

QUARTERLY ACTIVITIES REPORT FOR THE PERIOD ENDING 30 JUNE 2022

HIGHLIGHTS

- High-grade rock chip results from the Killarney Prospect include:
 - **19.3% Cu & 78 g/t Ag** (PRRK01)
 - **11.4% Cu & 26 g/t Ag** (PRRK02); and
 - **1.8% Cu & 6 g/t Ag** (PRRK03)
- Additional reconnaissance mapping and sampling recently completed, with further areas of surficial copper mineralisation and prospective rock types observed.
- Successful completion of the Company's Initial Public Offering ("**IPO**") in April 2022 raising \$4,650,000.

Pure Resources Limited ("**Pure**" or "**Company**") is pleased to provide the following report on its activities during the quarter ending 30 June 2022. The Company's primary focus during the reporting period was the initial sampling at its Killarney Project (the "**Project**") and the successful completion of the Company's IPO in April 2022 raising \$4,650,000.

Pure's Executive Chairman, Patric Glovac, commented:

"We are pleased to have successfully listed Pure during the quarter and to follow this up by validating the presence of high-grade copper mineralisation at the Killarney Prospect.

"We are encouraged by the presence of surficial copper at Killarney and we have mapped mafic-ultramafic intrusive rock types at the Turkey Creek Prospect, which we believe are prospective for Norilsk style Ni-PGE-Cu mineralisation."

The Killarney Project

The Project is comprised of one tenement, E80/5153, located approx. 150km southwest of Kununurra and 140km north-east of the town of Halls Creek (Figure 1). Access is via the Great Northern Highway and then east along the Texas Downs Road for 8 km to the project site. The Project is situated in a rapidly emerging district prospective for stratigraphic copper and intrusion related nickel copper-PGE mineral systems.

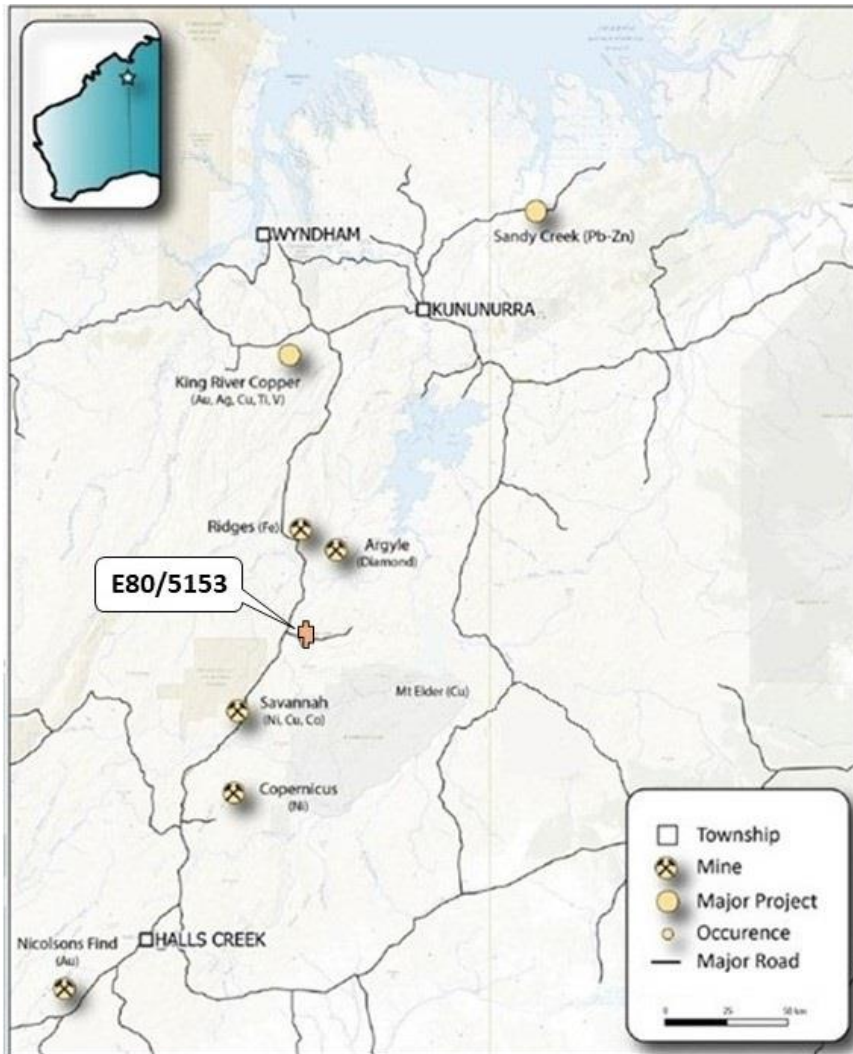


Figure 1: Location of the Killarney Project

During the quarter ending 30 June 2022, the Company performed reconnaissance sampling of outcropping alachite mineralisation returned high-grade copper values of 19.3% Cu & 78 g/t Ag (PRRK01), 11.4% Cu & 26 g/t Ag (PRRK02) and 1.8% Cu & 6 g/t Ag (PRRK03) (Table 1).

