

3 JULY 2019

PURSUIT COMPLETES PLACEMENT

- Pursuit to raise up to \$1.63 million, consisting of a \$0.89 million two tranche placement and a non-renounceable \$0.74 million rights issue
- Funds will be used for the following:
 - * Maintain and continue to assess the viability of its Vanadium projects in Finland and Sweden;
 - * Pursue strategic partnerships in relation to the Finland and Sweden vanadium projects;
 - * Review and assess new resource projects; and
 - * General working capital purposes.
- The capital raising is being led by EverBlu Capital Pty Ltd

Placement

Pursuit Minerals Ltd (ASX:PUR) has received firm acceptances from sophisticated investors for approximately 89 million fully paid ordinary shares at a price of A\$0.01 per share to raise \$0.89 million before costs via a two tranche placement (**Placement**) led by EverBlu Capital Pty Ltd (**EverBlu**).

Tranche 1 will consist of 44,500,000 shares (\$445,000) to be issued within the Company's placement capacity under the ASX Listing Rules as follows:

- 26,779,099 shares issued pursuant to the Company's 15% placement capacity under ASX Listing Rule 7.1; and
- 17,720,901 shares issued pursuant to the Company's 10% placement capacity under ASX Listing Rule 7.1A.

Tranche 2 will consist of 44,500,000 shares (\$445,000) to be issued subject to shareholder approval at a general meeting of the Company's shareholders expected to be held no later than 31 August 2019.

The Placement was conducted at \$0.01 and satisfies the pricing requirements specified under 7.3.3 and 7.1A.3 of the Listing Rules.

The Placement was offered to investors satisfying the requirements of either s708(8), 708(10) or 708(11) of the Corporations Act.

Settlement of the Tranche One Shares is expected to occur on 8 July 2019 and trading of the Tranche One Shares on the ASX is expected to commence on 9 July 2019. Pursuant to ASX Listing Rule 3.10.5A, the Company states that:

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- A. The dilutive effect of the Tranche One Shares on existing shareholders as a result of the Private Placement is approximately 21%, of which 13% is as a result of the shares issued pursuant to the Company's placement capacity under ASX Listing Rule 7.1, and 8% as a result of the shares issued under ASX Listing Rule 7.1A. Following completion of the Placement, pre-Placement security holders will hold approximately 80% of fully paid ordinary shares on issue;
- B. The Company considered the Placement as the most strategic, efficient and expedient method for raising these funds;
- C. Fees and costs incurred in connection with Tranche One include:
 - i. Lead Manager Fees of 6% of the Tranche One Placement amount payable to EverBlu. This includes any sub-broker arrangements that EverBlu may have. In addition, EverBlu may receive the following fees in relation to the Tranche Two Placement and the Rights Issue:
 - a. Lead Manager Fees of 6% of the gross proceeds received by the Company pursuant to the Tranche Two Placement and the shortfall from the Rights Issue; and
 - b. Upon the aggregate gross proceeds received by the Company pursuant to the Placement and the Rights Issue reaching \$1 million, EverBlu (or its nominees) shall, subject to shareholder approval, be issued with 3,000,000 Lead Manager Options on the terms set out in Appendix 1.
 - ii. Approximately \$20,000 in the aggregate for ASX listing fees, ASIC fees, share registry fees and legal fees.

Non-Renounceable Rights Issue

The Company will undertake a non-renounceable pro-rata entitlement offer to raise up to an additional \$0.74 million (before costs), whereby Eligible Shareholders (as defined below) will be offered the opportunity to acquire one (1) new fully paid ordinary share in Pursuit (**New Share**) for every three (3) fully paid ordinary shares in Pursuit (**Shares**) held as at the Record Date at an issue price of \$0.01 per New Share (**Offer**).

The issue price for the New Shares will be \$0.01 per New Share, which represents a nil% discount to the closing price of Pursuit's Shares on the securities market operated by ASX Limited on 28 June 2019, being the last trading day prior to today's date. The VWAP of Pursuit's Shares over the 30 trading days up to and including 28 June 2019 was \$0.014, and accordingly the Offer represents a 28% discount to Pursuit's 30-day VWAP.

Eligible Shareholders and other external investors will also be entitled to apply for any New Shares that are not taken up by other Eligible Shareholders in accordance with the Offer (**Shortfall Offer**).

A Prospectus in connection with the Offer and the Shortfall Offer (**Prospectus**) will be mailed to Eligible Shareholders in accordance with the indicative timetable below.

The Offer and the Shortfall Offer are open to Shareholders that are registered on Pursuit's register of members as at 5.00pm (WST) on the Record Date as having a registered address in Australia or New Zealand

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and in such other place that Pursuit is satisfied (in its sole discretion) it would not be unlawful to extend the Offer and the Shortfall Offer (**Eligible Shareholders**).

The Offer is non-renounceable, meaning that Eligible Shareholders will not be able to transfer their entitlements pursuant to the Offer and if they do not subscribe for their entitlements pursuant to the Offer, will be diluted.

Applications made pursuant to the Shortfall Offer will only be satisfied to the extent that there is a shortfall pursuant to the Offer and will be subject to the terms and conditions outlined in the Prospectus.

