

Significant 244,000 Once Gold Project Option Acquired

Highlights

Buck Mountain Gold Project (100% Option)

- As announced on 17 July 2020, Pursuit Minerals Limited has entered into a binding option agreement with Golden Buck Ventures LLC and Moreton Gold Pty Ltd (together, the Vendors), granting Pursuit the right to purchase a **100% interest** in the Buck Mountain Gold Project, located 18 miles northeast from Lake Havasu City in Mojave County, Arizona USA.
- The Buck Mountain Gold Project is a high-grade alluvial gold-silver-Platinum Group Metals (PGM's) project.
- The mineral resource at the Buck Mountain Gold Project, compiled in compliance with Canadian National Instrument 43-101, has been estimated to be **1.248Mt @ 6.1g/t gold for 244,000 Oz's** with the gold, silver, PGM mineralisation open at depth and laterally (refer to ASX Announcement 17 July 2020).

The mineral resource compiled in accordance with Canadian National Instrument 43-101, is a foreign mineral resource estimate and it was not compiled in accordance with the JORC code. The Competent Person has not done sufficient work to classify this foreign mineral resource estimate as a Mineral Resource in accordance with the JORC Code. It is uncertain that following evaluation and/or further exploration work that the foreign mineral resource estimate will be able to be reported as Mineral Resources in accordance with the JORC code.

- The Company believes the project has potential to significantly increase the high-grade gold-silver-PGM mineralisation on the basis that the existing Resource was measured within the alluvial gravels down to a depth of 15 feet and during drilling in 2008 it was determined that the gold, silver and PGM bearing alluvial gravels extend to at least 30 feet. Significantly, the mineral resource was estimated within 50 acres of alluvial gravels while the project covers 320 acres.
- Metallurgical processing of a **16.2 ton bulk sample** in 1998 resulted in average recovered grades of **4.8g/t Au, 119.66g/t Ag and 0.55g/t Pt**.
- In 2014, a large number of auger soil and gravel samples were collected from 128 sample locations on a regular grid across the entire project area. The samples were collected, from surface to an approximate depth of 3-4 feet. These samples are currently in storage awaiting processing and fire assay for gold.
- Pursuit is commencing early stage due diligence this week and will process and assay 51 of the auger samples taken in 2014 to further verify the grade and distribution of gold-silver-PGM mineralisation within the alluvial gravels.
- In addition, Pursuit will be drilling an additional 21 auger samples as twin holes to those drilled in 2014. These samples will be processed by ALS Labs with results anticipated in mid-September 2020. As these samples will be from the surface to a depth of 2-4 feet and not the top 15 feet, as

sampled by large diameter drilling in 2008, the upcoming results will need to be assessed considering the difference in sample size and depth.

- The Company anticipates that the NI-43-101 foreign mineral resource can be reclassified as a JORC (2012) compliant Mineral Resource with minimal additional infill drilling.
- Pursuit has paid an initial US\$20,000 cash payment for exclusivity over the Buck Mountain Gold Project until **30 September 2020**, following which Pursuit has the right to acquire 100% of the project with a payment of US\$75,000 in cash, plus:
 - On or before 30 September 2021, a deferred payment of US\$75,000 (up to 50% shares at PUR election);
 - On or before 28 February 2023, a deferred payment of US\$600,000 (up to 50% shares at PUR election); and
 - Subject to making the final payment, Pursuit will grant the Vendors a 2.5% net smelter royalty on all gold (but not silver or PGMs) produced from the project, payable quarterly in arrears.

Norway Nickel (100% Option)

- During the Quarter work on the Norway Nickel Project focussed on the Stormyra nickel-copper deposit on the Espedalen Project in south central Norway. The Stormyra deposit currently hosts a mineral resource estimated to be 1.16Mt @ 1% Ni, 0.42% Cu & 0.04% Co and is classified as Inferred in accordance with JORC (2012) (see ASX announcement 17 February 2020). Key drill holes through the Stormyra deposit were geologically re-logged and magnetic susceptibility data was recorded for each of the drill holes which were re-logged. The purpose of this work was to differentiate the nickel mineralisation into disseminated and net-textured nickel mineralisation, which occurs within an ultramafic body, and massive to semi-massive nickel sulphide veins and breccia's which occur peripheral to the main ultramafic body. The massive to semi-massive nickel sulphide veins and breccia's are generally higher grade than the nickel mineralisation within the ultramafic body, and hence determining the extent of the massive to semi-massive nickel sulphide veins and breccia's is important to understanding the ultimate economic potential of the Stormyra deposit. The re-logging has allowed a new geologic model to be defined for the Stormyra deposit and drill targets identified which will test for extensions of the higher-grade nickel mineralisation.

