

PURE

RESOURCES 

ACN 653 330 413

Interim Financial Report

31 December 2024

Corporate Directory

Directors	Patric Glovac James Warren Jane Law
Company secretary	Quinton Meyers
Registered office	22 Townshend Road Subiaco WA 6009 Phone: (08) 9388 0051
Share register	Automic Group Level 5 191 St Georges Terrace Perth WA 6000 Phone: 1300 288 664
Auditor	HLB Mann Judd Level 4 130 Stirling Street Perth WA 6000
Solicitors	Nova Legal Level 2 50 Kings Park Road West Perth WA 6005
Stock exchange listing	Pure Resources Limited is listed on the Australian Stock Exchange (ASX) (ASX Code: PR1)
Website	https://pureresources.com.au/

Contents

Directors' Report	4
Auditor's Independence Declaration	6
Condensed Consolidated Statement of Profit or Loss and Other Comprehensive Income.....	7
Condensed Consolidated Statement of Financial Position	8
Condensed Consolidated Statement of Changes in Equity.....	9
Condensed Consolidated Statement of Cash Flows.....	10
Notes to the Financial Statements	11
Directors' Declaration	21
Independent Auditor's Review Report	22

Pure Resources Limited

Directors' Report

For the half year ended 31 December 2024

The Directors present their report, together with the interim report, of Pure Resources Limited and the entities it controlled, (**Group**) for the half year ended 31 December 2024.

Directors

The following persons were Directors of the Group from 1 July 2024 until the end of the half year and up to the date of this report, unless otherwise stated:

Mr Patric Glovac	Executive Chairman
Dr James Warren	Non-executive Director
Ms Jane Law	Non-executive Director

Principal Activities

The principal activities of the Group are the exploration for lithium, nickel and gold in Australia, Canada, and United States of America.

Review of Operations

During the half year the primary activities of the Group were exploration of the Group's Killarney Project (**Killarney**), Mount Monger Project (**Mount Monger**), Yandal Project (**Yandal**), Yundamindra Project (**Yundamindra**), Laforge Lithium Project (**Laforge**), Garnet Hills Project (**Garnet Hills**) and the sale of Järkvissle nr 100 (**Järkvissle**) in Sweden.

The Company is currently completing metallurgical test work on 200kg of garnetiferous material (Refer PR1 ASX Release 16 Oct 2024), Pure has expedited a second round of metallurgical testing to be completed on 3 tonnes of stockpiled garnetiferous material the latest samples taken from Garnet Hills.

Following the end of the half year, the Company received confirmation that the mining claims that make up the Crystal Mountain Project had lapsed. The Company decided to not renew the mining claims. The capitalised amount of \$49,176 has been written off.

Operating Results

The net loss after income tax for the half year was \$888,464 (31 December 2023: net loss \$299,332).

Matters Subsequent to the End of the Half Year

On 10 January 2025, Pure purchased 3,750,000 fully paid ordinary shares in Western Gold Resources Ltd (ASX: WGR) at an issue price of \$0.04 per share for a total dollar amount of \$150,000.

Future Developments

The Group intends to carry varying exploration programs on the Group's Killarney Project, Mount Monger Project, Yandal Project, Yundamindra Project, LaForge Project, and Garnet Hills.

The Company intends to undertake a drill program at Garnet Hills in the coming months.

Auditor's Independence Declaration

A copy of the auditor's Independence Declaration as required under section 307C of the Corporations Act 2001 is set out immediately after this Directors' report.

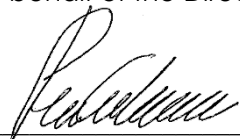
Auditor

HLB Mann Judd continues in office in accordance with section 327 of the Corporations Act 2001.

Pure Resources Limited
Directors Report
For the half year ended 31 December 2024

This report is made in accordance with a resolution of directors, pursuant to section 298(2)(a) of the Corporations Act 2001.

On behalf of the Directors



Patric Glovac
Chairman

12 March 2025

AUDITOR'S INDEPENDENCE DECLARATION

As lead auditor for the review of the consolidated financial report of Pure Resources Limited for the half-year ended 31 December 2024, I declare that to the best of my knowledge and belief, there have been no contraventions of:

- a) the auditor independence requirements of the *Corporations Act 2001* in relation to the review; and
- b) any applicable code of professional conduct in relation to the review.



