

PILOT PLANT COMMENCES FIRST PHASE OF OPERATIONS

HIGHLIGHTS

- Pilot Plant commissioning complete with first phase of operations for the production of Lithium Carbonate underway.
- Completion of dynamic simulation, mass balances and plant layout design conceptually producing 250 tonnes per annum of 99.95% battery grade Lithium Carbonate via conventional evaporation process method.
- Engagement of Ausenco to complete independent peer review study of the 250 tonne per annum plant design, block flow process, and evaporation pond design.
- Engagement of highly experienced engineering team to oversee and manage plant operations and first production of Lithium Carbonate.

Pursuit Minerals Ltd (ASX: **PUR**) (“**PUR**”, “**Pursuit**” or the “**Company**”) is pleased to provide the following update on key developments for its Lithium Carbonate Pilot Plant which has commenced the first phase of operations to produce Lithium Carbonate.



Figure 1 – 250tpa Lithium Carbonate Plant at Pursuit's purpose facility in Salta, Argentina.

The Company has completed the commissioning works of the Lithium Carbonate Pilot Plant and will now begin operations with the overall goal of producing battery grade Lithium Carbonate. The Pilot Plant will look to produce an initial sample batch using synthetic brine of approximately 50-100kg of product.

Following completion of this milestone, evaporated brine, currently being sourced from the Stage 1 Drilling Program, will be utilised to produce approximately 2 to 10 tonnes of Lithium Carbonate products anticipated to be battery grade product. After this, the Company will consider relocation of the Pilot Plant to site following the completion of construction and filling of evaporation ponds to provide feed for the plant.



Figure 2 – 250tpa Lithium Carbonate Plant at Pursuit's purpose facility in Salta, Argentina.

In relation to the commencement of operations at the plant, Pursuit Managing Director & CEO, Aaron Revelle, said:

“The Rio Grande Sur Project continues to advance toward first production at a significant pace. With plant operations now underway, we look forward to the production of the first Lithium Carbonate products demonstrating the enormous potential of the Rio Grande Sur Lithium Project.”

In conjunction with our Stage 1 drilling program which is currently underway and the potential upgrade to our existing JORC resource, we continue to make significant progress on multiple fronts as we move toward becoming a Lithium producer. To this end, we continue to progress the environmental permitting applications to commence construction of the evaporation ponds which is currently being targeted for this year. The entire team is very excited about the production process, and we look forward to reporting on the results over the coming months.”

Battery Grade Lithium Carbonate Production

The plant has been designed to run for both continuous and batch production for 12 hours per day at a utilisation rate of 91.5% producing Lithium Carbonate at the specification shown in Figure 3.

Lithium Carbonate Product Specs (Battery Grade) ¹		
Composition	Value	Unit
Li ₂ CO ₃	99.5	% w/w
Na	300	ppm max
Fe	5	ppm max
Ca	100	ppm max
SO ₄	375	ppm max
K	30	ppm max
Cl	50	ppm max
Mg	60	ppm max
Cr	5	ppm max
Ni	5	ppm max
Cu	5	ppm max
Pb	5	ppm max
Al	5	ppm max
Zn	5	ppm max
B	10	ppm max
Si	10	ppm max
Mn	10	ppm max
H ₂ O	0.2	% max

Figure 3 – Rio Grande Sur Lithium Carbonate Product Specification

Pursuit's engineering team is finalising the pond layout and design for the 250tpa plant for the environmental permit applications for construction of the evaporation ponds. The construction of the ponds is anticipated to occur in the second half of 2024, subject to environmental approvals from the Salta Mining Secretary, other relevant government stakeholders and Pursuit board approval. The ponds and plant are intended to be located on the Sal Rio 02 tenement where first production of Lithium Carbonate at site could occur in 2025.

