

**PURE**

RESOURCES 

**ACN 653 330 413**

**Interim Financial Report**  
**31 December 2022**

## Corporate Directory

<b>Directors</b>	Patric Glovac James Warren Jane Law
<b>Company secretary</b>	Quinton Meyers
<b>Registered office</b>	22 Townshend Road Subiaco WA 6009 Phone: (08) 6489 1600
<b>Share register</b>	Automic Group Level 5 191 St Georges Terrace Perth WA 6000 Phone: 1300 288 664
<b>Auditor</b>	HLB Mann Judd (WA Partnership) Level 4 130 Stirling Street Perth WA 6000
<b>Solicitors</b>	Nova Legal Level 2 50 Kings Park Road West Perth WA 6005
<b>Stock exchange listing</b>	Pure Resources Limited is listed on the Australian Stock Exchange (ASX) (ASX Code: PR1)
<b>Website</b>	<a href="https://pureresources.com.au/">https://pureresources.com.au/</a>

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# Pure Resources Limited

## Directors' Report

### For the half year ended 31 December 2022

The Directors present their report, together with the interim report, of Pure Resources Limited ('Company') for the half year ended 31 December 2022.

#### Directors

The following persons were Directors of the Company from 1 July 2022 until the end of the half year and up to the date of this report, unless otherwise stated:

<b>Patric Glovac</b>	<b>Executive Chairman</b>
<b>Dr James Warren</b>	<b>Non-executive Director</b>
<b>Ms Jane Law</b>	<b>Non-executive Director</b>

#### Principal Activities

During the half year the primary activities of the Company were exploration of the Company's Killarney Project, Mount Monger Project, Yandal Project, Yundamindra Project and LaForge Project.

#### Review of Operations

The Company's primary focus during the half year was the exploration work performed on its Killarney Project, Mount Monger Project, Yandal Project and Yundamindra Project. During the half year, the Company acquired the LaForge Project in Quebec, Canada. Geological reconnaissance work was performed on the project in December 2022.

#### Operating Results

The net loss after income tax for the half year was (\$732,380) (30 June 2022: (\$1,316,046)).

#### Matters Subsequent to the End of the Half Year

On 5<sup>th</sup> January 2023, the Company announce preliminary results from its maiden geological fieldwork campaign that covered less than 5% of the 270km<sup>2</sup> project area at the Company's Laforge Lithium Project.

On 19<sup>th</sup> January 2023, Pure announced the Ministère des Ressources naturelles et des Forêts (MERN) has officially granted PR1 (Canada) Ltd (a wholly owned subsidiary of Pure) the remaining mining titles of the Company's Laforge Lithium Project.

The Company announced on 1<sup>st</sup> March 2023 an update on exploration activities across the Company's project portfolio.

On 9<sup>th</sup> March 2023, Pure announced that the exploration budget for the LaForge Project has been approved. Exploration of the Project, which covers 261km<sup>2</sup> and is located 65km northeast of the CV5 lithium discovery by Patriot Battery Metals Inc. (ASX: PMT), has commenced.

#### Future Developments

The Company intends to carry varying exploration programs on the Company's Killarney Project, Mount Monger Project, Yandal Project, Yundamindra Project and LaForge Project. The Company intends to initiate project generative works focusing on the battery metals space.

#### 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.

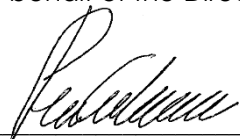
#### Auditor

HLB Mann Judd (WA Partnership) 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 2022**

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



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Patric Glovac  
Chairman

9 March 2023

## AUDITOR'S INDEPENDENCE DECLARATION

As lead auditor for the review of the financial report of Pure Resources Limited for the half-year ended 31 December 2022, 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  
9 March 2023



**B G McVeigh**  
Partner

**h**l**b.com.au**

**HLB Mann Judd (WA Partnership) ABN 22 193 232 714**

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Liability limited by a scheme approved under Professional Standards Legislation.