Perth, Western Australia
12 March 2025

B G McVeigh
Partner

hl**b.com.au**

HLB Mann Judd ABN 22 193 232 714

A Western Australian Partnership

Level 4, 130 Stirling Street, Perth WA 6000 / PO Box 8124 Perth BC WA 6849

T: +61 (0)8 9227 7500 **E:** mailbox@hlbwa.com.au

Liability limited by a scheme approved under Professional Standards Legislation.

HLB Mann Judd is a member of HLB International, the global advisory and accounting network.

Pure Resources Limited
Condensed Consolidated Statement of Profit or Loss and Other Comprehensive
Income
For the half-year ended 31 December 2024

	Note	31 December 2024 \$	31 December 2023 \$
Gain on sale	2	151,479	108,906
Other income	2	28,889	26,932
Expenses			
Accounting and audit fees		(85,530)	(48,780)
Administration expense	2	(180,314)	(131,180)
Director fees		(198,152)	(145,416)
Exploration expenses	9	(326,048)	(43,249)
Finance costs		(195)	(178)
Legal fees		(16,312)	(26,744)
Insurance expenses		(18,295)	(16,111)
Share-based payments expense	12 & 18	(150,750)	-
Interest expense		(880)	(2,335)
Depreciation and amortisation		(21,751)	(21,177)
Change in fair value of financial assets	8	(21,429)	-
Impairment of Deferred exploration and evaluation expenditure	9	(49,176)	-
Loss before income tax expense from continuing operations		(888,464)	(299,332)
Income tax expense		-	-
Loss for the half year		(888,464)	(299,332)
Foreign currency translation		7,455	(61,971)
Total comprehensive loss for the half year		(881,009)	(361,303)
(Loss) per share		Cents per Share	Cents per Share
Basic loss per share	13	(2.04)	(0.8)
Diluted loss per share	13	(2.04)	(0.8)

The above Statement of Profit or Loss and Other Comprehensive Income should be read in conjunction with the accompanying notes.

Pure Resources Limited
Condensed Consolidated Statement of Financial Position
As at 31 December 2024

	Note	31 December 2024 \$	30 June 2024 \$
Current Assets			
Cash and cash equivalents	3	1,186,726	1,244,661
Trade and other receivable	4	102,204	30,603
Asset held for sale	5	-	63,294
Total current assets		1,288,930	1,338,558
Non-current Assets			
Property, plant and equipment	6	16,939	16,064
Right-of-use asset	7	12,634	31,582
Financial assets at fair value through profit or loss	8	28,571	-
Deferred exploration and evaluation expenditure	9	1,474,879	1,480,345
Total non-current assets		1,533,023	1,527,991
Total assets		2,821,953	2,866,549
Liabilities			
Current Liabilities			
Trade and other payables	10	88,308	46,250
Accruals		77,717	61,035
Lease liability	11	16,847	36,968
Total current liabilities		182,872	144,253
Total liabilities		182,872	144,253
Net Assets		2,639,081	2,722,296
Equity			
Issued capital	12	5,589,063	4,805,110
Reserves	12b	914,458	890,181
Accumulated losses		(3,864,440)	(2,972,995)
Total Equity		2,639,081	2,722,296

The above Statement of Financial position should be read in conjunction with the accompanying notes.

Pure Resources Limited
Condensed Consolidated Statement of Changes in Equity
For the half year ended 31 December 2024

	Note	Issued Capital	Reserves	Accumulated Losses	Total
		\$	\$	\$	\$
Incorporated on 1 July 2023		4,805,110	900,013	(2,068,445)	3,636,678
Loss for the period		-	-	(299,332)	(299,332)
Other Comprehensive Loss		-	(61,971)	-	(61,971)
Total comprehensive loss for the period		-	(61,971)	(299,332)	(361,303)
Transfer from accumulated losses to Reserves		-	241	(241)	-
Balance at 31 December 2023		4,805,110	838,283	(2,368,018)	3,275,375

	Note	Issued Capital	Reserves	Accumulated Losses	Total
		\$	\$	\$	\$
Balance at 1 July 2024		4,805,110	890,181	(2,972,995)	2,722,296
Loss for the period		-	-	(888,464)	(888,464)
Other Comprehensive Loss		-	7,455	-	7,455
Total comprehensive loss for the period		-	7,455	(888,464)	(881,009)
Proceeds from Issue of Placement		350,000	-	-	350,000
Proceeds from Entitlement Issue		350,000	-	-	350,000
Share Based Payments		150,750	16,822	-	167,572
Movement in Foreign Exchange	12b	-	-	(2,981)	(2,981)
Cost of Issued Securities		(66,797)	-	-	(66,797)
Balance at 31 December 2024		5,589,063	914,458	(3,864,440)	2,639,081

The above Statement of Changes in Equity should be read in conjunction with the accompanying notes.

