

30 April 2018

Follow-Up Drilling Program Commenced on the Paperbark Project, North Queensland

Highlights

- A follow up drilling program has commenced on the Paperbark Project, North Queensland
- Five drill holes for 1,325m will be completed
- The first three holes to be drilled will further investigate the new zinc discovery at the JE Zone Prospect, and are targeted on determining the extent and grade of zinc sulphide mineralisation at the JE Zone
- The fourth hole will test the down dip extent of surficial copper mineralisation at the Grunter North Prospect
- The fifth hole of the program will test for shallow extensions to the JB Zone Mineral Resource and to determine if the zinc mineralisation at the JB and JE Zones is connected at depth
- Initial assay results from the drilling at the JE Zone are expected to be available early June

Pursuit Minerals Limited (ASX: PUR) (**Pursuit** or the **Company**) is pleased to announce the commencement of a follow up drill program on the Paperbark Project, North Queensland (Figure One). Five holes will be drilled at Paperbark in order to determine the extent of zinc sulphide mineralisation at the JE Zone prospect, which was located in 2017 in drill hole PB03-17 (see ASX Announcement 6 December 2017), test the down dip extent of surficial copper mineralisation at the Grunter North Prospect and test shallow extensions of the JB Zone Mineral Resource.

Pursuit Minerals Managing Director Jeremy Read said the follow up drill program would build on the encouraging results achieved at the Paperbark Project in 2017, when the JE Zone was confirmed as a new zinc discovery and the large surficial copper system was located at Grunter North.

“The JE Zone Prospect on the Paperbark Project was confirmed in 2017 as a new zinc system, and now with the end of the wet season we can commence the follow up drilling to determine the full potential of the JE Zone zinc system,” Mr Read said.

“The mineralisation we intersected at the JE Zone last year was extremely weathered, with significant loss of zinc and lead from the system, so this year we will be drilling deeper to intersect the mineralisation below the depth of weathering and obtain an accurate measure of the zinc and lead grades.”

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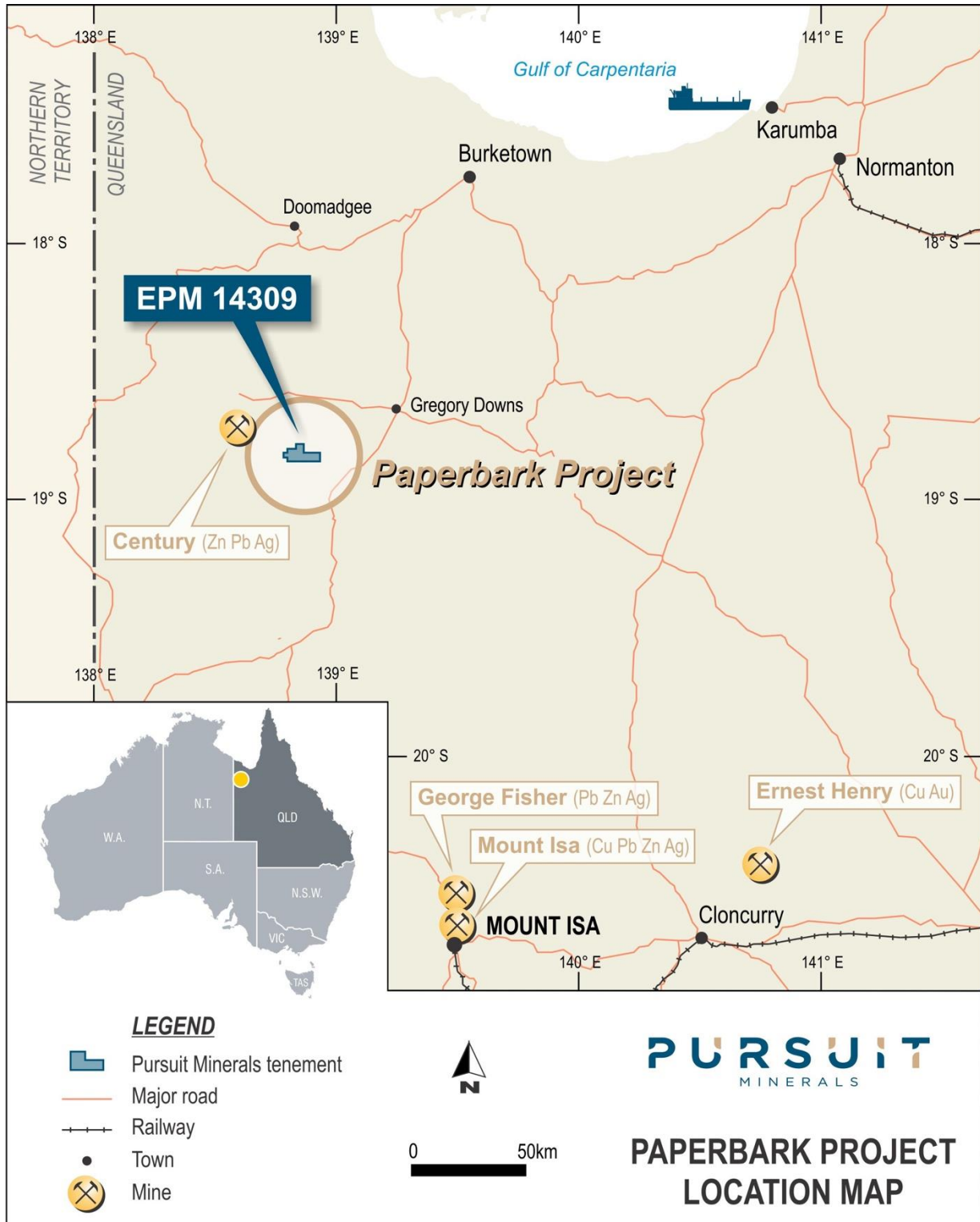
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Figure One – Paperbark Project