Other Projects

- All exploration programs in Sweden and Norway have been indefinitely deferred pending the lifting of COVID-19 pandemic restrictions in the various jurisdictions in which the Company operates.
- Discussions continued with several potential partners who have the technical and financial capability to assist Pursuit to advance its vanadium projects in Sweden and Finland.
- The Company continues to assess acquisition and joint venture opportunities in relation to other mineral resource projects.

Corporate

- As at 30 June 2020, Pursuit had cash reserves of \$463,000. The Company received a refund of the its Swedish GST in the amount of ~\$132,000, this has been reflected as a credit to our exploration costs set out in section 2.1(d) of the attached appendix 5B.
- The Company continues to maintain strict cost constraints as evidenced by the attached appendix 5B. Total Directors fees paid during the quarter were \$56,843. \$27,000 paid to Directors during the quarter as payment for Directors fees. Amounts totalling \$2,593 paid to Steinepreis Paganin for legal services. Peter Wall, the Non-Executive Chairman of the Company is a partner of Steinepreis Paganin. Amounts totalling \$22,750 were paid to Jeremy Read, a Director, for consulting services. Amounts totalling \$4,500 were paid to Mark Freeman, a Director, for consulting services.
- In conjunction with the Buck Mountain Gold Project acquisition, Pursuit executed a mandate with CPS Capital Group and secured firm commitments to raise A\$600,000 through the issue of 120,000,000 shares at 0.5 cent each. The Placement will be completed in 2 tranches. The first tranche of \$297,500 (59,500,000 Shares) was completed and issued on 24 July 2020, with the balance of the raising subject to shareholder approval to be undertaken asap.
- As previously announced, the Board has resolved to issue a total of 66,000,000 unlisted options to management and directors of the Company. The options are awarded to staff and directors as a component of compensation packages partly in lieu of a portion of cash salary in order to reduce cash costs to the Company and so there is a component of at risk compensation according to share price performance. The options are exercisable at \$0.007 within 3 years from issue. In the event the holder ceases to be engaged by Pursuit within 6 months off issue they must exercise the options within 7 days or the options will lapse and in the event the holder ceases to be engaged by Pursuit between 6 months and 12 months from issue date then 50% of the options must be exercised within 7 days, otherwise they will lapse.

Tenement Listing

As at 30 June 2020, the Company had a 100% ownership interest in tenements shown in the Table below.

Project	Tenement	Location	Area (km ²)	Expiry Date
Paperbark	EPM 14309	Queensland	75	12/9/2022
Bluebush	EPM 8937	Queensland	144	6/9/2020
Bluebush	EPM 8454	Queensland	70	11/11/2020
Karhujupukka	Karhujupukka North – Exploration Licence ML2018:0068	Finland	1	4/1/2023
Karhujupukka	Karhujupukka South – Exploration Licence ML2018:0069	Finland	5.5	4/1/2023
Simesvallen	Simesvallen nr 100	Sweden	63	20/6/2021
Kullberget	Kullberget nr 100	Sweden	81	20/6/2021
Kramsta	Kramsta nr 100	Sweden	16	20/6/2021
Sumåsjön	Sumåsjön nr 1	Sweden	37	21/6/2021
Airijoki	Airijoki nr 100	Sweden	9.6	27/6/2021
Airijoki	Airijoki nr 101	Sweden	4.8	25/11/2021
Airijoki	Airijoki nr 102	Sweden	13.5	25/11/2021

Project	Tenement	Location	Area (km ²)	Expiry Date
Airijoki	Airijoki nr 103	Sweden	4.1	26/11/2021

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

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Competent Person's Statement

