

QUARTERLY REPORT

For

PERIOD ENDING 30 SEPTEMBER 2024

MAIN POINTS

- **Company refocuses on its core exploration projects while reducing overheads**
- **Interpretation of Adina East Lithium Project (Quebec) geophysical data has progressed to identify further pegmatite outcrops close to major lithium companies.**
- **Assay results received from historical holes at Wirrulla Project (South Australia) targeting Rare Earth Element (REE) mineralisation**
- **Partners Sought for Capel (Western Australia) Heavy Mineral Sands Project**
- **Secure financial position with a cash balance of AU \$1.0m on 30 September 2024**

Pinnacle Minerals Ltd (ASX: **PIM**) ("**Pinnacle**", or the "**Company**") is pleased to provide the following update on its activities for the quarter ending 30 September 2024 ("**Quarter**", "**Reporting Period**").

The Company has completed a LIDAR survey of the entire Adina East Lithium Project in Québec. High resolution orthophotos taken simultaneously with the LIDAR readings will be draped over the digital elevation model (DEM), enabling the identification of potential pegmatite outcrops which often show up as "evident" white elevated "areas", as tested by Pinnacle's contractor on numerous other projects. These outcrops can then be targeted directly minimising the costly "prospecting" process which involves targeting each claim in the project without predefined targets.

Assay results from the analysis were used to select twenty-one (21) intervals from drill holes located within the footprint of the Narlaby Paleochannel for follow up assay and leach testing at ALS. The aim of the testing is to determine the potential for clay hosted REE mineralisation.

In changing its operational approach, the Company underwent a restructuring of its board and management team. Many members of the previous executive team were linked to assets that Pinnacle is now reducing expenditure on or divesting. These changes reflect the Company's shift in focus as it transitions towards new opportunities.

Pinnacle Minerals Ltd

ACN: 655 033 677
ASX: **PIM**

Issued Capital

45,463,317 Shares
44,867,271 Options

Australian Registered Office

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Directors

WILLIAM WITHAM – Chairman
LINCOLN LIU – Non-Executive Director
STEPHEN ROSS – Non-Executive Director

The restructuring process will potentially involve new appointments at both the board and management levels, bringing in fresh perspectives to help guide the Company into its next growth phase. This reset will position Pinnacle to pursue new ventures and potential project acquisitions, which will be evaluated over the coming quarters.

Pinnacle remains committed to maintaining its assets in good standing while maintaining flexibility in its future exploration strategy. With a streamlined structure and reduced overhead, the Company will be well-positioned to capitalize on any emerging opportunities. Further updates will be provided as the Company continues its journey towards identifying and advancing prospective new projects.

Pinnacle Minerals Chairman, Bill Witham, commented:

“Pinnacle remains committed to maintaining its assets in good standing while maintaining flexibility in its future exploration strategy. With a streamlined structure and reduced overheads, the Company is well-positioned to capitalise on any emerging opportunities. Further updates will be provided as the Company continues its journey towards identifying and advancing prospective new projects whilst advancing its current three projects.”

OPERATIONS

Canada (Adina East: Lithium)

Background on the Adina East Project

The Adina East Project is located in Québec's James Bay region (Figure 1) with a total of 147 claims encompassing 72.7km² (7,274.47 ha) adjacent to an interpreted extension of the Trieste greenstone belt. Located within Category-III lands, the Adina East Project does not carry any restrictions relating to mining or exploration according to the James Bay Agreement with the Cree Nation.

The Project is adjacent to Loyal Lithium's (ASX: LLI) Trieste project where spodumene-bearing dykes with intercepts including 31.8m at 2.2% Li₂O¹ have been drilled less than 6km from the boundary of the Project. Adina East is also adjacent to Winsome Resources' Tilly Project where swarming pegmatites have been mapped and are interpreted to extend into the Adina East Project. The claims are readily accessible throughout the year from Mirage Outfitters and the Renard diamond mine (75km to the northwest and 45km to the South of the Project respectively), with the proposed La Grande Alliance eastern road mapped to pass through the Project.