Table 1: Rock Chip Sample Results

Sample ID	Prospect	Easting	Northing	Ag (ppm)	Cu (ppm)	Ni (ppm)	Pb (ppm)	Zn (ppm)	Au (ppb)
PRRK01	Killarney	425330	8109572	78	192700	33.3	41.7	36.6	2.8
PRRK02	Killarney	425339	8109690	26	114300	48.6	12	55.1	1.8
PRRK03	Killarney	425355	8109702	5.9	17860	19.4	3.1	13.8	1.8
PRRK04	Turkey Creek	423353	8113563	0.04	117.9	370	4.1	78.8	1.6
PRRK05	Turkey Creek	423360	8113569	0.03	167.4	494	3.6	84	2
PRRK06	Turkey Creek	423264	8113433	0.08	360.4	427	3.1	121	0.6

During an initial site visit conducted in March 2022, six rock chip samples were collected from the Killarney and Turkey Creek prospects (Figure 2) to validate historical data that was reported by Australian Anglo American Ltd (“**Anglo**”) and CRA Exploration in the early 1970's.

The Killarney Copper occurrence consists of widespread and persistent vein, fracture and disseminated copper mineralization that outcrops irregularly over an area of 250 x 100 metres. It is centred within the McHales Granodiorite some 12.5 kilometres southeast of Warmun. CRA Exploration completed the initial work at the Killarney prospects in 1972 and conducted three traverses of rock-chip sampling across the ‘main’ zone of mineralization and obtained copper values ranging from 10 ppm to 3.8% Cu.

In 1972, Anglo identified a malachite-stained gossan which was subsequently called the Turkey Creek Prospect. Anglo described the gossan as having a strike length of 90m (300ft), hosted by a granulite adjacent to a garnet gneiss contact (Anglo, 1973). Grab samples from the gossan returned maximum values of 1.1% Ni and 0.6% Cu.

