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ACN 653 330 413

Interim Financial Report
31 December 2025

Corporate Directory

| | |
|-------------------------------|--------------------------------------------------------------------------------------------|
| Directors | Patric Glovac Martin Helean 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/ |

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Pure Resources Limited

Directors' Report

For the half year ended 31 December 2025

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 2025.

Directors

The following persons were Directors of the Group from 1 July 2025 until the end of the half year and up to the date of this report, unless otherwise stated:

| | |
|--------------------------|----------------------------------------------------------|
| Mr Patric Glovac | Executive Chairman |
| Ms Jane Law | Non-executive Director |
| Mr Martin Helean | Non-executive Director, appointed 14 January 2026 |
| Mr Allister Caird | Non-executive Director, resigned 14 January 2026 |

Principal Activities

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

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**), and Garnet Hills Project (**Garnet Hills**).

Key achievements during the period included:

- Completion of the acquisition of Garnet Hills Pty Ltd
- Exceptional metallurgical results confirming high-grade andradite-rich garnet products
- Confirmation of premium large to jumbo flake graphite
- Completion of a \$1.7 million capital raise
- Advancement of a U.S.-focused downstream strategy

Garnet Hills Project (M80/416) – Kimberley Region, Western Australia

Acquisition and Tenure

On 26 September 2025, Pure completed settlement of the acquisition of Garnet Hills Pty Ltd, securing 100% ownership of Mining Lease M80/416. The Mining Lease is granted and in good standing to 2038 and is located approximately 90km north of Halls Creek, Western Australia.

Metallurgical Testwork – Garnet

First-phase metallurgical testwork was completed at Nagrom Laboratories in Perth. Key outcomes included:

- Dense Media Separation (DMS) achieved >90% garnet deportment.
- Reflux Classification delivered andradite-rich concentrates grading up to 98%.
- Two saleable product streams were defined:
 - Coarse (-600+180µm) for abrasive blasting
 - Fine (-180+75µm) for premium waterjet cutting
- Low-water, reagent-free flowsheet supporting environmentally sustainable operations.

These results materially advanced the development pathway for Garnet Hills.

Pure Resources Limited

Directors' Report

For the half year ended 31 December 2025

Graphite – Large to Jumbo Flake Confirmation

Detailed petrographic and mineralogical studies confirmed the presence of large to jumbo flake graphite at Garnet Hills.

Key findings:

- Average flake sizes approximately 200µm
- Occurrences exceeding 300µm
- Only ~5% of flakes <45µm
- Clean flakes free of mineral inclusions
- Geological setting consistent with upper amphibolite to granulite facies metamorphism

The confirmation of premium flake size supports potential production of high-value graphite suitable for battery anode material, thermal management systems, defence-related applications and advanced industrial markets.

U.S.-Focused Downstream Strategy

During the half year, Pure progressed engagement with U.S.-based institutions and technology groups, including Department of Energy-linked organisations.

The Company is evaluating:

- Rare earth element extraction pathways
- Thermal management applications
- Defence sector alignment
- Strategic downstream partnerships

The graphite results enhance the attractiveness of Garnet Hills within this strategy.

La Forge Project, Quebec

During the period, the Company's mining claims comprising the LaForge Project in Quebec lapsed following the decision not to renew the claims. The decision was made as part of the Company's ongoing portfolio review process, with a strategic focus on prioritising capital and technical resources toward the advancement of the Garnet Hills Garnet and Graphite Project and other higher-priority assets within the portfolio.

Corporate Activities

Placement – \$1.7 Million

In December 2025, the Company completed a \$1.7 million placement via the issue of 11,333,333 fully paid ordinary shares at \$0.15 per share.

The placement included 3,777,778 free-attaching options (exercise price \$0.25, expiry 12 December 2028), subject to shareholder approval.

Funds raised are being applied to:

- Follow-up exploration and drilling programs
- Metallurgical and beneficiation studies
- U.S.-focused downstream initiatives
- Broader exploration portfolio
- General working capital

Pure Resources Limited

Directors' Report

For the half year ended 31 December 2025

Priority Offer and Shortfall Offer

The Company completed a Priority Offer and Shortfall Offer to former PR1OA option holders, issuing 36,751,289 new options exercisable at \$0.25 and expiring 12 December 2028.

Issue of Shares

500,000 fully paid ordinary shares were issued to a former director in accordance with shareholder approval received at the AGM held 12 November 2025.

Operating Results

The net loss after income tax for the half year was \$1,174,604 (31 December 2024: net loss \$888,464).