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Paperbark Project – 2018 Follow-Up Drilling Program

The Paperbark Project is located approximately 215km north-northwest of Mount Isa and 25km south-east 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 contains the JB Zone, which hosts a Mineral Resource of 10.4Mt @ 2.7% Zn, 0.2% Pb, 1g/t Ag at 1.5% Zn cut-off grade, classified as Inferred in accordance with the JORC Code (2012)¹.

Drill hole PB03-17, completed in 2017, was designed to test the down-dip extent of gossanous and zinc-anomalous siltstones, which contain outcropping zinc and lead mineralisation at the JE Zone. Oxidised zones of breccia and algal dolomites were intersected from a depth of 116.0m until the end of hole at 166.0m, downhole depth. The entire interval from 116.0m until 166.0m was strongly anomalous in zinc and lead with the strongest zinc and lead mineralisation occurring between 137.0 – 140.0 m and 147.0 – 149.0m².

It is clearly evident that the entire length of drill hole PB03-17 is strongly weathered with the majority of the zinc and lead mineralisation converted to iron oxides. It is believed that substantial levels of zinc and lead may have been displaced by this weathering. As a result of the greatly increased depth of weathering, a follow up drill hole has been designed to drill underneath drill hole PB03-17, in order to intersect the zinc and lead sulphide mineralisation below the depth of weathering. Fresh sulphide samples will then be able to be collected, allowing an accurate assessment of the JE Zone mineralisation. Two holes along strike from drill hole PB03-17 have also been planned to obtain information about the strike extent of the zinc-lead mineralisation at the JE Zone. These three holes to be completed at the JE Zone will be the first holes drilled on the 2018 follow up drill program.

In 2017, drill hole PB02-17 was completed at the Grunter North prospect (see ASX Announcement 21 December 2017) as part of an assessment of the potential for economic copper oxide or copper sulphide deposits to occur. Due to the extensive nature of the surficial copper oxides at Grunter North, it is possible that extensive surficial copper mineralisation represents leakage up faults from a copper sulphide body at shallow to moderate depth, below the depth of weathering. Due to the localisation of the copper mineralisation between the Grunter and Barramundi faults, Pursuit's hypothesis is that any copper sulphide mineralisation at depth at Grunter North could be similar in style to the structurally controlled copper sulphide mineralisation which occurs at the Gunpowder Copper Mine. A second drill hole to test the down dip extent of the surficial copper mineralisation at Grunter North will be completed during the 2018 follow up drill program at Paperbark.

¹ Detailed information regarding the JB Zone Mineral Resource is presented in the Company's ASX announcement dated 24 April 2017. The Company is not aware of any new information or data that materially affects the information contained in that announcement.

² See ASX Announcement 6 December 2017. The Company is not aware of any new information or data that materially affects the information contained in that announcement.