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

**Pure Resources Limited**  
**Condensed Statement of Profit or Loss and Other Comprehensive Income**  
**For the half-year ended 31 December 2022**

	Note	31 December 2022 \$	31 December 2021 \$
Interest income	2	12,076	-
<b>Expenses</b>			
Accounting and audit fees		(51,393)	(3,692)
Administration expense	2	(106,374)	(23,095)
Director fees		(122,655)	(48,200)
Exploration expenses		(470)	(1,269)
Finance costs		(958)	-
Legal fees		(16,304)	(14,411)
Insurance		(14,433)	-
Share-based payments expense	12	(399,600)	(1,354,323)
Interest expense		(3,501)	-
Depreciation and amortisation		(28,768)	-
<b>Loss before income tax expense from continuing operations</b>		<b>(732,380)</b>	<b>(1,444,990)</b>
Income tax expense			
<b>Loss for the half year</b>		<b>(732,380)</b>	<b>(1,444,990)</b>
Other comprehensive income for the half year, net of tax		-	-
<b>Total comprehensive loss for the half year</b>		<b>(732,380)</b>	<b>(1,444,990)</b>
<b>(Loss) per share</b>		<b>Cents per Share</b>	<b>Cents per Share</b>
Basic loss per share	6	(1.95)	(74.10)
Diluted loss per share	6	(1.95)	(74.10)

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

**Pure Resources Limited**  
**Condensed Statement of Financial Position**  
**As at 31 December 2022**

	Note	31 December 2022 \$	30 June 2022 \$
<b>Current Assets</b>			
Cash and cash equivalents		3,143,556	4,214,677
Trade and other receivable		62,767	59,805
<b>Total current assets</b>		<b>3,206,323</b>	<b>4,274,482</b>
<b>Non-current Assets</b>			
Property, plant and equipment		9,974	-
Right-of-use asset	7	78,954	107,377
Deferred exploration and evaluation expenditure	9	1,029,402	185,039
<b>Total non-current assets</b>		<b>1,118,330</b>	<b>292,416</b>
<b>Total assets</b>		<b>4,324,653</b>	<b>4,566,898</b>
<b>Liabilities</b>			
<b>Current Liabilities</b>			
Trade and other payables		182,356	93,139
Accruals		49,106	48,313
Lease liability	8	36,884	35,619
<b>Total current liabilities</b>		<b>268,346</b>	<b>177,071</b>
<b>Non-current Liabilities</b>			
Lease liability	8	56,397	75,161
<b>Total non-current liabilities</b>		<b>56,397</b>	<b>75,161</b>
<b>Total liabilities</b>		<b>324,743</b>	<b>252,232</b>
<b>Net Assets</b>		<b>3,999,910</b>	<b>4,314,666</b>
<b>Equity</b>			
Issued capital	3	4,806,710	4,806,710
Reserves		1,241,626	824,002
Accumulated losses		(2,048,426)	(1,316,046)
<b>Total Equity</b>		<b>3,999,910</b>	<b>4,314,666</b>

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



**Pure Resources Limited**  
**Condensed Statement of Changes in Equity**  
**For the half year ended 31 December 2022**

	Note	Issued Capital	Unissued Capital	Accumulated Losses	Total
		\$	\$	\$	\$
<b>Balance on incorporation</b>		-	-	-	-
Loss for the period		-	-	(1,444,990)	(1,444,990)
<b>Total comprehensive loss for the period</b>		-	-	<b>(1,444,990)</b>	<b>(1,444,990)</b>
Issue of shares		360,010	-	-	360,010
Unissued shares		-	1,355,014	-	1,355,014
<b>Balance at 31 December 2021</b>		<b>360,010</b>	<b>1,355,014</b>	<b>(1,444,990)</b>	<b>270,034</b>