Matters Subsequent to the End of the Half Year

The Company listed 36,751,289 options exercisable at \$0.25 on or before 11 December 2025 under the ASX code PR1OC on 5 January 2026.

On 7 January 2026, the Group reported a follow-up strategic update to the Company's 15 July 2025 "Reedy Creek - Garnet and Graphite Update: Downstream, REE and Thermal Management Initiatives" announcement.

The Company announced the appointment of Mr Martin Helean as a Non-Executive Director of the Company and resignation of Mr Allister Caird, effective 14 January 2026.

Future Developments

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

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 2025

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
Executive Chairman
11 March 2026

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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 2025, 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
11 March 2026

B G McVeigh
Partner

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HLB Mann Judd ABN 22 193 232 714

A Western Australian Partnership

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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 2025

| | Note | 31 December 2025 \$ | 31 December 2024 \$ |
|------------------------------------------------------------------|------|----------------------------|----------------------------|
| Fair Value Gain on sale | 2 | 101,552 | 151,479 |
| Other income | 2 | 1,427 | 28,889 |
| Expenses | | | |
| Accounting and audit fees | | (80,224) | (85,530) |
| Administration expense | 2 | (154,540) | (180,314) |
| Consulting Fees | | (95,000) | - |
| Director fees | | (110,707) | (120,376) |
| Staff costs | | (102,356) | (77,776) |
| Exploration expenses | 8 | (150,450) | (326,048) |
| Finance costs | | (4,599) | (195) |
| Legal fees | | (17,309) | (16,312) |
| Insurance expenses | | (20,756) | (18,295) |
| Share-based payments expense | 11 | - | (150,750) |
| Interest expense | | (3,529) | (880) |
| Depreciation and amortisation | | (21,853) | (21,751) |
| Change in fair value of financial assets | 7 | - | (21,429) |
| Impairment of Deferred exploration and evaluation expenditure | 8 | (516,260) | (49,176) |
| Loss before income tax expense from continuing operations | | (1,174,604) | (888,464) |
| Income tax expense | | - | - |
| Loss for the half year | | (1,174,604) | (888,464) |
| Foreign currency translation | | (37,642) | 7,455 |
| Total comprehensive loss for the half year | | (1,212,246) | (881,009) |
| (Loss) per share | | Cents per Share | Cents per Share |
| Basic loss per share | 13 | (2.52) | (2.04) |
| Diluted loss per share | 13 | (2.52) | (2.04) |

The above Condensed Consolidated 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 2025

| | Note | 31 December 2025 \$ | 30 June 2025 \$ |
|-------------------------------------------------------|------|---------------------------|-----------------------|
| Current Assets | | | |
| Cash and cash equivalents | 3 | 1,583,416 | 481,888 |
| Trade and other receivable | 4 | 68,889 | 94,379 |
| Total current assets | | 1,652,305 | 576,267 |
| Non-current Assets | | | |
| Property, plant and equipment | 5 | 10,519 | 13,423 |
| Right-of-use asset | 6 | 88,428 | 107,377 |
| Financial assets at fair value through profit or loss | 7 | - | 260,400 |
| Deferred exploration and evaluation expenditure | 8 | 1,070,175 | 1,440,483 |
| Total non-current assets | | 1,169,122 | 1,821,683 |
| Total assets | | 2,821,427 | 2,397,950 |
| Liabilities | | | |
| Current Liabilities | | | |
| Trade and other payables | 9 | 62,167 | 95,893 |
| Accruals | | 68,052 | 77,779 |
| Lease liability | 10 | 36,884 | 35,619 |
| Total current liabilities | | 167,103 | 209,291 |
| Non-current Liabilities | | | |
| Non-current lease liability | 10 | 56,397 | 75,161 |
| Total non-current liabilities | | 56,397 | 75,161 |
| Total liabilities | | 223,500 | 284,452 |
| Net Assets | | 2,597,927 | 2,113,498 |
| Equity | | | |
| Issued capital | 11 | 7,298,884 | 5,605,884 |
| Reserves | 12 | 908,366 | 918,440 |
| Accumulated losses | | (5,609,323) | (4,410,826) |
| Total Equity | | 2,597,927 | 2,113,498 |