Assay results from rock chip samples from the Adina East returned lithium enrichment. However, significant rubidium enrichment, up to 658 ppm was obtained on a granitic pegmatite, indicative of magmatic fractionation which is a precursor to lithium saturation. Importantly, at Adina East, key "fractionation ratios" of K/Rb below 100 suggest the potential for a spodumene-bearing pegmatite to have been generated, trending northwest into the project's metasedimentary rocks (Figure 2).

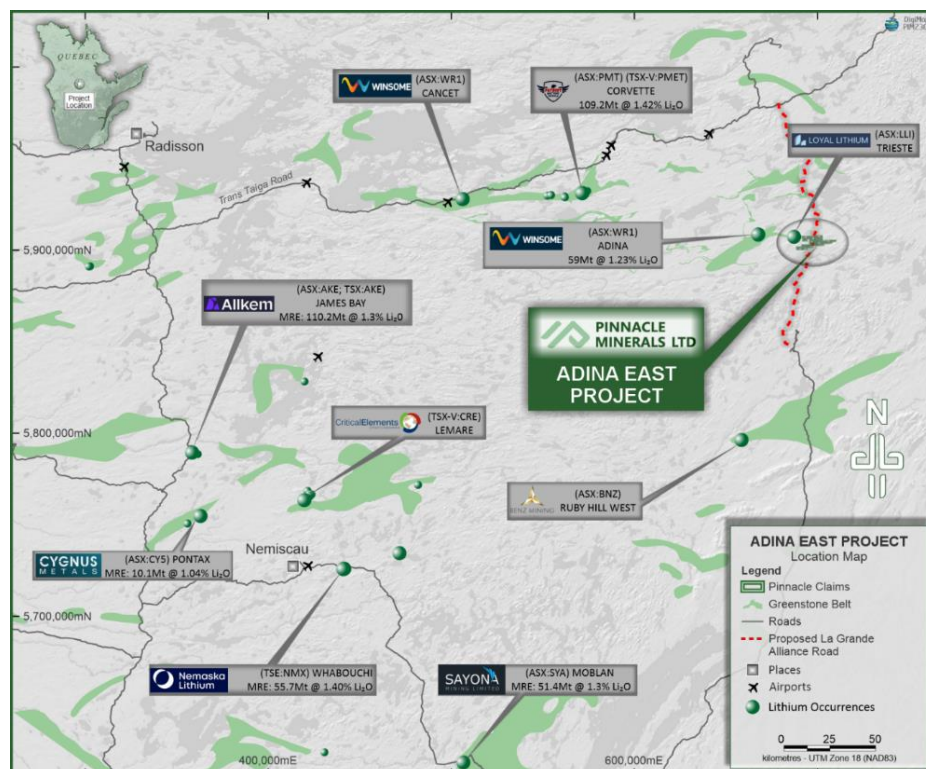


Figure 1: James Bay Province Highlighting Adina East Project Location.