Pure Resources Limited
Condensed Consolidated Statement of Cash Flows
For the half year ended 31 December 2024

	31 December 2024	31 December 2023
	\$	\$
Cash flows from operating activities		
Payment to suppliers and employees	(440,939)	(298,192)
Interest Paid	(18,822)	(2,236)
Interest received	28,889	26,825
Net cashflows used in operating activities	(430,872)	(273,603)
Cash flows from financing activities		
Payments for exploration and evaluation	(421,739)	(702,846)
Payments for purchase of investment	(50,000)	-
Proceeds from sale of tenements	214,772	170,000
Net cashflows used in financing activities	(256,967)	(532,846)
Cash flows from financing activities		
Proceeds from shares issued	700,000	-
Payments for cost of issued shares	(49,976)	-
Repayment of lease liabilities	(20,120)	(18,763)
Net cashflows from/(used in) financing activities	629,904	(18,763)
Net (decrease) in cash and cash equivalents	(57,935)	(825,212)
Cash and cash equivalents at beginning of interim period	1,244,661	2,539,023
Cash and cash equivalents at end of interim period	1,186,726	1,713,811

3

The above Statement of Cash Flows should be read in conjunction with the accompanying notes.

Pure Resources Limited

Notes to the Financial Statements

For the half year ended 31 December 2024

Note 1. Material Accounting Policies

Statement of compliance

These interim financial statements are general purpose financial statements prepared in accordance with the requirements of the Corporations Act 2001, applicable accounting standards including AASB 134 'Interim Financial Reporting', Accounting Interpretations and other authoritative pronouncements of the Australian Accounting Standards Board ('AASB'). Compliance with AASB 134 ensures compliance with IAS 34 'Interim Financial Reporting'.

The financial statements comprise the condensed interim financial statements for the Group. For the purposes of preparing the financial statements, the Group is a for-profit entity.

The interim financial report does not include full disclosures of the type normally included in an annual financial report. Therefore, it cannot be expected to provide as full an understanding of the financial performance, financial position and cash flows of the Group as in the full financial report.

It is recommended that this interim financial report be read in conjunction with the annual financial report for the year ended 30 June 2024 and any public announcements made by the Group during the half-year in accordance with continuous disclosure requirements arising under the Corporations Act 2001 and the ASX Listing Rules.

Basis of preparation

The interim financial report has been prepared on a historical cost basis. Cost is based on the fair value of the consideration given in exchange for assets.

The Group is domiciled in Australia and all amounts are presented in Australian dollars, unless otherwise noted.

For the purpose of preparing the interim financial report, the half-year has been treated as a discrete reporting period.

Accounting policies and methods of computation

The accounting policies and methods of computation adopted are consistent with those of the previous financial year and corresponding interim reporting period except for the impact of the new Standards and Interpretations effective 1 July 2024 as described below. These accounting policies are consistent with Australian Accounting Standards and with International Financial Reporting Standards.

Adoption of new and revised standards

New Standards and Interpretations applicable for the half year ended 31 December 2024

In the half-year ended 31 December 2024, the Directors have reviewed all of the new and revised Standards and Interpretations issued by the AASB that are relevant to the Group and effective for the current reporting period.

The Directors have determined that there is no material impact of the new and revised Standards and Interpretations on the Group.

Standards and interpretations in issue not yet adopted

The Directors have also reviewed all of the new and revised Standards and Interpretations in issue not yet adopted for the period ended 31 December 2024. As a result of this review the Directors have determined that there is no material impact of the Standards and Interpretations in issue not yet adopted on the Group and, therefore, no change is necessary to Group accounting policies.