The above Condensed Consolidated 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 2025

| | 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 | - | - | (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 |

| | Note | Issued Capital | Reserves | Accumulated Losses | Total |
|------------------------------------------------------------|------|-------------------|-----------------|-----------------------|--------------------|
| | | \$ | \$ | \$ | \$ |
| Balance at 1 July 2025 | | 5,605,884 | 918,440 | (4,410,826) | 2,113,498 |
| Loss for the period | | - | - | (1,174,604) | (1,174,604) |
| Other Comprehensive Loss (Foreign Currency Translation) | | - | (37,642) | - | (37,642) |
| Total comprehensive loss for the period | | - | (37,642) | (1,174,604) | (1,212,246) |
| Proceeds from Issue of Placement | 11 | 1,700,000 | - | - | 1,700,000 |
| Proceeds from Option Issue | 11 | - | 3,675 | - | 3,675 |
| Issue of incentive shares to previous director | 11 | 95,000 | - | - | 95,000 |
| Transfer to accumulated losses | 12 | - | 23,893 | (23,893) | - |
| Cost of Issued Securities | | (102,000) | - | - | (102,000) |
| Balance at 31 December 2025 | | 7,298,884 | 908,366 | (5,609,323) | 2,597,927 |

The above Condensed Consolidated 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 2025

| | 31 December 2025 | 31 December 2024 |
|-------------------------------------------------------------|-----------------------------|-----------------------------|
| | \$ | \$ |
| Cash flows from operating activities | | |
| Payment to suppliers and employees | (557,796) | (440,939) |
| Interest paid | (28) | (18,822) |
| Interest received | 1,427 | 28,889 |
| Net cashflows (used in) operating activities | (556,397) | (430,872) |
| Cash flows from investing activities | | |
| Payments for exploration and evaluation | (159,702) | (421,739) |
| Payments for Acquisition of Garnet Hills | (125,000) | - |
| Payments for purchase of investment | - | (50,000) |
| Proceeds from sale of tenements | 361,952 | 214,772 |
| Net cashflows from/(used in) investing activities | 77,250 | (256,967) |
| Cash flows from financing activities | | |
| Proceeds from shares issued | 1,700,000 | 700,000 |
| Proceeds from Option Priority offer | 3,675 | - |
| Payments for cost of issued shares | (102,000) | (49,976) |
| Repayment of lease liabilities | (21,000) | (20,120) |
| Net cashflows from financing activities | 1,580,675 | 629,904 |
| Net increase/(decrease) in cash and cash equivalents | 1,101,528 | (57,935) |
| Cash and cash equivalents at beginning of interim period | 481,888 | 1,244,661 |
| Cash and cash equivalents at end of interim period | 1,583,416 | 1,186,726 |

The above Condensed Consolidated 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 2025

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 2025 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 2025 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 2025

In the half-year ended 31 December 2025, 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 2025. 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 2025

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 2025.

Statement of compliance

The interim financial statements were authorised for issue on 11 March 2026.

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 2025, 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 2025 | 31 December 2024 |
|--------------------------------------------------------------|-----------------------------|-----------------------------|
| | \$ | \$ |
| Other income | | |
| Net gain from sale of tenement | 101,552 | 151,479 |
| Interest income | 1,427 | 28,889 |
| | 102,979 | 180,368 |
| Expenses | | |
| Included in administration expenses are the following items: | | |
| - Advertising | 7,379 | 50,214 |
| - ASIC | 5,139 | 6,841 |
| - ASX Fees | 31,739 | 39,788 |
| - Company secretary | 48,155 | 48,000 |
| - Share registry | 19,036 | 8,334 |
| - General office expenses | 39,054 | 18,395 |
| - Subscription | 4,038 | 8,742 |
| | 154,540 | 180,314 |

Pure Resources Limited
Notes to the Financial Statements (cont'd)
For the half year ended 31 December 2025

Note 3. Cash and cash equivalent

| | 31 December 2025 | 30 June 2025 |
|---------------------------------------|-----------------------------|-------------------------|
| | \$ | \$ |
| Cash at bank | 1,583,416 | 481,888 |
| Total cash and cash equivalent | 1,583,416 | 481,888 |

Note 4. Trade and other receivables

| | 31 December 2025 | 30 June 2025 |
|------------------------------------------|-----------------------------|-------------------------|
| | \$ | \$ |
| GST | 65,897 | 37,773 |
| Prepayments | 2,982 | 24,476 |
| Receivables | 10 | 32,130 |
| Total trade and other receivables | 68,889 | 94,379 |

Note 5. Property, Plant and Equipment

| | 31 December 2025 | 30 June 2025 |
|--------------------------------|-----------------------------|-------------------------|
| | \$ | \$ |
| Plant and Equipment – at cost | 25,975 | 25,975 |
| Less: Accumulated depreciation | (15,456) | (12,552) |
| | 10,519 | 13,423 |