¹ Loyal Lithium (ASX: LLI) ASX announcement 21st of March 2024

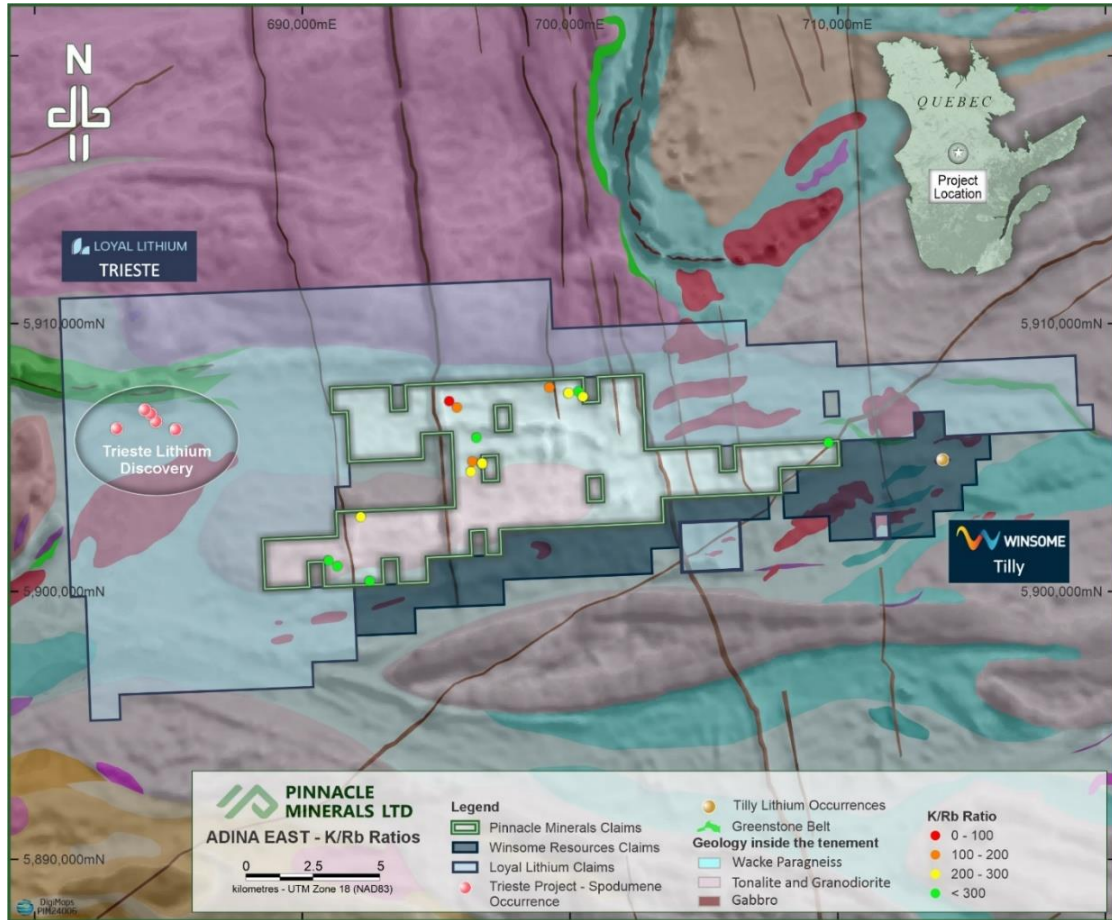


Figure 2: K/Rb Ratios increasing to the northwest- Adina East

Adina East Lithium Project - Activities

During the reporting period, the company completed a LIDAR survey of the entire Adina East Lithium Project in Québec. High resolution orthophotos taken simultaneously with the LIDAR readings will be draped over the digital elevation model (DEM), enabling the identification of potential pegmatite outcrops which often show up as “evident” white elevated “areas” (Figure 2), as tested by Pinnacle’s contractor on numerous other projects. These outcrops can then be targeted directly minimising the costly “prospecting” process which involves targeting each claim in the project without defined targets.

South Australia (Wirrulla: Uranium & REE)**Background on the Wirrulla Project**

The Wirrulla Project (EL 6968) is 957km² of tenure in the northwestern extents of the Eyre Peninsula South Australia. The project is centred on a circular magnetic feature resembling a Mount Weld style intrusion and was applied for in July 2023 primarily for its' rare earth element (REE) potential which was identified from historical drilling intercepts where elevated apatite > 10% (typical in carbonatites) were intercepted².

The REE ionic absorption potential of the Narlabby palaeochannel has also been identified by Cobra (LON: COBR) who have defined the Boland Ionic Rare Earth Project which is hosted with-in the palaeochannel. Cobra has recently acquired tenements EL6966 and EL6967 which cover a substantial portion of the palaeochannel.

Desktop studies undertaken whilst the tenement was under application have highlighted the uranium prospectivity in the northern extents of the tenement where the uranium-bearing Narlabby paleochannel is mapped continuing into the tenement. The palaeochannel hosts high grade uranium mineralisation at Yarranna only 10km from the targets identified by satellite and radar imagery analysis conducted by Pinnacle.