Pure Resources Limited

Notes to the Financial Statements (cont'd)

For the half year ended 31 December 2024

Material accounting judgments and key estimates

The preparation of interim financial reports requires management to make judgments, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets, liabilities, income and expense. Actual results may differ from these estimates.

In preparing this interim report, the significant judgments made by management in applying the Group's accounting policies and the key sources of estimation uncertainty were the same as those that applied to the financial report for the year ended 30 June 2024.

Statement of compliance

The interim financial statements were authorised for issue on 12 March 2025.

The interim financial statements comply with Australian Accounting Standards, which include Australian equivalents to International Financial Reporting Standards (AIFRS). Compliance with AIFRS ensures that the financial report, comprising the interim financial statements and notes thereto, complies with International Financial Reporting Standards (IFRS).

Going concern

The interim financial statements have been prepared on a going concern basis, which contemplates the continuity of normal business operations and the realization of assets and settlement of liabilities in the ordinary course of business. As at 31 December 2024, the Group has limited cash reserves, and its projected cash flow forecasts indicate that additional equity or other funding will be required in the next twelve months. While the directors are confident of securing sufficient funding, there is a material uncertainty which may cast significant doubt as to whether the Group can do so. Should the Group be unable to raise further capital when required, it may be unable to realize its assets and discharge its liabilities in the normal course of business, and adjustments to the carrying value of assets and liabilities may be necessary have been prepared on the going concern basis, which contemplates continuity of normal business activities and the realisation of assets and settlements of liabilities in the ordinary course of business.

Note 2. Loss before income tax expense

The following revenue and expense items are relevant in explaining the financial performance for the half year.

	31 December 2024	31 December 2023
	\$	\$
Other income		
Net gain from sale of tenement	151,479	108,906
Interest income	28,889	26,932
	180,368	135,838
Expenses		
Included in administration expenses are the following items:		
- Advertising	50,214	19,537
- ASIC	6,841	2,854
- ASX Fees	39,788	26,891
- Company secretary	48,000	48,000
- Share registry	8,334	5,795
- General office expenses	18,395	25,952
- Subscription	8,742	2,151
	180,314	131,180

Pure Resources Limited
Notes to the Financial Statements (cont'd)
For the half year ended 31 December 2024

Note 3. Cash and cash equivalent

	31 December 2024	30 June 2024
	\$	\$
Cash at bank	1,186,726	1,244,661
Total cash and cash equivalent	1,186,726	1,244,661

Note 4. Trade and other receivables

	31 December 2024	30 June 2024
	\$	\$
GST	35,466	9,897
Prepayments	42,413	20,696
Receivables	24,325	10
Total trade and other receivables	102,204	30,603

Note 5. Non-current assets of disposal groups classified as held for sale

	31 December 2024	30 June 2024
	\$	\$
Järkvissle nr 100	-	63,294
	-	63,294

The exploration permit in Sweden, Järkvissle nr 100, was sold following receipt of ministerial consent. At 30 June 2024, the Company was awaiting ministerial consent to transfer the exploration permit, which was received on 22 August 2024.

Note 6. Property, Plant and Equipment

	31 December 2024	30 June 2024
	\$	\$
Plant and Equipment – at cost	25,975	22,298
Less: Accumulated depreciation	(9,036)	(6,234)
	16,939	16,064

Movement schedule of property, plant and equipment

	6 months to 31 December 2024	12 months to 30 June 2024
	\$	\$
Opening balance	16,064	20,523
Additions	3,677	-
Less depreciation	(2,802)	(4,459)
	16,939	16,064

Pure Resources Limited
Notes to the Financial Statements (cont'd)
For the half year ended 31 December 2024

Note 7. Right of use asset

Right of use asset	31 December 2024	30 June 2024
	\$	\$
Opening	116,853	116,853
Additions	-	-
	116,853	116,853
<i>Accumulated amortisation</i>		
Opening Balance	(85,271)	(47,375)
Amortisation for the half year	(18,948)	(37,896)
	(104,219)	(85,271)
Carrying amount	12,634	31,582

The Group leases its registered head office premises. The remaining lease is 4 months.