All Shares issued pursuant to the Offer and Shortfall Offer will rank equally with the existing Shares on issue from the date of allotment. Further details regarding the Offer and Shortfall Offer and the rights and liabilities attaching to the New Shares will be contained in the Prospectus in respect of the Offer.

Full details of the Offer, including the timetable and details for how to accept the Offer, will be set out in the Prospectus which the Company expects to lodge with the ASIC and ASX Limited on or about 8 July 2019. Eligible Shareholders should read the Prospectus in its entirety and consult with their stockbroker, accountant or other professional adviser before making any decision as to whether to subscribe for New Shares.

Use of Funds

The proceeds from the Placement and the Rights Issue, will be used to:

- i. Maintain and continue to assess the viability of its Vanadium projects in Finland and Sweden;
- ii. Pursue strategic partnerships in relation to the Finland and Sweden vanadium projects;
- iii. Review and assess new resource projects; and
- iv. General working capital purposes.

Indicative timetable

The current proposed timetable for the Placement and the Rights Issue is set out below. These dates are indicative only and Pursuit reserves the right to vary these dates (subject to the Corporations Act and the ASX Listing Rules).

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Announcement of Placement and Rights Issue to ASX (Rights Issue)	Wednesday 3 July, 2019
Issue of Tranche One Placement Shares	Monday, 8 July 2019
Lodgement of Prospectus with the ASIC and ASX, Appendix 3B lodged with ASX (Rights Issue)	Monday, 8 July 2019
Notice sent to Optionholders (Rights Issue)	Monday, 8 July 2019
Tranche One Placement Shares commence trading on the ASX	Tuesday, 9 July 2019
Notice sent to Eligible and Ineligible Shareholders (Rights Issue)	Wednesday, 10 July 2019
Shares quoted on an "ex-basis" (Rights Issue)	Thursday, 11 July 2019
Record Date for determining Entitlements (Rights Issue)	5:00PM (WST) Friday, 12 July 2019
Notice of Meeting to approve the issue of Tranche 2 Placement Shares despatched to Shareholders (Tranche 2 Placement Shares)	Friday, 12 July 2019
Prospectus and Application Form sent out to Eligible Shareholders (Rights Issue)	Wednesday, 17 July 2019
Last day for the Company to extend the Closing Date for the Offer and Shortfall Offer (Rights Issue)	Tuesday, 23 July 2019
Closing Date for applications in accordance with the Offer and Shortfall Offer (Rights Issue)	Friday, 26 July 2019
Expected commencement of trading of New Shares on a deferred settlement basis on ASX (Rights Issue)	Monday, 29 July 2019
Latest date for advising ASX of subscriptions received for the Offer and Shortfall Offer (Rights Issue)	Wednesday, 31 July 2019
Issue date and deferred settlement ends (Rights Issue)	Friday, 2 August 2019
Normal trading of New Shares re-commences (Rights Issue)	Friday, 2 August 2019
Holding statements dispatched to successful Applicants (Rights Issue)	Friday, 2 August 2019
General Meeting of Shareholders to approve Tranche 2 Placement Shares (Tranche 2)	Friday, 23 August 2019
Issue of Tranche 2 Placement Shares (Tranche 2)	Friday, 23 August 2019
Tranche 2 Placement Shares commence trading on ASX (Tranche 2)	Monday, 26 August 2019

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For further information in relation to the Rights Issue please contact the Company Secretary, Stephen Kelly on + 61 415 719 695 or via email at stephenk@pursuitminerals.com.au

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

www.pursuitminerals.com.au

– ENDS –

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About Pursuit Minerals

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.

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SCHEDULE 1

TERMS AND CONDITIONS OF LEAD MANAGER OPTIONS

(subject a minimum of \$1 million being received by the Company pursuant to the Placement and the Rights Offer and subject to shareholder approval)

1. Each Lead Manager Option entitles the holder to one ordinary share in the Company.
2. The Lead Manager Options are to be issued subject to the Company receiving Shareholder approval at a general meeting of the Company to be convened as soon as practicable after the issue of the Tranche One Placement Shares.
3. Each Lead Manager Option shall have an exercise price of \$0.04 and an expiry three years from the date of issue.
4. Lead Manager Options not exercised before the expiry of the exercise period will lapse.
5. Options are exercisable by notice in writing to the Board delivered to the registered office of the Company and payment of the exercise price per option in cleared funds.
6. The Company will not apply to ASX for official quotation of the Lead Manager Options.
7. The Company will make application for official quotation on ASX of new shares allotted on exercise of the Lead Manager Options. Those shares will participate equally in all respects with existing issued ordinary shares, and new shares allotted on exercise of the options will qualify for dividends declared after the date of their allotment.
8. The Lead Manager Options are not transferable.
9. An option holder may only participate in new issues of securities to holders of ordinary shares in the Company if the option has been exercised and shares allotted in respect of the option before the record date for determining entitlements to the issue. The Company must give prior notice to the option holder of any new issue before the record date for determining entitlements to the issue in accordance with the ASX Listing Rules.
10. If there is a bonus issue to the holders of ordinary shares in the capital of the Company, the number of ordinary shares over which the option is exercisable will be increased by the number of ordinary shares which the holder of the option would have received if the option had been exercised before the record date for the bonus issue.
11. If, during the currency of the options the issued capital of the Company is reorganised, those options will be reorganised to the extent necessary to comply with ASX Listing Rules.

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