is not aware of any new information or data that materially affects the information included in the referenced ASX announcements and confirms that all material assumptions and technical parameters underpinning the estimates in the relevant market announcements continue to apply and have not materially changed.

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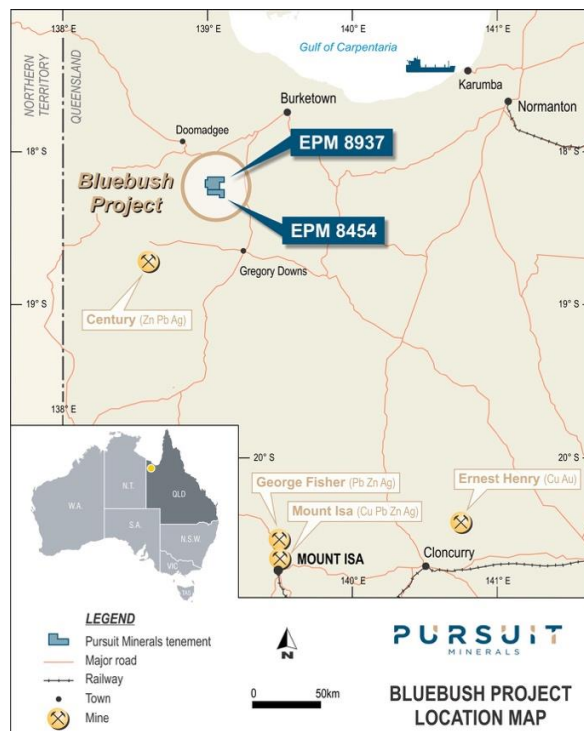
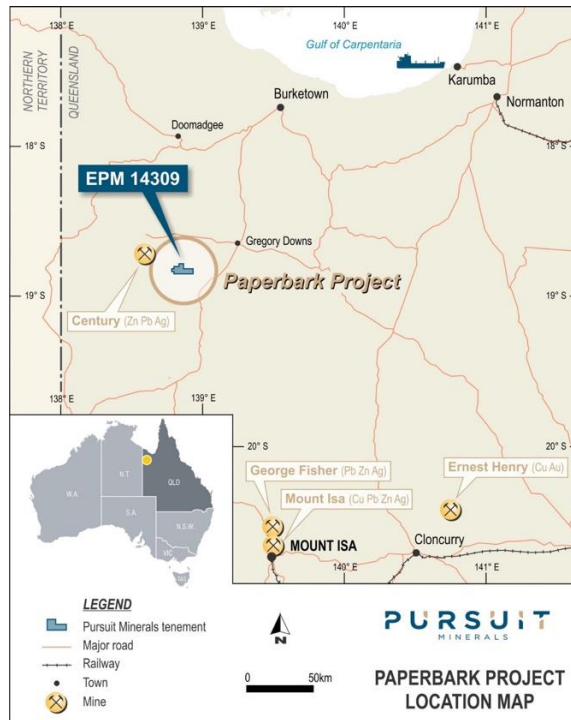
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## Location of North Queensland Zinc Projects



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No work was conducted on the Paperbark Project during the quarter.

### **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.

The project consists of two exploration permits (EPM's 8454 and 8937) covering an area of approximately 214km<sup>2</sup>. Previous drilling has intersected zinc mineralisation over an area of 120km<sup>2</sup> making Bluebush one of the largest areas of zinc mineralisation in Australia.

A drill program of four holes for 1669m was completed last year, intersecting broad intervals of zinc-lead sulphide mineralisation.

No work was conducted on the project during the March quarter.

### **South Australia Lithium Brine Projects**

The Company holds three Exploration Licences covering a combined area of 1831km<sup>2</sup> 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.

No work was completed on the project during the March quarter as the Company focussed its efforts on completing the Scoping Studies for the Koitelainen and Airijoki Vanadium Projects.