	Note	Issued Capital	Reserves	Accumulated Losses	Total
		\$	\$	\$	\$
<b>Incorporated on 1 July 2022</b>		<b>4,806,710</b>	<b>824,002</b>	<b>(1,316,046)</b>	<b>4,314,666</b>
Loss for the period		-	-	(732,380)	(732,380)
Other Comprehensive Loss		-	-	-	-
<b>Total comprehensive loss for the period</b>		-	-	<b>(732,380)</b>	<b>(732,380)</b>
Proceeds from Issue of Loyalty Options	3	-	18,024	-	18,024
Share Based payments	3	-	399,600	-	399,600
<b>Balance at 31 December 2022</b>		<b>4,806,710</b>	<b>1,241,626</b>	<b>(2,048,426)</b>	<b>3,999,910</b>

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

**Pure Resources Limited**  
**Condensed Statement of Cash Flows**  
**For the half year ended 31 December 2022**

	<b>31 December 2022</b>	<b>31 December 2021</b>
	<b>\$</b>	<b>\$</b>
<b>Cash flows from operating activities</b>		
Payment to suppliers and employees	(225,783)	(66,839)
Interest Paid	(3,501)	-
Interest received	12,076	-
<b>Net cashflows used in operating activities</b>	<b>(217,208)</b>	<b>(66,839)</b>
<b>Cash flows from financing activities</b>		
Payments for exploration and evaluation	(848,593)	-
Payments for property, plant and equipment	(5,845)	-
<b>Net cashflows used in financing activities</b>	<b>(854,438)</b>	<b>-</b>
<b>Cash flows from financing activities</b>		
Proceeds from Shares issued	-	360,690
Proceeds from Options issued	18,024	-
Repayment of lease liabilities	(17,499)	-
<b>Net cashflows from financing activities</b>	<b>525</b>	<b>360,690</b>
<b>Net (decrease)/increase in cash and cash equivalents</b>	<b>(1,071,121)</b>	<b>293,851</b>
Cash and cash equivalents at beginning of interim period	4,214,677	-
<b>Cash and cash equivalents at end of interim period</b>	<b>3,143,556</b>	<b>293,851</b>

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 2022

#### Note 1. Significant 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 Company. For the purposes of preparing the financial statements, the Company 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 Company 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 2022 and any public announcements made by the Company 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 Company 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 2022 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 2022*

In the half-year ended 31 December 2022, the Directors have reviewed all of the new and revised Standards and Interpretations issued by the AASB that are relevant to the Company 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 Company.

###### *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 2022. 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 Company and, therefore, no change is necessary to Company accounting policies.

# Pure Resources Limited

## Notes to the Financial Statements (cont'd)

### For the half year ended 31 December 2022

#### Significant 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 Company'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 2022.

#### Statement of compliance

The interim financial statements were authorised for issue on 9 March 2023.

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 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.

	<b>31 December 2022</b>	<b>31 December 2021</b>
	<b>\$</b>	<b>\$</b>
Interest income	12,076	-
	<b>12,076</b>	<b>-</b>
<b>Expenses</b>		
Included in administration expenses are the following material items:		
- Advertising	3,027	-
- ASIC	4,842	268
- ASX Fees	35,951	5,000
- Company secretary	40,000	5,000
- Share registry	16,559	-
- General office expenses	5,313	12,694
- Subscription	682	133
	<b>106,374</b>	<b>23,095</b>

#### Note 3. Reserves

	<b>31 December 2022</b>	<b>30 June 2022</b>
	<b>\$</b>	<b>\$</b>
Share-based payments reserve (a)	1,223,602	824,002
Loyalty options reserve (b)	18,024	-
	<b>1,241,626</b>	<b>824,002</b>

**Pure Resources Limited**  
**Notes to the Financial Statements (cont'd)**  
**For the half year ended 31 December 2022**

**Note 3. Reserves (cont'd)**

**a) Share-based payments reserve**

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

	<b>31 December 2022</b>	<b>30 June 2022</b>
	<b>\$</b>	<b>\$</b>
<i>Share-based payments reserve</i>		
Opening balance	824,002	-
Fair value for options issued	-	824,002
Fair value for performance rights issued	399,600	-
<b>Balance at end of period</b>	<b>1,223,602</b>	<b>824,002</b>