Note 8. Financial Assets at Fair Value Through Profit or Loss

	31 December 2024	30 June 2024
	\$	\$
Listed ordinary shares	28,571	-
	28,571	-
<i>Reconciliation of the fair values at the beginning and end of the current and previous financial year are set out below:</i>		
Opening balance	-	-
Additions	50,000	-
Disposals	-	-
Adjustment to fair value	(21,429)	-
Closing balance	28,571	-

All fair values are level 1.

Note 9. Exploration and Evaluation Expenditure

	6 months to 31 December 2024	12 months to 30 June 2024
	\$	\$
Cost brought forward in respect of areas of interest in the exploration evaluation stage	1,480,345	1,343,210
Expenditure capitalised during the half year	43,710	486,117
Acquisition of the Kast Project	-	(91,421)
Acquisition/sale of the Kova Project	-	(57,918)
Acquisition of the Bergby nr 100 reservation	-	(158,388)
Acquisition of Järkvissle nr 100	-	22,039
Transfer to Asset held for sale (Note 5)	-	(63,294)
Impairment of exploration expenditure	(49,176)	-
	1,474,879	1,480,345

The recoupment of costs carried forward in relation to areas of interest in the exploration and evaluation phases is dependent on the successful development and commercial exploitation or sale of the respective areas.

Pure Resources Limited
Notes to the Financial Statements (cont'd)
For the half year ended 31 December 2024

Note 9. Exploration and Evaluation Expenditure (cont'd)

During the half-year, the Group incurred exploration expenditures totaling \$326,048 relating to the Garnet Hills Project. At the reporting date, the Group did not have control of the Garnet Hills Project, and as such, did not meet the criteria under AASB 6 Exploration for and Evaluation of Mineral to capitalize the associated costs. Consequently, in accordance with these standards, the exploration and evaluation expenditure was expensed in profit or loss for the period.

Note 10. Trade and other payables

	31 December 2024	30 June 2024
	\$	\$
Accounts Payable	62,604	32,373
PAYG Withholdings Payable	25,704	13,877
	88,308	46,250

Note 11. Lease liability

Lease liabilities	31 December 2024	30 June 2024
	\$	\$
Current	16,847	36,968
	16,847	36,968

Reconciliation of lease liabilities	31 December 2024	30 June 2024
	\$	\$
Opening Balance	36,968	75,161
Additions	-	-
Principal repayments	(21,000)	(41,999)
Interest Expense	879	3,806
Closing balance	16,847	36,968

Note 12. Issued Capital

	No. of Shares	31 December 2024	No. of Shares	30 June 2024
		\$		\$
Ordinary Shares fully paid	46,008,794	5,589,063	37,500,010	4,805,110

	No. of Shares	31 December 2024	No. of Shares	30 June 2024
		\$		\$
Opening balance	37,500,010	4,805,110	37,500,010	4,805,110
Proceeds from Issue of Placement	3,500,000	350,000	-	-
Proceeds from Entitlement Issue	3,501,284	350,000	-	-
Share Based Payments (Note 18)	1,507,500	150,750	-	-
Cost of Issued Securities	-	(66,797)	-	-
Closing balance	46,008,794	5,589,063	37,500,010	4,805,110

Pure Resources Limited
Notes to the Financial Statements (cont'd)
For the half year ended 31 December 2024

Note 12b. Reserves

	31 December 2024	30 June 2024
	\$	\$
Share-based payments reserve (a)	906,824	890,002
Loyalty options reserve (b)	18,024	18,024
Foreign currency translation reserve (c)	(10,390)	(17,845)
	914,458	890,181

a) Share-based payments reserve

The share-based payments reserve represents the fair value of share-based payments by the Group.

	31 December 2024	30 June 2024
	\$	\$
<i>Share-based payments reserve</i>		
Opening balance	890,002	890,002
Fair value for lead manager options issued (refer Note 18)	16,822	-
Balance at end of period	906,824	890,002

b) Options reserve

The loyalty option reserve represents the value of options purchased at \$0.001 per option by eligible shareholders.

	31 December 2024	30 June 2024
	\$	\$
<i>Loyalty option reserve</i>		
Opening balance	18,024	18,024
Amount paid for options issued	-	-
Balance at end of period	18,024	18,024

(c) Foreign currency translation reserve

The foreign currency translation reserve represents the movement in foreign currency rates.