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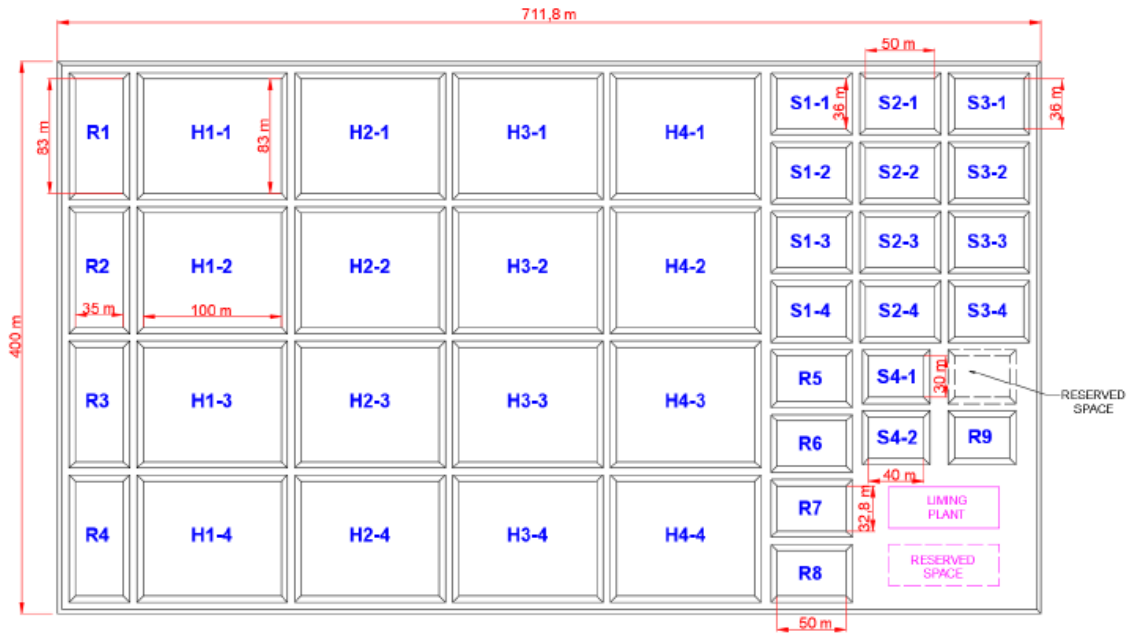


Figure 4 – Proposed Evaporation Ponds Layout

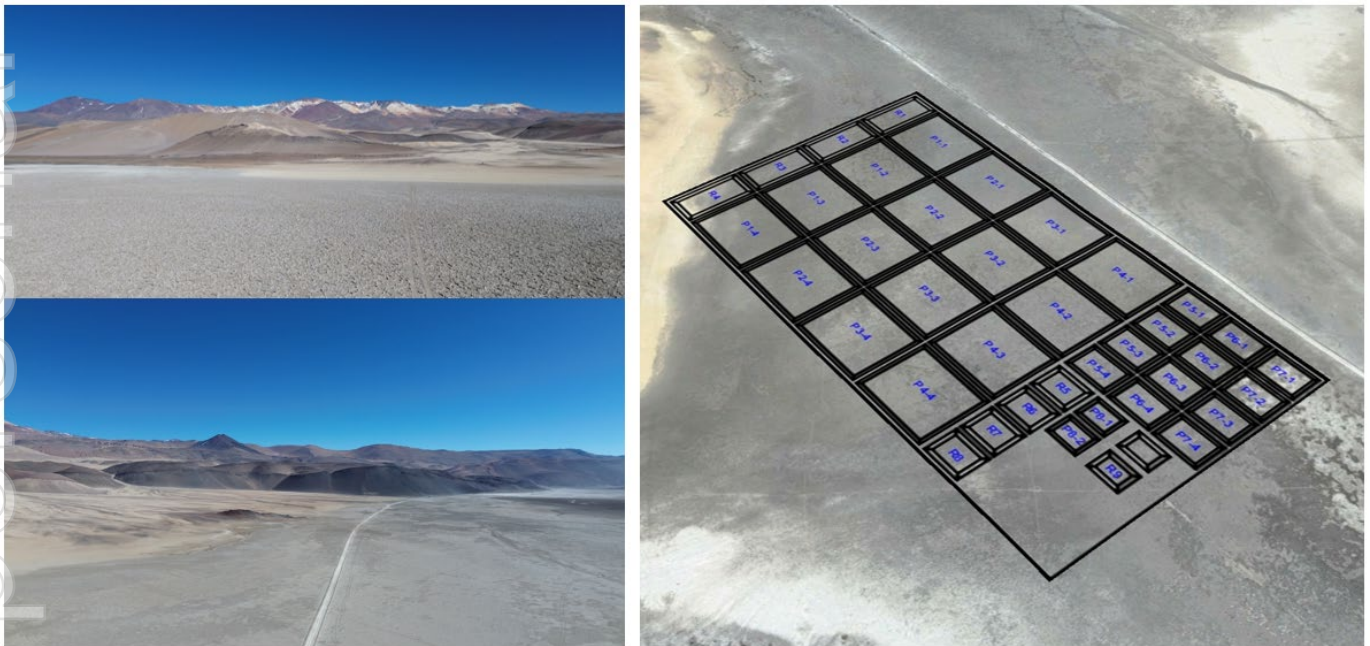


Figure 5 – Proposed Pond Location at the Rio Grande Sur Project.