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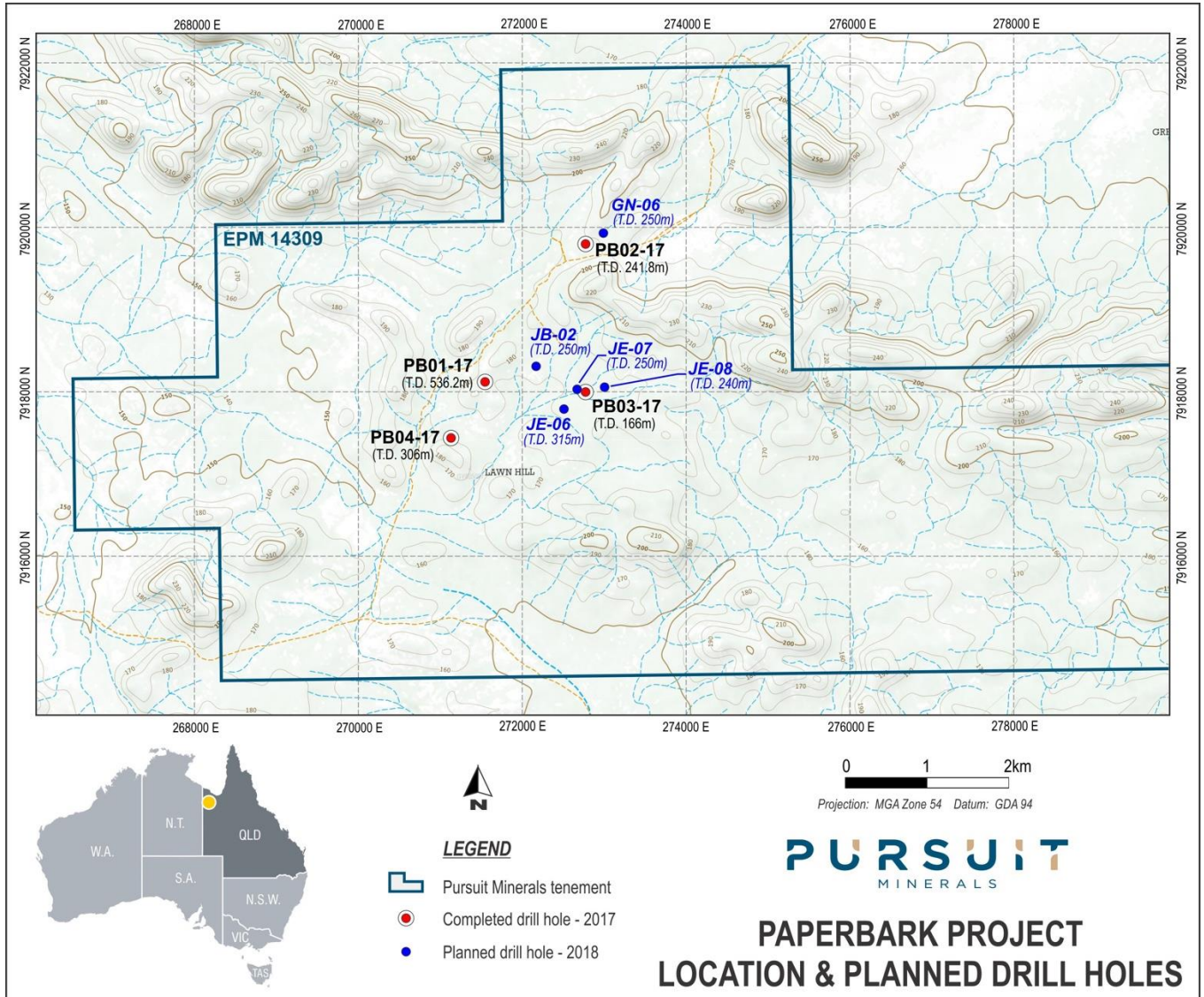
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The JB Zone Mineral Resource is open to the east and to the north at relatively shallow depth. A single drill hole has been planned to test the eastern extension of the JB Zone Mineral Resource. This drill hole will also determine if there is any connection between the JB Zone Mineral Resource and the new zinc discovery at the JE Zone.

In total five holes have been planned for 1,325m of drilling (Figure 2). The first assay results, from the drilling at the JE Zone Prospect, are expected to be available early June.

Figure Two – Paperbark Project 2018 Follow Up Drilling



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About Pursuit Minerals

Following completion of acquisition of the Bluebush, Paperbark and Coober Pedy Projects from Teck Australia Pty Ltd in 2017, Pursuit Minerals Limited (ASX:PUR) has become a mineral exploration and project development company advancing copper and zinc projects in world-class Australian metals provinces. Having acquired zinc and copper projects in the heart of the Mt Isa Province, Pursuit Minerals is uniquely placed to deliver value as it seeks to discover world class deposits adjacent to existing regional infrastructure and extract value from its existing mineral resources.

In 2018, Pursuit is expanding its project portfolio by applying for high quality vanadium projects, on open ground, in both Sweden and Finland. Sweden has a long history with vanadium, being the country where vanadium was first confirmed as a metal. Finland, has in the past produced up to 10% of the worlds vanadium from the Mustavarra mine in central Finland and is currently rated the number one jurisdiction globally for developing mineral projects.

Led by a team with a wealth of experience from all sides of minerals transactions, Pursuit Minerals understands how to generate and capture the full value of minerals projects. From local issues to global dynamics, Pursuit Minerals knows how to navigate development and deliver returns to shareholders and stakeholders.

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

www.pursuitminerals.com.au.

– ENDS –

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 Mr. Jeremy Read, who is a member of the Australian Institute of Mining & Metallurgy (AusIMM), Member No 224610. Mr. Read is a full-time employee of the Company and 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 Read consents to the use of this information in this announcement in the form and context in which it appears.

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