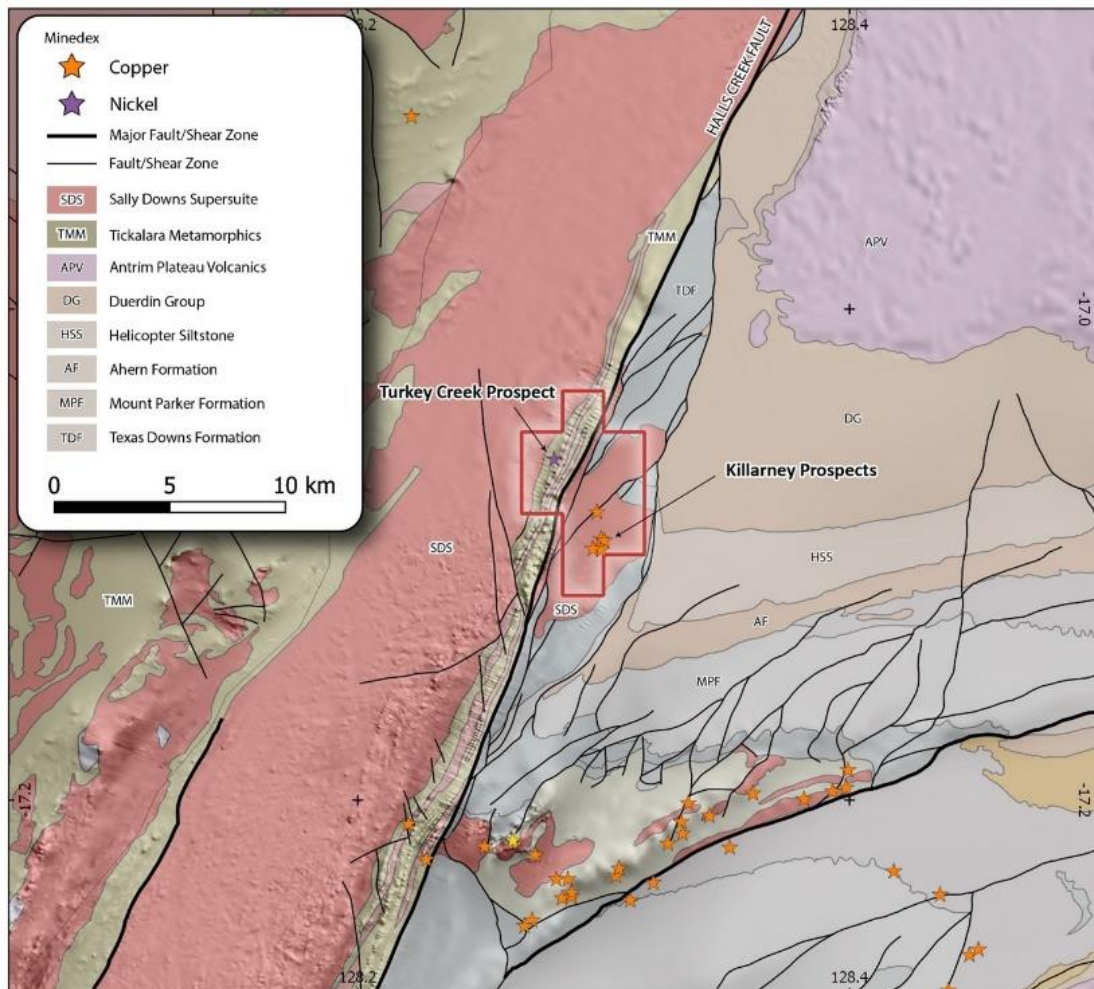


Figure 2: Location of the Killarney and Turkey Creek Prospects within tenement E80/5153

Corporate Activity

During the quarter, the Company announced the completion of its IPO after successfully raising \$4,650,000 pursuant to the Offer under its Prospectus by issuing 23,250,000 shares at an issue price of \$0.20 per share.

Cash

The Company's consolidated cash at hand was \$4,214,226 million as of 30 June 2022 with no debt. The majority of the expenditure was on Exploration and Evaluation \$6,615, Staff costs \$101,753, \$334,400 share issue costs and Admin and Corporate costs \$77,415. This information is presented in the Quarterly Cashflow Report (Appendix 5B).

COVID-19 Update

Pure is continuing to review updates in relation to the COVID 19 pandemic and potential impacts to its exploration programs, drill schedules, health and wellbeing of its employees, contractors and other stakeholders. The Company has operational procedures and guidelines in-line with official health advice including vaccination requirements and government directives, which can be modified in response to changing conditions.

Pure is an active explorer and continues to progress its work programs subject to travel restrictions that may be enforced.

June Quarter ASX Releases

During the quarter, the following project related ASX announcements were made:

- 22 June 2022 - High-Grade Copper Samples up to 19.3% Cu
- 23 June 2022 - Amended - High-Grade Copper Samples up to 19.3% Cu

Key Activities Planned for the September 2022 Quarter

During the July 2022 quarter, the Company plans to:

- Complete aerial gravity and electromagnetic surveys over key target areas, specifically the Killarney Project.
- Community engagement with Traditional Owners, pastoralists and local stakeholders to facilitate Land Access and sustainable exploration.

ASX Additional Information

1. **ASX Listing Rule 5.3.1** – Mining exploration activities and investment activity expenditure during the quarter was \$6,615. Full details of the activity during the quarter are set out in this report.
2. **ASX Listing Rule 5.3.2** – Mining production and development activity expenditure for the quarter was Nil and there were no substantive mining exploration activities for the quarter.
3. **ASX Listing Rule 5.3.3** – Tenement Schedule – Refer to Appendix 1 for details of the Company's tenements as at 30 June 2022.

4. **ASX Listing Rule 5.3.4** – The Company provides the actual vs proposed Use of Funds as outlined in Section 3.7 of the Prospectus dated 24 January 2022.

Proposed Use of Funds	Proposed \$	Actual \$	Variance
Exploration at Company Projects	2,550,000	27,000	Timing
New Project Evaluation	400,000	-	Timing
Cash reimbursement to Project Vendors	55,471	55,471	-
Expense of the offer	503,500	545,670	Higher Legal Fees
Administration costs	425,000	98,873	Timing
Working Capital	1,009,880	126,999	Timing
Total	4,943,851	854,013	

5. **ASX Listing Rule 5.4.5** – Payments to related parties of the Company during the quarter and outlined in the Appendix 5B include \$101,753 for Salaries, Director Fees and Consulting Fees paid to Directors. The amount of \$101,753 is primarily made up of Director Fees accrued prior to the Pure listing.