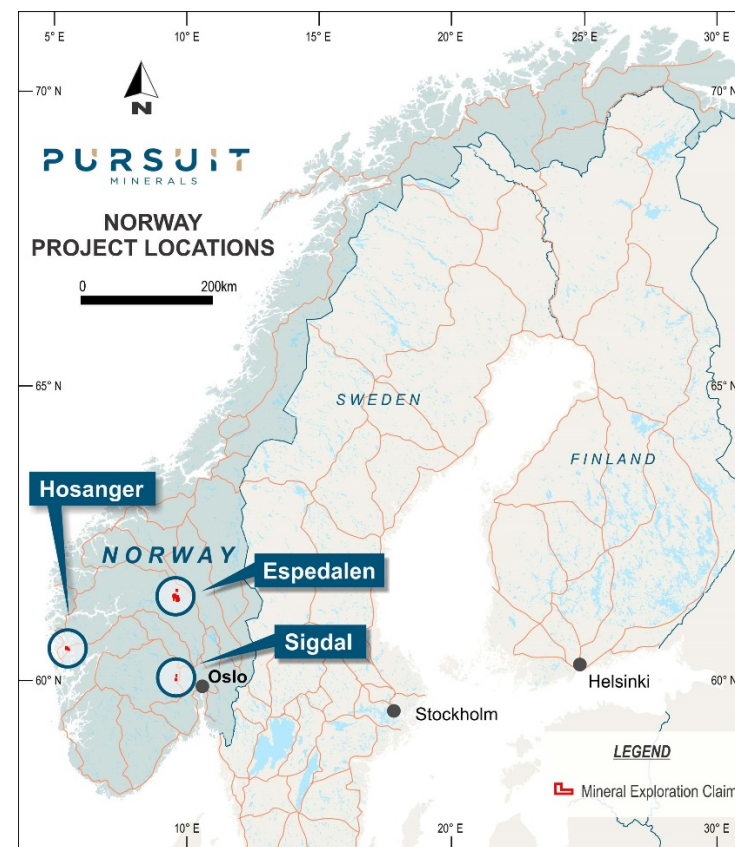
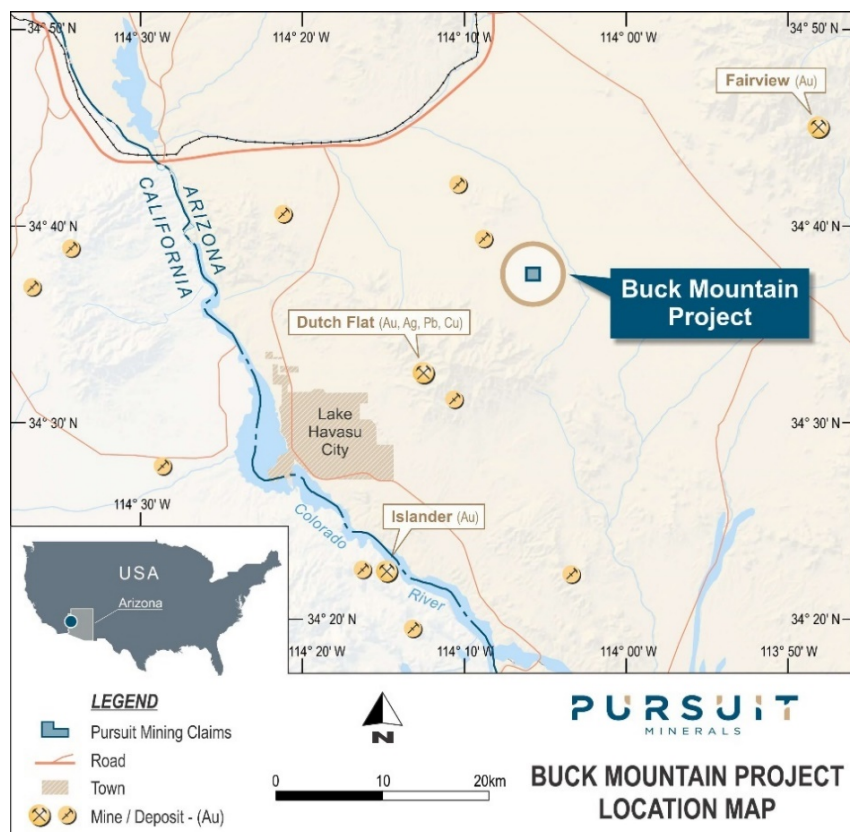
Statements contained in this announcement relating to historical exploration results, historical estimates of mineralisation and Exploration targets are based on, and fairly represents, information and supporting documentation prepared by Mr. Jeremy Read, who is a member of the Australian Institute of Mining & Metallurgy (AusIMM), Member No 224610.