Wirrulla Project – Activities

During the quarter the Company contracted Challenger Geological Services to conduct pXRF analysis of forty seven (47) historical drill cores held at the Tonsley core library. The results from the analysis were used to select twenty one (21) intervals from drill holes located within the footprint of the Narlabby Paleochannel for follow up assay and leach testing at ALS. The aim of the testing is to determine the potential for clay hosted REE mineralisation. The results from the assay analysis are expected in the third quarter.

²Open File Envelope Number 8981, EL 1952 Carawa, Annual and final report for the period 27/7/94 to 22/11/95

Western Australia (Capel: Heavy Mineral Sands)

Background on the Capel Project

The project was previously held by Tronox Limited (NYSE:TROX), a global, vertically integrated producer of titanium dioxide and inorganic chemicals, with a US \$2b market capitalisation.

Regional-scale exploration, conducted in 2010 by Iluka Resources Limited, discovered moderate-grade HM from surface on several drill lines and a previously un-discovered palaeo-shoreline at about 8m above current sea level. No further work on this very prospective trend is recorded.

Assay of the Ruabon (Capel) shoreline by Iluka returned HM grades to 10.8% within the 350m-wide shoreline that is evident over a 5km strike length in historic drilling. Importantly the new shoreline appears to deflect around a basalt flow (palaeo-headland) observed in regional aeromagnetic images. These basalt flows are critical in focussing and trapping HM enrichment in many of the large deposits of the Southwest and Scott Coastal Plain (e.g. Yoganup, Yoganup Extended, Tutunup South, Jangardup). Pinnacle believes there is potential for defining cohesive mineralisation at a more local scale, sufficient for delineating a material mineral resource within the tenement.

Key intercepts at Ruabon (Capel) include³:

- 21m at 3.3% HM from surface (including 9m @ 6.1% from 11m) in RB007
- 21m at 2.6% HM from surface (including 2m @ 9.6% from 8m) in RB001
- 18m at 2.2% HM from surface in RB003

Capel Project – Activities

During the Reporting Period, Pinnacle completed a 2,067m ninety-five (95) hole aircore drilling program at the Capel Mineral Sands Project. The campaign encountered coherent mineralisation and was completed ahead of schedule, within six (6) days. The program was designed to test two mineralised trends: the older, deflected shoreline and a younger shoreline that maintains a consistent Northeasterly trend in historic drilling results. The aim of the drilling program was to define an ilmenite dominated heavy mineral resource with accessory zircon and rutile.

Samples were sent to Diamantina Laboratories in Malaga where they were subjected to a heavy liquid separation analysis to determine sample composition and total heavy mineral (THM) content. Initial assays confirmed that the program intercepted shallow and broad zones of HM mineralisation over an interpreted strike length of up to three (3) kilometres. The first batch of assays were returned to the Company in late June, with all holes intersecting HM mineralisation from surface. Notable intersections included 2.8% HM over 9m from 15m downhole (CAP023) with high grade intercepts of 13.1% HM over 1m (CAP002).

A full summary of the assay results returned during the quarter can be found in Pinnacles ASX announcement released to the market on the 25th of June 2024.

³ Wamex Report Number A97325

CORPORATE

During the quarter the Company undertook a strategic review of its operations and took various actions to conserve capital, reduce discretionary expenditure and streamline exploration activities.

Cash Position

Pinnacle maintained a strong cash position at Quarter's end, with a cash balance of A \$1.0 million. This announcement has been authorised for release by the Board of Pinnacle Minerals Ltd.