- END -

This announcement is approved for release by the Board of Pure Resources Limited.

Mr Patric Glovac
Executive Chairman
Pure Resources Limited

APPENDIX 1: Tenement Schedule (as at 30 June 2022)

Tenement	State	Status	Project	Area (km2)	Holder	Beneficial Interest
E26/227	Western Australia	Granted	Mount Monger Project	10.6	GTT Ventures Pty Ltd	100%
E39/2251	Western Australia	Granted	Yundamindra Project	5.7	GTT Metals Group Pty Ltd	100%
E39/2254	Western Australia	Granted	Yundamindra Project	82	GTT Metals Group Pty Ltd	100%
E53/2023	Western Australia	Granted	Yandal Project	43.3	Salsimroc Mining Pty Ltd	100%
E80/5153	Western Australia	Granted	Killarney Project	32.7	Uramin Pty Ltd	100%

The above interest in tenements are held pursuant to agreements with the GTT Ventures Pty Ltd, GTT Metals Group Pty Ltd, Salsimroc Mining Pty Ltd and Uramin Pty Ltd.

Appendix 5B

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

Name of entity

Pure Resources Limited

ABN

19 653 330 413

Quarter ended ("current quarter")

30 June 2022

Consolidated statement of cash flows	Current quarter \$A'000	Year to date (12 months) \$A'000
1. Cash flows from operating activities		
1.1 Receipts from customers	-	-
1.2 Payments for		
(a) exploration & evaluation	(7)	(27)
(b) development	-	-
(c) production	-	-
(d) staff costs	(101)	(101)
(e) administration and corporate costs	(77)	(335)
1.3 Dividends received (see note 3)	-	-
1.4 Interest received	-	-
1.5 Interest and other costs of finance paid	-	-
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	(185)	(463)

2. Cash flows from investing activities		
2.1 Payments to acquire or for:		
(a) entities	-	-
(b) tenements	(56)	(56)
(c) property, plant and equipment	-	-
(d) exploration & evaluation	-	-
(e) investments	-	-
(f) other non-current assets	-	-

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

Consolidated statement of cash flows		Current quarter \$A'000	Year to date (12 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	(56)	(56)

3.	Cash flows from financing activities		
3.1	Proceeds from issues of equity securities (excluding convertible debt securities)	(3)	5,057
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	(334)	(334)
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	(337)	4,723

4.	Net increase / (decrease) in cash and cash equivalents for the period		
4.1	Cash and cash equivalents at beginning of period	4,792	-
4.2	Net cash from / (used in) operating activities (item 1.9 above)	(185)	(453)
4.3	Net cash from / (used in) investing activities (item 2.6 above)	(56)	(56)
4.4	Net cash from / (used in) financing activities (item 3.10 above)	(337)	4,723

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

Consolidated statement of cash flows		Current quarter \$A'000	Year to date (12 months) \$A'000
4.5	Effect of movement in exchange rates on cash held	-	-
4.6	Cash and cash equivalents at end of period	4,214	4,214

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	4,214	4,792
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)	4,214	4,792

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	(101)
6.2	Aggregate amount of payments to related parties and their associates included in item 2	-

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.

7.	Financing facilities <i>Note: the term "facility" includes all forms of financing arrangements available to the entity. 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.		
	N/A		

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

8. Estimated cash available for future operating activities	\$A'000
8.1 Net cash from / (used in) operating activities (item 1.9)	(185)
8.2 (Payments for exploration & evaluation classified as investing activities) (item 2.1(d))	(56)
8.3 Total relevant outgoings (item 8.1 + item 8.2)	(241)
8.4 Cash and cash equivalents at quarter end (item 4.6)	4,214
8.5 Unused finance facilities available at quarter end (item 7.5)	-
8.6 Total available funding (item 8.4 + item 8.5)	4,214
8.7 Estimated quarters of funding available (item 8.6 divided by item 8.3)	17.49
<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>	
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: N/A	
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: N/A	
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: N/A	
<i>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.</i>	

Compliance statement

- This statement has been prepared in accordance with accounting standards and policies which comply with Listing Rule 19.11A.
- This statement gives a true and fair view of the matters disclosed.

Date:27 July 2022.....

Authorised by: The Board of Directors, Pure Resources Limited
(Name of body or officer authorising release – see note 4)

Notes

- 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.
- 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.

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