### **Coober Pedy Project**

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

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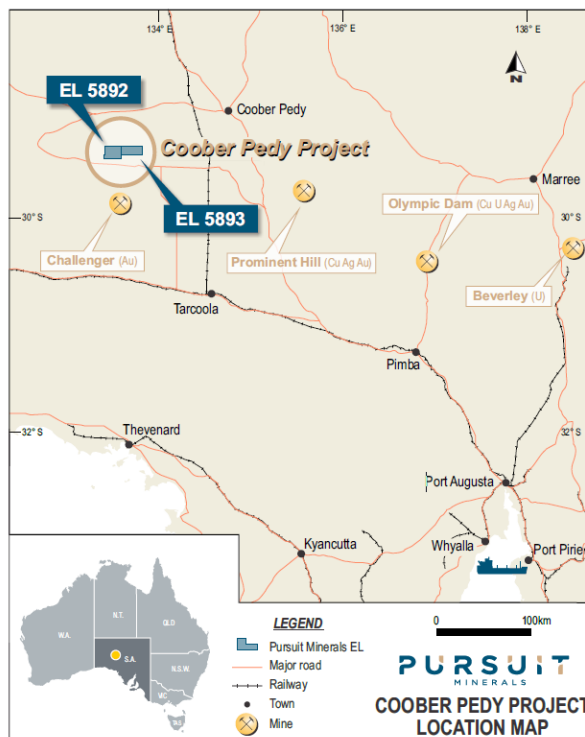
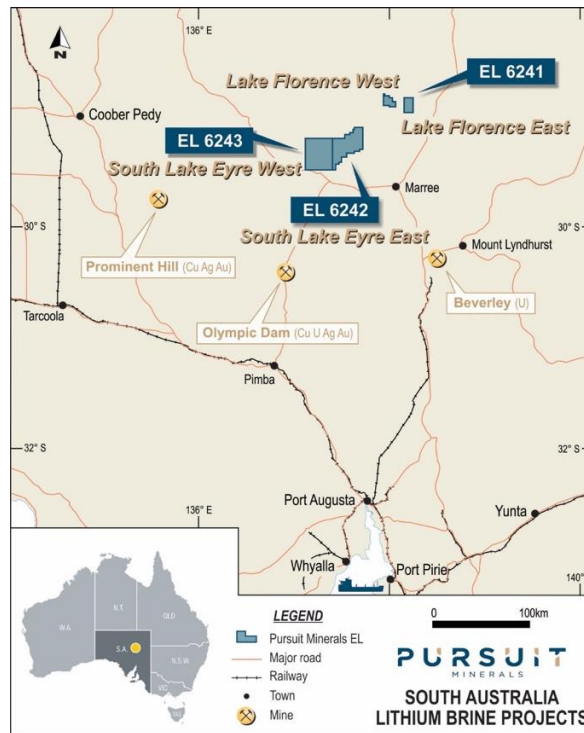
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## South Australian Project Locations



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## Corporate

On 7 January 2019, the Company announced that it had completed the issue of 7,297,298 shares to Directors at a subscription price of \$0.037 per share, representing a total investment by Directors of \$270,000 into Pursuit.

On 9 January 2019, the Company issued 32,462,436 listed options with an expiry of 31 October 2021 and an exercise price of \$0.10 pursuant to the approval received by shareholders at a general meeting held on 21 December 2018.

The Company completed a placement of approximately 35.7 million shares at a price of A\$0.047 per share to raise \$1.68 million before costs on 4 February. The shares were placed with a variety of institutional and sophisticated investors, primarily in Australia. The total number of shares on issue has increased to approximately 178.5 million. The placement was led by PAC Partners, with proceeds to be used for development of the Company's vanadium projects in Finland and Sweden and for general working capital purposes.

As at 31 March 2019, Pursuit had cash reserves of \$1.38 million.

## Tenement Listing

As at 31 March 2019, the Company had a 100% ownership interest in tenements shown in Table 1.

**Table 1 – Tenement listing at 31 March 2019**

Project	Tenement	Location	Area (km <sup>2</sup> )	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 - Reservation	Finland	399	29/3/20
Karhujupukka	Karhujupukka North – Exploration Licence ML2018:0068	Finland	1	10/7/2022
Karhujupukka	Karhujupukka South – Exploration Licence ML2018:0069	Finland	5.5	10/7/2022
Koitelainen	Koitelainen A	Finland	44	29/3/20
Koitelainen	Koitelainen B	Finland	86	29/3/20
Ala Postojoki	Ala Postojoki - Reservation	Finland	50	7/8/2020
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

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Project	Tenement	Location	Area (km <sup>2</sup> )	Expiry Date
Sumåsjön	Sumåsjön nr 1	Sweden	37	21/6/21
Sumåsjön	Sumåsjön nr 2	Sweden	5	21/6/21
Airijoki	Airijoki nr 100	Sweden	9.6	27/6/21
Airijoki	Airijoki nr 101	Sweden	4.8	25/11/21
Airijoki	Airijoki nr 102	Sweden	13.5	25/11/21
Airijoki	Airijoki nr 103	Sweden	4.1	26/11/21
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

### 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 renewables, 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](http://www.pursuitminerals.com.au)

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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.*

*Statements contained in this announcement relating to the Koitelainen Vosa Prospect Inferred Mineral Resource, 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 Inferred Mineral Resource at the Koitelainen Vosa Prospect. 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.*

*Statements contained in this announcement relating to the Airijoki Project Inferred Mineral Resource, 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 Inferred Mineral Resource at Airijoki. 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**

*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*

#### **Pursuit Minerals Limited**

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*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**

<b>PURSUIT MINERALS LIMITED</b>	
<b>ABN</b>	<b>Quarter ended ("current quarter")</b>
<b>27 128 806 977</b>	<b>31 March 2019</b>