For further information, please contact:**Non-Executive Chairman**

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About Pinnacle Minerals

Pinnacle Minerals Ltd (ASX: PIM) is an ASX listed technology minerals company focused on delivering shareholder value via the systematic exploration and development of its portfolio of battery and technology metals projects in Canada, Western Australia and South Australia. Pinnacle aims to deliver exploration success via systematic and geologically rigorous techniques. The Company's focus is the "Adina East Project" in James Bay, Quebec which is proximal to the world class Adina Lithium Project (Winsome Resources: ASX: WR1) and adjacent to the Trieste Lithium Project (Loyal Lithium: ASX: LLI) and the Tilly Lithium Project (ASX: WR1). The Company's Australian exploration assets are prospective for Uranium, Rare Earth Elements and Heavy Mineral Sands.

Forward Looking Statements

This announcement contains 'forward-looking information' that is based on the Company's expectations, estimates and projections as of the date on which the statements were made. This forward-looking information includes, among other things, statements with respect to the Company's business strategy, plans, development, objectives, performance, outlook, growth, cash flow, projections, targets and expectations, mineral reserves and resources, results of exploration and related expenses. Generally, this forward-looking information can be identified by the use of forward-looking terminology such as 'outlook', 'anticipate', 'project', 'target', 'potential', 'likely', 'believe', 'estimate', 'expect', 'intend', 'may', 'would', 'could', 'should', 'scheduled', 'will', 'plan', 'forecast', 'evolve' and similar expressions. Persons reading this announcement are cautioned that such statements are only predictions, and that the Company's actual future results or performance may be materially different. Forward looking information is subject to known and unknown risks, uncertainties and other factors that may cause the Company's actual results, level of activity, performance, or achievements to be materially different from those expressed or implied by such forward-looking information.

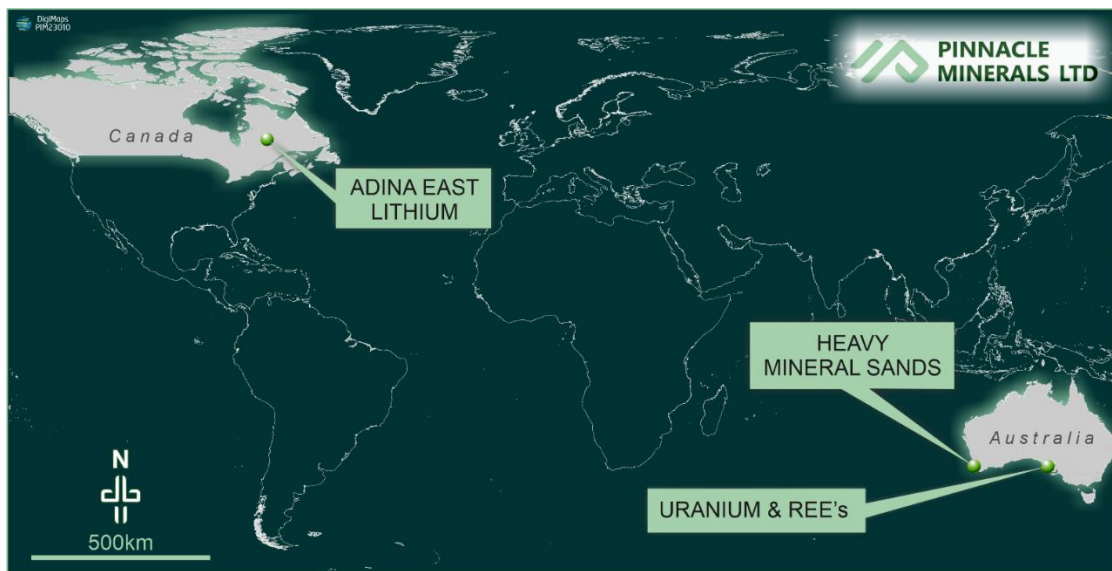


Figure 3: Pinnacle Minerals Projects' Location Map

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ASX Additional Information

1. ASX Listing Rule 5.3.1 – Mining exploration activities and investment activity expenditure during the quarter was \$419,000. 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

Australia:

Project	Holder	State	Tenement	Status	Percentage Held
Capel	Pinnacle Minerals Ltd	WA	E70/6372	Granted	100%
Wirrulla	REE Exploration Pty Ltd	SA	EL 6968	Granted	100%