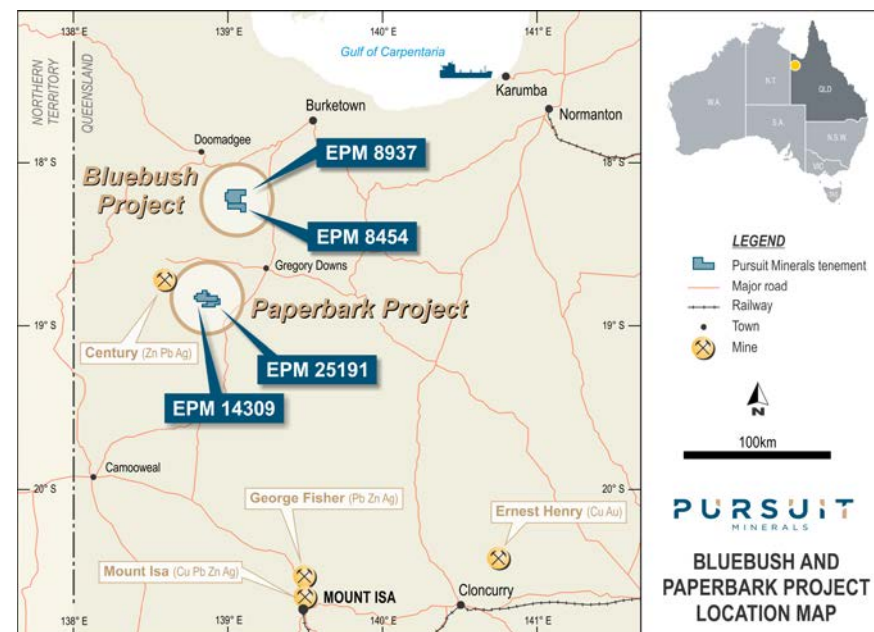
Mr. Read is an Executive Director of the Company and has sufficient relevant experience in relation to the mineralisation style being reported on to qualify as a Competent Person as defined in the Australian Code for Reporting of Identified Mineral Resources and Ore Reserves (JORC) Code 2012. Mr Read 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.





Appendix 5B

Mining exploration entity or oil and gas exploration entity quarterly cash flow report

Name of entity

PURSUIT MINERALS LIMITED

ABN

27 128 806 977

Quarter ended ("current quarter")

30 JUNE 2020

Consolidated statement of cash flows		Current quarter \$A'000	Year to date (.....months) \$A'000
1.	Cash flows from operating activities		
1.1	Receipts from customers	-	-
1.2	Payments for	-	-
	(a) exploration & evaluation	-	-
	(b) development	-	-
	(c) production	-	-
	(d) staff costs	(64)	(276)
	(e) administration and corporate costs	(52)	(643)
1.3	Dividends received (see note 3)	-	-
1.4	Interest received	-	-
1.5	Interest and other costs of finance paid	-	(3)
1.6	Income taxes paid	-	-
1.7	Government grants and tax incentives	-	-
1.8	Other (provide details if material)	-	-
1.9	Net cash from / (used in) operating activities	(116)	(922)

2.	Cash flows from investing activities		
2.1	Payments to acquire or for:		
	(a) entities	-	-
	(b) tenements	(29)	(29)
	(c) property, plant and equipment	-	(4)
	(d) exploration & evaluation	17	(365)
	(e) investments	-	-
	(f) other non-current assets	-	-

Consolidated statement of cash flows		Current quarter \$A'000	Year to date (.....months) \$A'000
2.2	Proceeds from the disposal of:		
	(a) entities	-	-
	(b) tenements	-	-
	(c) property, plant and equipment	-	-
	(d) investments	-	-
	(e) 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	(12)	(398)

3.	Cash flows from financing activities		
3.1	Proceeds from issues of equity securities (excluding convertible debt securities)	-	1,437
3.2	Proceeds from issue of convertible debt securities	-	-
3.3	Proceeds from exercise of options	-	-
3.4	Transaction costs related to issues of equity securities or convertible debt securities	-	(118)
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	-	1,319

