

LITHIUM DRILLING UNDERWAY AT RIO GRANDE SUR

HIGHLIGHTS

- Diamond drilling preparation and associated works have commenced at the Rio Grande Sur Lithium Project in Argentina.
- Program currently underway to target resource growth at the existing inferred JORC resource of 251.3kt LCE @ 351mg/Li¹.
- Geophysical surveys shows high conductivity zones to depths of 250-500m below the current resource which are highly prospective for lithium brines.
- Drilling permit applications for the Stage 2 program at the northern prospect of the Rio Grande Sur Project are in progress.

Pursuit Minerals Ltd (ASX: PUR) (“PUR”, “Pursuit” or the “Company”) is pleased to provide the following update on the commencement of exploration drilling activities at the Rio Grande Sur Lithium Project following the recent granting of environmental permits and commissioning of drill rigs.

2024 Stage 1 Drilling Program Underway

The initial phase of the drilling programme has now commenced on site at the Rio Grande Sur Project with earthworks and mobilisation of rigs underway.



Figure 1 – Front end loader preparing roads and drilling platforms at the Rio Grande Sur Project in Salta, Argentina.

The drilling contractor and operations crew have mobilised, and pre-drilling preparations are underway with works including drilling platform construction as well as road clearing and construction currently being completed at both the Maria Magdalena and Sal Rio II tenements. The drilling crew and geological team are expected to mobilise in the current week to join the crew on site once camp preparations are complete. At this juncture, the drilling of DDH-1 at Maria Magdalena will commence.



Figure 2 – Equipment trucks carrying front end loaders and initial drilling supplies arrive at Rio Grande Sur.

The maiden drilling program will comprise an initial 4 diamond drill holes at the Salar tenements per Figure 3, with a pumping well to also be drilled following initial results from the first 2 holes to be drilled at Sal Rio II and Maria Magdalena. The drilling is anticipated to reach depths of 500-600m below surface, significantly deeper than the existing defined JORC mineral resource depth.

Each hole is anticipated to take approximately 1 month to complete with the program length. Pursuit is targeting a material resource upgrade in 2024 which will build on the recent maiden resource defined at the Rio Grande Sur Project.¹

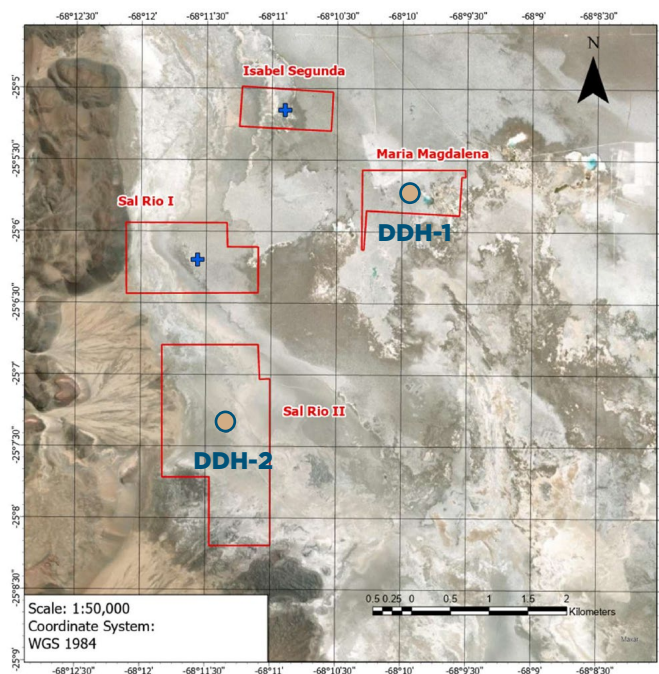


Figure 3 – Proposed locations for Stage 1 Drilling program

¹ See PUR ASX announcement 25 October 2023



Figure 4 – Diamond Drill Rig being prepared at Pursuit's warehouse facility in Salta.

In relation to the advancement of the Stage 1 Drilling campaign, Pursuit Managing Director & CEO, Aaron Revelle, said:

“We expect these upcoming results to cement the Rio Grande Sur Project as a significant high grade pre-production lithium project. With the first hole set to be drilled following the initial maiden JORC inferred resource, we believe that there is great potential for significant upside to be uncovered. The current round of drilling will target the known lithium brine mineralisation identified from historical drilling in addition to our own geophysical surveys carried out in 2023.

“Whilst the Lithium market has been subdued over the end of 2023 and start of 2024, Lithium brine projects remain robust, profitable and attractive in these market conditions. Lithium brine projects continue to be profitable with Lithium Carbonate prices at \$8,000-\$12,000 USD per tonne. With marginal high-cost production now coming out of the market, we expect prices to rebound over the medium to long term as high-cost supply becomes unprofitable and withdraws from the market.

“We continue to progress with permitting for our stage 2 drilling program in the north of the Rio Grande Sur Project which we hope to commence later in 2024, in addition to works at our Lithium Carbonate Pilot Plant which remains on track to commence operations in the first half of 2024.”

This release was approved by the Board.

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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 exploration results, are based on, and fairly represents, information and supporting documentation prepared by Dr. Brian Luinstra, BSc honours (Geology), PhD (Earth Sciences), MAIG, PGeo (Ontario). Dr Luinstra is a Principal Consultant of SRK Consulting (Australasia) Pty Ltd and a consultant to the Company. Dr. Luinstra has sufficient relevant experience in relation to the mineralisation style being reported on to qualify as a Competent Person for reporting exploration results, as defined in the Australian Code for Reporting of Identified Mineral Resources and Ore Reserves (JORC) Code 2012. Mr Luinstra consents to the use of this information in this announcement in the form and context in which it appears. Mr Luinstra confirms that the information in this announcement provided under listing rules 5.12.2 to 5.12.7 is an accurate presentation of the available data and studies for the material mining project.

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.