**b) Loyalty options reserve**

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

	<b>31 December 2022</b>	<b>30 June 2022</b>
	<b>\$</b>	<b>\$</b>
<i>Loyalty option reserve</i>		
Opening balance	-	-
Amount paid for options issued	18,024	-
<b>Balance at end of period</b>	<b>18,024</b>	<b>-</b>

**Note 4. Events After Balance Date**

On 5<sup>th</sup> January 2023, the Company announce preliminary results from its maiden geological fieldwork campaign that covered less than 5% of the 270km<sup>2</sup> project area at the Company's Laforge Lithium Project.

On 19<sup>th</sup> January 2023, Pure announced the Ministère des Ressources naturelles et des Forêts (MERN) has officially granted PR1 (Canada) Ltd (a wholly owned subsidiary of Pure) the remaining mining titles of the Company's Laforge Lithium Project.

The Company announced on 1<sup>st</sup> March 2023 an update on exploration activities across the Company's project portfolio.

On 9<sup>th</sup> March 2023, Pure announced that the exploration budget for the LaForge Project has been approved. Exploration of the Project, which covers 261km<sup>2</sup> and is located 65km northeast of the CV5 lithium discovery by Patriot Battery Metals Inc. (ASX: PMT), has commenced.

**Note 5. 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.

**Pure Resources Limited**  
**Notes to the Financial Statements (cont'd)**  
**For the half year ended 31 December 2022**

**Note 6. Loss Per Share**

	<b>31 December 2022</b>	<b>31 December 2021</b>
	<b>Cents Per Share</b>	<b>Cents Per Share</b>
Basic loss per share	(1.95)	(74.10)
Diluted loss per share	(1.95)	(74.10)
	<b>\$</b>	<b>\$</b>
(Loss) used in calculation of basic and diluted loss per share	<u>(732,380)</u>	<u>(1,444,990)</u>
Weighted average number of ordinary shares on issue used in the calculation of basic loss per share	37,500,010	1,950,004
Weighted average number of ordinary shares on issue used in the calculation of Diluted loss per share	37,500,010	1,950,004

**Note 7. Right of use asset**

<b>Right of use asset</b>	<b>31 December 2022</b>	<b>30 June 2022</b>
	<b>\$</b>	<b>\$</b>
Opening	116,853	-
Additions	-	116,853
	<b>116,853</b>	<b>116,853</b>
<i>Accumulated amortisation</i>		
Opening Balance	(9,476)	-
Charge for the half year	(28,423)	(9,476)
	<b>(37,899)</b>	<b>(9,476)</b>
Carrying amount	<b>78,954</b>	<b>107,377</b>

The Company leases its registered head office premises. The remaining lease is 2 years and 1 months.

**Note 8. Lease liability**

<b>Lease liabilities</b>	<b>31 December 2022</b>	<b>30 June 2022</b>
	<b>\$</b>	<b>\$</b>
Current	36,884	35,619
Non-current	56,397	75,161
	<b>93,281</b>	<b>110,780</b>
<b>Reconciliation of lease liabilities</b>		
	<b>31 December 2022</b>	<b>30 June 2022</b>
	<b>\$</b>	<b>\$</b>
Opening Balance	110,780	-
Additions	-	116,853
Principal repayments	(17,499)	(6,073)
Closing balance	<b>93,281</b>	<b>110,780</b>

**Pure Resources Limited**  
**Notes to the Financial Statements (cont'd)**  
**For the half year ended 31 December 2022**

**Note 9. Exploration and Evaluation Expenditure**

	<b>31 December 2022</b>	<b>30 June 2022</b>
	<b>\$</b>	<b>\$</b>
Cost brought forward in respect of areas of interest in the exploration evaluation stage	185,039	-
Expenditure capitalised during the half year	724,445	23,635
Acquisition of the Killarney Project	-	150,000
Acquisition of the Mount Monger Project	-	3,636
Acquisition of the Yandal Project	-	3,884
Acquisition of the Yundamindra Project	-	3,884
Application of LaForge Project	119,568	-
	<b>1,029,402</b>	<b>185,039</b>

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.