4.	Net increase / (decrease) in cash and cash equivalents for the period		
4.1	Cash and cash equivalents at beginning of period	593	531
4.2	Net cash from / (used in) operating activities (item 1.9 above)	(116)	(922)
4.3	Net cash from / (used in) investing activities (item 2.6 above)	(12)	(398)
4.4	Net cash from / (used in) financing activities (item 3.10 above)	-	1,319

Consolidated statement of cash flows		Current quarter \$A'000	Year to date (.....months) \$A'000
4.5	Effect of movement in exchange rates on cash held	(3)	(68)
4.6	Cash and cash equivalents at end of period	462	462

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	462	593
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)	462	593

6. Payments to related parties of the entity and their associates	Current quarter \$A'000
6.1 Aggregate amount of payments to related parties and their associates included in item 1	54
6.2 Aggregate amount of payments to related parties and their associates included in item 2	
<i>Note: if any amounts are shown in items 6.1 or 6.2, your quarterly activity report must include a description of, and an explanation for, such payments.</i>	

7.	Financing facilities <i>Note: the term "facility" includes all forms of financing arrangements available to the entity.</i> <i>Add notes as necessary for an understanding of the sources of finance available to the entity.</i>	Total facility amount at quarter end \$A'000	Amount drawn at quarter end \$A'000
7.1	Loan facilities	-	-
7.2	Credit standby arrangements	-	-
7.3	Other (please specify)	-	-
7.4	Total financing facilities	-	-
7.5	Unused financing facilities available at quarter end		-
7.6	Include in the box below a description of each facility above, including the lender, interest rate, maturity date and whether it is secured or unsecured. If any additional financing facilities have been entered into or are proposed to be entered into after quarter end, include a note providing details of those facilities as well.		

8.	Estimated cash available for future operating activities	\$A'000
8.1	Net cash from / (used in) operating activities (item 1.9)	(116)
8.2	(Payments for exploration & evaluation classified as investing activities) (item 2.1(d))	17
8.3	Total relevant outgoings (item 8.1 + item 8.2)	(99)
8.4	Cash and cash equivalents at quarter end (item 4.6)	462
8.5	Unused finance facilities available at quarter end (item 7.5)	-
8.6	Total available funding (item 8.4 + item 8.5)	462
8.7	Estimated quarters of funding available (item 8.6 divided by item 8.3) <i>Note: if the entity has reported positive relevant outgoings (ie a net cash inflow) in item 8.3, answer item 8.7 as "N/A". Otherwise, a figure for the estimated quarters of funding available must be included in item 8.7.</i>	4.67
8.8	If item 8.7 is less than 2 quarters, please provide answers to the following questions:	
8.8.1	Does the entity expect that it will continue to have the current level of net operating cash flows for the time being and, if not, why not?	
	Answer:	
8.8.2	Has the entity taken any steps, or does it propose to take any steps, to raise further cash to fund its operations and, if so, what are those steps and how likely does it believe that they will be successful?	
	Answer:	

8.8.3 Does the entity expect to be able to continue its operations and to meet its business objectives and, if so, on what basis?

Answer:

Note: where item 8.7 is less than 2 quarters, all of questions 8.8.1, 8.8.2 and 8.8.3 above must be answered.

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.

Date: **27 July 2020**

Authorised by: **By the Board**

(Name of body or officer authorising release – see note 4)

Notes

1. This quarterly cash flow report and the accompanying activity report provide a basis for informing the market about the entity's activities for the past quarter, how they have been financed and the effect this has had on its cash position. An entity that wishes to disclose additional information over and above the minimum required under the Listing Rules is encouraged to do so.
2. If this quarterly cash flow 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 cash flow report 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.
4. If this report has been authorised for release to the market by your board of directors, you can insert here: "By the board". If it has been authorised for release to the market by a committee of your board of directors, you can insert here: "By the [name of board committee – eg Audit and Risk Committee]". If it has been authorised for release to the market by a disclosure committee, you can insert here: "By the Disclosure Committee".
5. If this report has been authorised for release to the market by your board of directors and you wish to hold yourself out as complying with recommendation 4.2 of the ASX Corporate Governance Council's *Corporate Governance Principles and Recommendations*, the board should have received a declaration from its CEO and CFO that, in their opinion, the financial records of the entity have been properly maintained, that this report complies with the appropriate accounting standards and gives a true and fair view of the cash flows of the entity, and that their opinion has been formed on the basis of a sound system of risk management and internal control which is operating effectively.