	31 December 2024	30 June 2024
	\$	\$
<i>Foreign currency translation reserve</i>		
Opening balance	(17,845)	(8,013)
Movement during the year	10,436	(13,258)
Transfer of historical reserve to accumulated losses	(2,981)	3,426
Balance at end of year	(10,390)	(17,845)

Pure Resources Limited
Notes to the Financial Statements (cont'd)
For the half year ended 31 December 2024

Note 13. Loss Per Share

	31 December 2024	31 December 2023
	Cents Per Share	Cents Per Share
Basic loss per share	(2.04)	(0.8)
Diluted loss per share	(2.04)	(0.8)
(Loss) used in calculation of basic and diluted loss per share	<u>(888,464)</u>	<u>(299,332)</u>
Weighted average number of ordinary shares on issue used in the calculation of basic loss per share	43,513,787	37,500,010
Weighted average number of ordinary shares on issue used in the calculation of Diluted loss per share	43,513,787	37,500,010

Note 14. Events After Balance Date

On 10 January 2025, Pure purchased 3,750,000 fully paid ordinary shares in Western Gold Resources Ltd (ASX: WGR) at an issue price of \$0.04 per share for a total dollar amount of \$150,000.

Note 15. Financial Instruments

Fair value of financial assets and liabilities

The carrying amount of financial assets and financial liabilities recorded in the financial statements represents their respective net fair values.

The Directors consider that the carrying amounts of current receivables and current payables are considered to be a reasonable approximation of their fair values.

Note 16. Segment Reporting

The Group undertakes mineral exploration and evaluation work on multiple projects located in Western Australia, Canada, Finland, Sweden and USA. Management currently identifies the Group's assets by the geographical location. The accounting policies adopted for internal reporting are consistent with those adopted for the financial statements.

This operating segment are monitored by the Group's Executive Chairman and based on internal reports that are reviewed and used by the Board of Directors in making strategic decisions on the basis of available cash reserves and exploration results.

The items which are not capitalised to exploration and evaluation expenditure and included in the statement of profit or loss and other comprehensive income, relate to the Corporate Segment.

Pure Resources Limited
Notes to the Financial Statements (cont'd)
For the half year ended 31 December 2024

Note 16. Segment Reporting (cont'd)

Segment assets and liabilities are disclosed in the table below:

31 December 2024

	Corporate Australia \$	Mineral Exploration Australia \$	Mineral Exploration Canada \$	Mineral Exploration Finland \$	Mineral Exploration Sweden \$	Mineral Exploration USA \$	Total \$
Business segments							
Revenue							
Gain on sale	-	-	-	-	151,479	-	151,479
Other external revenue	28,889	-	-	-	-	-	28,889
Total segment revenue	28,889	-	-	-	151,479	-	180,368
Results							
Operating loss before income tax	(562,416)	(326,048)	-	-	-	-	(888,464)
Net Loss	(562,416)	(326,048)	-	-	-	-	(888,464)
Assets							
Segment assets	1,347,073	952,349	522,530	-	-	-	2,821,952
Liabilities							
Segment liabilities	182,871	-	-	-	-	-	182,871

31 December 2023

	Corporate Australia \$	Mineral Exploration Australia \$	Mineral Exploration Canada \$	Mineral Exploration Finland \$	Mineral Exploration Sweden \$	Mineral Exploration USA \$	Total \$
Business segments							
Revenue							
Other external revenue	26,925	-	-	108,913	-	-	135,838
Total segment revenue	26,925	-	-	108,913	-	-	135,838
Results							
Operating loss before income tax	(313,511)	(42,434)	-	86,613	(30,000)	-	(299,332)
Net Loss	(313,511)	(42,434)	-	86,613	(30,000)	-	(299,332)
Assets							
Segment assets	1,705,528	1,044,837	504,678	84,453	150,146	4,212	3,493,854
Liabilities							
Segment liabilities	191,596	-	-	26,883	-	-	218,479

Pure Resources Limited

Notes to the Financial Statements (cont'd)

For the half year ended 31 December 2024

Note 17. Commitments and contingent liabilities

a) Exploration Expenditure Commitments

The Group has certain obligations to perform exploration work and expend minimum amounts of money on such works on mineral exploration tenements. These obligations will vary from time to time, subject to statutory approval and capital management. The terms of the granted licenses and those subject to relinquishment will alter the expenditure commitments of the Group as will any change to areas subject to licence.