**Note 10. Segment Reporting**

The Company undertakes mineral exploration and evaluation work on a number of tenements located in Western Australia. Management currently identifies the Company's assets as a single operating segment. The accounting policies adopted for internal reporting are consistent with those adopted for the financial statements.

This operating segment are monitored by the Company'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.

*Segment assets and liabilities are disclosed in the table below:*

**31 December 2022**

	<b>Corporate Australia</b>	<b>Mineral Exploration Australia</b>	<b>Mineral Exploration Canada</b>	<b>Eliminations</b>	<b>Total</b>
	<b>\$</b>	<b>\$</b>	<b>\$</b>	<b>\$</b>	<b>\$</b>
<b>Business segments</b>					
<b>Revenue</b>					
Other external revenue	12,076	-	-	-	12,076
Total segment revenue	12,076	-	-	-	12,076
<b>Results</b>					
Operating loss before income tax	(731,910)	(470)	-	-	(732,380)
Net Loss	(731,910)	(470)	-	-	(732,380)
<b>Assets</b>					
Segment assets	3,295,251	909,834	119,568	-	4,324,653
<b>Liabilities</b>					
Segment liabilities	324,743	-	-	-	324,743

**Pure Resources Limited**  
**Notes to the Financial Statements (cont'd)**  
**For the half year ended 31 December 2022**

**Note 10. Segment Reporting (cont'd)**

31 December 2021

	Corporate Australia \$	Mineral Exploration Australia \$	Mineral Exploration Canada \$	Eliminations \$	Total \$
<b>Business segments</b>					
<b>Revenue</b>					
Other external revenue	-	-	-	-	-
Total segment revenue	-	-	-	-	-
<b>Results</b>					
Operating loss before income tax	(1,443,721)	(1,269)	-	-	(1,444,990)
Net Loss	(1,443,721)	(1,269)	-	-	(1,444,990)
<b>Assets</b>					
Segment assets	331,234	-	-	-	331,234
<b>Liabilities</b>					
Segment liabilities	61,200	-	-	-	61,200

**Note 11. Commitments and contingent liabilities**

**a) Exploration Expenditure Commitments**

The Company 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 Company as will any change to areas subject to licence. The expenditure commitments are listed in the table below.

Tenement	Status	Project	Area km <sup>2</sup>	Grant Date	End Date	Expenditure Commitment
E80/5153	Granted	Killarney	32.8	4-Jul-19	3-Jul-24	\$20,000
E53/2023	Granted	Yandal	43.4	20-May-19	19-May-24	\$20,000
E39/2254	Granted	Yundamindra	83.7	12-Jan-2022	11-Jan-2027	\$28,000
E39/2251	Granted	Yundamindra	6	5-Jan- 2022	4-Jan-2027	\$15,000
E26/227	Granted	Mt Monger	11.8	27-Oct-21	26-Oct-26	\$15,000

**b) Native Title**

Native title claims have been made with respect to areas which include tenements in which the Company has interests. The Company 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 Company or its projects.



**Pure Resources Limited**  
**Notes to the Financial Statements (cont'd)**  
**For the half year ended 31 December 2022**

**Note 11. Commitments and contingent liabilities (cont'd)**

**c) Royalties**

As part of the acquisition of the Killarney Project during 2022 the Company 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 Company 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 Company at balance date.

**Note 12. Share-based payments**

On 16 December 2022, a total of 1,350,000 performance rights were issued to an adviser to the Company. The company utilized a combination of Hoadley's Barrier1 Model and Hoadley's Parisian Model value the performance rights, due to differing vesting conditions.