Canada: Adina East Project (75% ownership)

Title Number	NTS Sheet	Area (ha)	Acquisition Date	Anniversary Date	Registered Holder
2690971 - 2690982	23E04	619.26	21/11/2022	20/11/2025	ED Spod 1 Corp
2690984 - 2691013	23E04 & 23E05 & 33H01	1,547.88	21/11/2022	20/11/2025	ED Spod 1 Corp
2691015 - 2691029	33H01	774.34	21/11/2022	20/11/2025	ED Spod 1 Corp
2691031 - 2691060	33H01 & 33H08	1,548.19	21/11/2022	20/11/2025	ED Spod 1 Corp
2691062 - 2691076	33H08	773.71	21/11/2022	20/11/2025	ED Spod 1 Corp
2691078 - 2691096	33H08	979.71	21/11/2022	20/11/2025	ED Spod 1 Corp
2692398 - 2692408	23E05	567.26	24/11/2022	23/11/2025	ED Spod 1 Corp
2692410 - 2692418	33H08	464.12	24/11/2022	23/11/2025	ED Spod 1 Corp

Appendix 5B

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

Name of entity

Pinnacle Minerals Limited

ABN

52 655 033 677

Quarter ended ("current quarter")

30 September 2024

Consolidated statement of cash flows		Current quarter \$A'000	Year to date (3 months) \$A'000
1.	Cash flows from operating activities		
1.1	Receipts from customers	-	-
1.2	Payments for		
	(a) exploration & evaluation	(419)	(419)
	(b) development		
	(c) production		
	(d) staff costs		
	(e) administration and corporate costs	(148)	(148)
1.3	Dividends received (see note 3)		
1.4	Interest received	14	14
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	(553)	(553)

2.	Cash flows from investing activities		
2.1	Payments to acquire or for:		
	(a) entities		
	(b) tenements		
	(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 (3 months) \$A'000
2.2	Proceeds from the disposal of:		
	(a) entities		
	(b) tenements	22	22
	(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	22	22

3.	Cash flows from financing activities		
3.1	Proceeds from issues of equity securities (excluding convertible debt securities)		
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		
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	-	-

4.	Net increase / (decrease) in cash and cash equivalents for the period		
4.1	Cash and cash equivalents at beginning of period	1,527	1,527
4.2	Net cash from / (used in) operating activities (item 1.9 above)	(553)	(553)
4.3	Net cash from / (used in) investing activities (item 2.6 above)	22	22
4.4	Net cash from / (used in) financing activities (item 3.10 above)	-	-

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 (3 months) \$A'000
4.5	Effect of movement in exchange rates on cash held	(9)	(9)
4.6	Cash and cash equivalents at end of period	987	987

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	237	527
5.2	Call deposits	750	1,000
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)	987	1,527

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	133
6.2	Aggregate amount of payments to related parties and their associates included in item 2	-
<p><i>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.</i></p> <p>Fees include Salaries, Director Fees and Consulting Fees to Managing Director and Non-Executive Directors</p>		

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

7. Financing facilities	Total facility amount at quarter end \$A'000	Amount drawn at quarter end \$A'000
<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>		
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.	

8. Estimated cash available for future operating activities	\$A'000
8.1	(553)
8.2	(553)
8.3	(553)
8.4	987
8.5	-
8.6	987
8.7	1.8
<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: Yes	
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: Yes, the Company has engaged in discussions with brokers regarding a potential capital raise and is confident in the likelihood of a successful outcome.	

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: Yes, the Company expects to continue its operations and meet its business objectives. This expectation is based on ongoing discussions for capital raising, the Company's proven ability to manage cash flow, and its history of securing necessary funding through established relationships with brokers and investors

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.

Compliance statement

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

29 October 2024

Date:

Authorised by: The Board
(Name of body or officer authorising release – see note 4)

Notes

1. 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.
2. 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.
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.