b) Native Title

Native title claims have been made with respect to areas which include tenements in which the Group has interests. The Group is unable to determine the prospects for success or otherwise of the claims and, in any event, whether or not and to what extent the claims may significantly affect the Group or its projects.

c) Royalties

As part of the acquisition of the Killarney Project during 2023 the Group entered into a Royalty Deed with Uramin Pty Ltd ("Uramin"). The royalty entitles Uramin to a net smelter return of 1.5% on revenue produced from sales of ore extracted. The term of the Royalty is for the life of the mining lease on the Killarney Project, subject to the availability of ore to be extracted. At the date of this report the Group is not in a position to reliably estimate the amount, if any, that would be paid to Uramin as a result of successful economic extraction of ore from the project given its exploration stage and as such this amount has not been recognised in the accounts of the Group at balance date.

As part of the acquisition of the Garnet Hill Project, the Company has agreed to enter into a royalty deed with the vendors of the Garnet Hill. The royalty entitles the vendors) a 2% gross revenue royalty (Royalty) over all garnet and CaCO₃ extracted from the Reedy Creek Project. Pure has the right to buy back 1% of the Royalty for \$500,000. The term of the royalty is for the life of the mining lease on the Garnet Hill Project, subject to the availability of ore to be extracted. At the date of this report the Group is not in a position to reliably estimate the amount, if any, that would be paid to vendors as a result of successful economic extraction of ore from the project given its exploration stage and as such this amount has not been recognised in the accounts of the Group at balance date.

d) Garnet Hill Milestone Payments

As part of the acquisition of the Garnet Hill Project, the Group has agreed to pay the Vendors three milestone payments upon reaching the corresponding Milestones. The milestones are as follows:

Milestone 1: Subject to Pure announcing to the ASX, within nine (9) months of the date of the Option Agreement, that all costeaning, bulk sampling and metallurgical test work has been completed on the Reedy Creek Project, Pure must pay the Vendors (or their respective nominees) a total of \$125,000 in cash;

Milestone 2: Subject to Pure announcing to ASX, within twenty-one (21) months of the date of the Option Agreement, that it has completed a positive Scoping Study on the Reedy Creek Project (Garnet Resource Specific) in accordance with the JORC Code, Pure must:

- pay the Vendors (or their respective nominees) a total of \$187,500 in cash; and
- subject to Pure obtaining prior approval from its shareholders, issue to the Vendors (or their respective nominees) a total of 625,000 Shares, representing \$62,500 worth of Shares at a deemed issue price of \$0.10 each;

Pure Resources Limited

Notes to the Financial Statements (cont'd)

For the half year ended 31 December 2024

Note 17. Commitments and contingent liabilities (cont'd)

Milestone 3: Subject to Pure announcing to ASX, within forty (40) months of the date of the Option Agreement, that Pure has made decision to develop, construct and commence mining operations within the Reedy Creek Project, Pure must:

- pay the Vendors (or their respective nominees) a total of \$350,000 in cash; and
- issue to the Vendors (or their respective nominees) a total of 2,500,000 Shares, representing \$250,000 worth of Shares at a deemed issue price of \$0.10 each.

Note 18. Share-based payments

On 14 November 2024, a total of 2,000,000 options exercisable at \$0.25 each on or before 10 April 2025 were issued to the lead manager of the placement of \$350,000 announced 25 July 2024. The value of the options were calculated using the black-scholes formula and expensed at the date of the issue of the options. The inputs for the valuation of the options are detailed below.

Category	Lead Manager Options
Number of securities	2,000,000
Security Entitlement	One share
Listed/Unlisted	Listed
Vesting milestones	No vesting milestone
Grant date	14 November 2024
Vesting term	No vesting term
Vesting date	14 November 2024
Expiry Date	10 April 2025
Probability (%)	80
Value per security (\$)	0.0084
Total Value (\$)	16,822

The total amount of \$16,822 has been offset against share issue costs.

On 30 July 2024, the Company issued 1,507,500 fully paid ordinary shares to a non-related party, for introducing and facilitating the Option Agreement to purchase the Garnet Hill Project (**Facilitation Shares**). The Facilitation Shares were issued at an issue price of \$0.10 for a total amount of \$150,750 which has been expensed through the Statement of Profit and Loss and other Comprehensive Income.