	<b>Tranche 1</b>	<b>Tranche 2</b>	<b>Tranche 3</b>	<b>Tranche 4</b>	<b>Tranche 5</b>
<b>Category</b>	Milestone 1	Milestone 2	Milestone 3	Milestone 4	Milestone 5
<b>Number of securities</b>	200,000	300,000	300,000	300,000	250,000
<b>Security Entitlement</b>	One share	One share	One share	One share	One share
<b>Listed/Unlisted</b>	Unlisted	Unlisted	Unlisted	Unlisted	Unlisted
<b>Vesting milestones</b>	Vest within 7 business days of signing letter of appointment (to be engaged as advisor to the company)	Vest upon the VWAP of the Company's shares over 15 consecutive trading days being \$0.45 or above	Vest upon the VWAP of the Company's shares over 15 consecutive trading days being \$0.60 or above	Vest upon the VWAP of the Company's shares over 15 consecutive trading days being \$0.78 or above	Vest upon 24 months of continuous service with the Company
<b>Grant date</b>	13-Dec-25	13-Dec-25	13-Dec-25	13-Dec-25	13-Dec-25
<b>Vesting term</b>	7 days from signing of letter	3 years from issue	3 years from issue	3 years from issue	2 years from issue
<b>Vesting date</b>	30-Dec-22	19-Dec-25	19-Dec-25	19-Dec-25	19-Dec-24
<b>Expiry Date</b>	19-Dec-25	19-Dec-25	19-Dec-25	19-Dec-25	19-Dec-25
<b>Probability (%)</b>	100	N/A	N/A	N/A	100
<b>Value per security (\$)</b>	0.33	0.2992	0.2793	0.2585	0.33
<b>Total Value (\$)</b>	66,000	89,760	83,790	77,550	82,500

**Pure Resources Limited**  
**Notes to the Financial Statements (cont'd)**  
**For the half year ended 31 December 2022**

**Note 12. Share-based payments (cont'd)**

On 10 April 2022, a total of 9,000,000 options were issued; 6,000,000 to key management personnel and 3,000,000 to adviser and consultants pursuant to the Company's IPO at a nil issue price. Utilising the Black-Scholes pricing model, each option was valued at \$0.0916.

**2022**

Grant date	Expiry date	Exercise price	Balance at the start of the period	Granted	Exercised	Expired/forfeited/ other	Balance at the end of the period
10/04/2022	10/04/2025	\$0.25	-	9,000,000	-	-	9,000,000
			-	9,000,000	-	-	9,000,000
		Weighted average exercise price	-	\$0.25	-	-	\$0.25

The weighted average share price during the financial period was \$0.25.

The weighted average remaining contractual life of options outstanding at the end of the financial period was 2.5 years.

# **Pure Resources Limited**

## **Directors' Declaration**

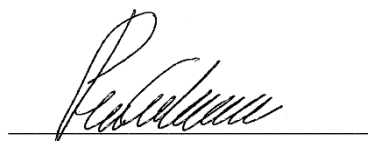
### **For the half year ended 31 December 2022**

#### **Directors' Declaration**

In the opinion of the directors of Pure Resources Limited ('the Company'):

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 Company's financial position as at 31 December 2022 and of its performance for the half-year then ended; and
2. There are reasonable grounds to believe that the Company 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

9 March 2023

## **INDEPENDENT AUDITOR'S REVIEW REPORT**

To the members of Pure Resources Limited

### **Report on the Condensed Interim Financial Report**

#### *Conclusion*

We have reviewed the accompanying interim financial report of Pure Resources Limited ("the company") which comprises the condensed statement of financial position as at 31 December 2022, the condensed statement of profit or loss and other comprehensive income, the condensed statement of changes in equity and the condensed statement of cash flows for the half-year ended on that date, notes comprising a summary of significant accounting policies and other explanatory information, and the directors' declaration, for the Company 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 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 Company's financial position as at 31 December 2022 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 responsibilities are further described in the *Auditor's responsibilities 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.

#### *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.

**hlb.com.au**

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*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 Company's financial position as at 31 December 2022 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 an 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*

**HLB Mann Judd**  
**Chartered Accountants**

**Perth, Western Australia**  
**9 March 2023**



**B G McVeigh**  
**Partner**