Pursuit has also received several expressions of interest for off-take agreements for the initial 250 tonnes of Lithium Carbonate production which will be advanced during the development of the project, inclusive of identifying appropriate methods of financing construction of the evaporation ponds and site facilities.

About the Rio Grande Sur (RGS) Lithium Project

The Rio Grande Sur Project comprises of 5 tenements prospective for lithium on the Rio Grande Salar in the Salta province of Argentina, in addition to the Lithium Carbonate Pilot Plant located in the city of Salta. The five tenements cover approximately 9,233 hectares (Table 1).

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Table 1 – Rio Grande Sur Tenement Schedule

	Tenement	Hectares	File Number
1	Maria Magdalena	73.26	3571
2	Isabel Segunda	59.25	16626
3	Sal Rio 02	298.26	21942
4	Sal Rio 01	142.19	21941
5	Mito	8,660.00	23704
	Total	9,232.96	



Figure 6: RGS Project location in the ‘Lithium Triangle’ Region

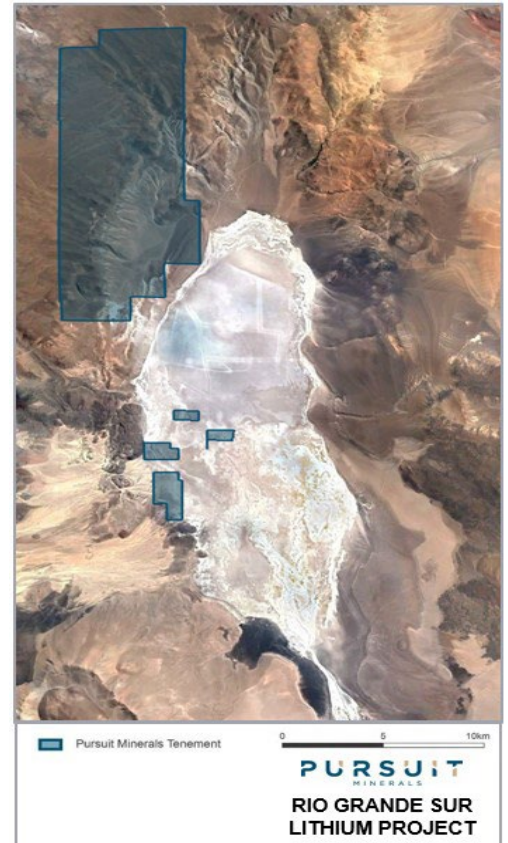


Figure 7: Rio Grande Sur Tenement Map

Delay of release of shares from escrow

On or around 10 December 2022, Pursuit entered into a share sale agreement with various third-party vendors pursuant to which Pursuit conditionally agreed to acquire 100% of the fully paid shares in Trilogy Minerals Pty Ltd (Pursuit Agreement).

On or about 27 March 2023, Pursuit entered into a share sale agreement (Flametree SPA), pursuant to which Trilogy acquired 100% of the issued capital in Flametree Prospecting Pty Ltd from Condor Prospecting Pty Ltd (Condor Prospecting), Condor Prospecting S.A., Wombat Minerals S.A., Maria Ofelia Piav and Alberto Angel Bustelo (together, the Flametree Vendors).

Under the terms of the Pursuit Agreement, Condor Prospecting was issued 104,166,666 fully paid ordinary shares in the capital of Pursuit (Condor PUR Shares) and those shares were subject to 12 months voluntary escrow from settlement under the Pursuit Agreement.

It is a term of the Flametree SPA that Pursuit can extend this escrow period for up to a further period of 12 months. Pursuit has elected to enforce this extension in relation to the Condor PUR Shares and, as a result,

the Condor PUR Shares will not be coming out of escrow on 29 March 2024. The holding lock in relation the Condor PUR Shares will now be in place until 29 March 2025 (or such earlier date as the parties may agree).

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.