Pure Resources Limited Directors' Declaration For the half year ended 31 December 2024

Directors' Declaration

In the opinion of the directors of Pure Resources Limited:

1. The attached financial statements and notes thereto are in accordance with the Corporations Act 2001 including:
 - a. complying with Accounting Standards, the Corporations Regulations 2001 and other mandatory professional reporting requirements; and
 - b. giving a true and fair view of the Group's financial position as at 31 December 2024 and of its performance for the half-year then ended; and
2. There are reasonable grounds to believe that the Group will be able to pay its debts as and when they become due and payable.

This declaration is signed in accordance with a resolution of the Board of Directors made pursuant to s.303(5) of the Corporations Act 2001.



Patric Glovac
Executive Chairman

12 March 2025

INDEPENDENT AUDITOR'S REVIEW REPORT

To the Members of Pure Resources Limited

Report on the Condensed Interim Financial Report

Conclusion

We have reviewed the interim financial report of Pure Resources Limited (the "Company") and its controlled entities (the "Group"), which comprises the condensed consolidated statement of financial position as at 31 December 2024, the condensed consolidated statement of profit or loss and other comprehensive income, the condensed consolidated statement of changes in equity and the condensed consolidated statement of cash flows for the half-year ended on that date, selected explanatory notes, and the directors' declaration, for the Group comprising the Company and the entities it controlled at the half-year end or from time to time during the half-year.

Based on our review, which is not an audit, we have not become aware of any matter that makes us believe that the accompanying interim financial report of Pure Resources Limited does not comply with the *Corporations Act 2001* including:

- (a) giving a true and fair view of the Group's financial position as at 31 December 2024 and of its performance for the half-year ended on that date; and
- (b) complying with Accounting Standard AASB 134 *Interim Financial Reporting* and the *Corporations Regulations 2001*.

Basis for Conclusion

We conducted our review in accordance with ASRE 2410 *Review of a Financial Report Performed by the Independent Auditor of the Entity*. Our responsibility is further described in the *Auditor's Responsibility for the Review of the Financial Report* section of our report. We are independent of the company in accordance with the auditor independence requirements of the *Corporations Act 2001* and the ethical requirements of the Accounting Professional and Ethical Standards Board's APES 110 *Code of Ethics for Professional Accountants (including Independence Standards)* (the "Code") that are relevant to our audit of the annual financial report in Australia. We have also fulfilled our other ethical responsibilities in accordance with the Code.

Material Uncertainty Related to Going Concern

We draw attention to Note 1 in the financial report, which indicates that a material uncertainty exists that may cast significant doubt on the Group's ability to continue as a going concern. Our conclusion is not modified in respect of this matter.

hlb.com.au

HLB Mann Judd ABN 22 193 232 714

A Western Australian Partnership

Level 4, 130 Stirling Street, Perth WA 6000 / PO Box 8124 Perth BC WA 6849

T: +61 (0)8 9227 7500 **E:** mailbox@hlbwa.com.au

Liability limited by a scheme approved under Professional Standards Legislation.

HLB Mann Judd is a member of HLB International, the global advisory and accounting network.

Responsibility of the Directors for the Financial Report

The directors of the Company are responsible for the preparation of the interim financial report that gives a true and fair view in accordance with Australian Accounting Standards and the *Corporations Act 2001* and for such internal control as the directors determine is necessary to enable the preparation of the interim financial report that gives a true and fair view and is free from material misstatement, whether due to fraud or error.

Auditor's Responsibility for the Review of the Financial Report

Our responsibility is to express a conclusion on the interim financial report based on our review. ASRE 2410 requires us to conclude whether we have become aware of any matter that makes us believe that the interim financial report is not in accordance with the *Corporations Act 2001* including giving a true and fair view of the Group's financial position as at 31 December 2024 and its performance for the half-year ended on that date, and complying with Accounting Standard AASB 134 *Interim Financial Reporting* and the *Corporations Regulations 2001*.

A review of a interim financial report consists of making enquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with Australian Auditing Standards and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.

Independence

In conducting our review, we have complied with the independence requirements of the *Corporations Act 2001*.



HLB Mann Judd
Chartered Accountants

Perth, Western Australia
12 March 2025



B G McVeigh
Partner