<b>Consolidated statement of cash flows</b>	<b>Current quarter \$A'000</b>	<b>Year to date (9 months) \$A'000</b>
<b>1. Cash flows from operating activities</b>		
1.1 Receipts from customers	-	-
1.2 Payments for		
(a) exploration & evaluation	(1,304)	(3,621)
(b) development	-	-
(c) production	-	-
(d) staff costs	(228)	(532)
(e) administration and corporate costs	(240)	(710)
1.3 Dividends received (see note 3)	-	-
1.4 Interest received	-	-
1.5 Interest and other costs of finance paid	-	(4)
1.6 Income taxes paid	-	-
1.7 Research and development refunds	-	-
1.8 Other	-	-
<b>1.9 Net cash from / (used in) operating activities</b>	<b>(1,772)</b>	<b>(4,867)</b>

<b>2. Cash flows from investing activities</b>		
2.1 Payments to acquire:		
(a) property, plant and equipment	-	(30)
(b) tenements (see item 10)		(23)

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<b>Consolidated statement of cash flows</b>	<b>Current quarter \$A'000</b>	<b>Year to date (9 months) \$A'000</b>
(c) investments	-	-
(d) other non-current assets	-	-
<b>2.2 Proceeds from the disposal of:</b>		
(a) property, plant and equipment	-	-
(b) tenements (see item 10)	-	-
(c) investments	-	-
(d) other non-current assets	-	-
<b>2.3 Cash flows from loans to other entities</b>	-	-
<b>2.4 Dividends received (see note 3)</b>	-	-
<b>2.5 Other (provide details if material)</b>	-	-
<b>2.6 Net cash from / (used in) investing activities</b>	-	<b>(53)</b>

<b>3. Cash flows from financing activities</b>		
3.1 Proceeds from issues of shares	1,562	2,270
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	(29)	(154)
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)	-	-
<b>3.10 Net cash from / (used in) financing activities</b>	<b>1,533</b>	<b>3,678</b>

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<b>Consolidated statement of cash flows</b>		<b>Current quarter \$A'000</b>	<b>Year to date (9 months) \$A'000</b>
<b>4.</b>	<b>Net increase / (decrease) in cash and cash equivalents for the period</b>		
4.1	Cash and cash equivalents at beginning of period	1,621	2,624
4.2	Net cash from / (used in) operating activities (item 1.9 above)	(1,772)	(4,867)
4.3	Net cash from / (used in) investing activities (item 2.6 above)	-	(53)
4.4	Net cash from / (used in) financing activities (item 3.10 above)	1,533	3,678
4.5	Effect of movement in exchange rates on cash held	1	1
<b>4.6</b>	<b>Cash and cash equivalents at end of period</b>	<b>1,382</b>	<b>1,382</b>

<b>5.</b>	<b>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</b>	<b>Current quarter \$A'000</b>	<b>Previous quarter \$A'000</b>
5.1	Bank balances	1,382	1,621
5.2	Call deposits	-	-
5.3	Bank overdrafts	-	-
5.4	Other (provide details)	-	-
<b>5.5</b>	<b>Cash and cash equivalents at end of quarter (should equal item 4.6 above)</b>	<b>1,382</b>	<b>1,621</b>

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<b>6.</b>	<b>Payments to directors of the entity and their associates</b>	<b>Current quarter \$A'000</b>
6.1	Aggregate amount of payments to these parties included in item 1.2	153
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 \$106,000 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:

1. Amounts totalling \$47,000 were paid to Steinepreis Paganin for legal services. Peter Wall, the Non-Executive Chairman of the Company is a partner of Steinepreis Paganin, including \$18,000 that related to services provided in the December 2018 quarter but paid in the current quarter.

<b>7.</b>	<b>Payments to related entities of the entity and their associates</b>	<b>Current quarter \$A'000</b>
7.1	Aggregate amount of payments to these parties included in item 1.2	Nil
7.2	Aggregate amount of cash flow from loans to these parties included in item 2.3	Nil

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

N/a

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<b>8. Financing facilities available</b> <i>Add notes as necessary for an understanding of the position</i>	<b>Total facility amount at quarter end \$A'000</b>	<b>Amount drawn at quarter end \$A'000</b>
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	
<b>9. Estimated cash outflows for next quarter<sup>##</sup></b>	<b>\$A'000</b>
9.1 Exploration and evaluation	247
9.2 Development	-
9.3 Production	-
9.4 Staff costs	240
9.5 Administration and corporate costs	109
9.6 Other (provide details if material)	-
<b>9.7 Total estimated cash outflows</b>	<b>596</b>

*<sup>##</sup>Note: Expenditure for the March quarter included expenditure related to drilling campaigns undertaken at the company's Airijoki and Karhujupukka Projects and Scoping Study activities, including metallurgical test, work undertaken in relation to the Company's Airijoki and Koitelainen Projects. This expenditure will not be recurring in the June and subsequent quarters as these activities were substantially completed in the March quarter with the residual costs reflected in the estimate cash outflows for the June quarter as summarised above.*

*Accordingly estimated exploration and evaluation expenditure for the June and subsequent quarter are estimated to be substantially less than the expenditure that was incurred in the March quarter as presented at item 9.1 above.*



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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	N/a			

### 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:



Company Secretary

Date: 30 April 2019

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

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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.