Movement schedule of property, plant and equipment

| | 6 months to 31 December 2025 | 12 months to 30 June 2025 |
|-------------------|---------------------------------------------|------------------------------------------|
| | \$ | \$ |
| Opening balance | 13,423 | 16,064 |
| Additions | - | 3,676 |
| Less depreciation | (2,904) | (6,317) |
| | 10,519 | 13,423 |

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Pure Resources Limited
Notes to the Financial Statements (cont'd)
For the half year ended 31 December 2025

Note 6. Right of use asset

| Right of use asset | 31 December 2025 | 30 June 2025 |
|---------------------------------|-----------------------------|-------------------------|
| | \$ | \$ |
| Opening | 233,706 | 116,853 |
| Additions | - | 116,853 |
| | 233,706 | 233,706 |
| <i>Accumulated amortisation</i> | | |
| Opening Balance | (126,329) | (85,270) |
| Amortisation for the half year | (18,949) | (41,059) |
| | (145,278) | (126,329) |
| Carrying amount | 88,428 | 107,377 |

The Group leases its registered head office premises. The lease ends in April 2028.

Note 7. Financial Assets at Fair Value Through Profit or Loss

| | 31 December 2025 | 30 June 2025 |
|------------------------|-----------------------------|-------------------------|
| | \$ | \$ |
| Listed ordinary shares | - | 260,400 |

Reconciliation of the fair values at the beginning and end of the current and previous financial period are set out below:

| | | |
|------------------------------------|-----------|----------------|
| Opening balance | 260,400 | - |
| Additions | - | 200,000 |
| Consideration received on disposal | (361,952) | (83,268) |
| Fair Value Gain on sale of shares | 101,552 | 7,268 |
| Adjustment to fair value | - | 136,400 |
| Closing balance | - | 260,400 |

All fair values are level 1.

Note 8. Exploration and Evaluation Expenditure

| | 6 months to 31 December 2025 | 12 months to 30 June 2025 |
|------------------------------------------------------------------------------------------|---------------------------------------------|------------------------------------------|
| | \$ | \$ |
| Cost brought forward in respect of areas of interest in the exploration evaluation stage | 1,440,483 | 1,480,345 |
| Expenditure capitalised during the half year | 159,702 | 47,692 |
| Forex exchange movement | (13,750) | - |
| Impairment of exploration expenditure | (516,260) | (87,554) |
| | 1,070,175 | 1,440,483 |

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. In October, the Company acquired Garnet Hills by making the milestone 1 cash payment of \$125,000 to the shareholders of Garnet Hills. The Group incurred \$150,450 expenditure prior to the acquisition of Garnet Hills. The expenditure was expensed through the Statement of Profit or Loss and Other Comprehensive Income.

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Pure Resources Limited
Notes to the Financial Statements (cont'd)
For the half year ended 31 December 2025

Note 8. Exploration and Evaluation Expenditure (cont'd)

During the half-year, the exploration claims comprising the Laforge Project were allowed to lapse. Following a review of the Company's exploration portfolio, the Board determined that the exploration potential of the Laforge Project did not justify the ongoing expenditure required to maintain the claims. The decision was also made in order to streamline the Company's project portfolio, reduce the operational complexity associated with maintaining projects across multiple jurisdictions, and allow the Company to focus its technical and financial resources on its core projects and the evaluation of new acquisition opportunities. The lapsing of the exploration claims comprising the Laforge Project resulted in an impairment of Exploration and Evaluation to the amount of \$516,260.

Note 9. Trade and other payables

| | 31 December 2025 | 30 June 2025 |
|---------------------------|-----------------------------|-------------------------|
| | \$ | \$ |
| Accounts Payable | 38,943 | 74,128 |
| PAYG Withholdings Payable | 23,224 | 17,817 |
| Superannuation Payable | - | 3,948 |
| | 62,167 | 95,893 |

Note 10. Lease liability

| Lease liabilities | 31 December 2025 | 30 June 2025 |
|--------------------------|-----------------------------|-------------------------|
| | \$ | \$ |
| Current | 36,884 | 35,619 |
| Non-Current | 56,397 | 75,161 |
| | 93,281 | 110,780 |

Reconciliation of lease liabilities

| | 31 December 2025 | 30 June 2025 |
|----------------------|-----------------------------|-------------------------|
| | \$ | \$ |
| Opening Balance | 110,780 | 36,968 |
| Additions | - | 116,890 |
| Principal repayments | (21,000) | (46,108) |
| Interest Expense | 3,501 | 3,030 |
| Closing balance | 93,281 | 110,780 |

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Pure Resources Limited
Notes to the Financial Statements (cont'd)
For the half year ended 31 December 2025

Note 11. Issued Capital

| | No. of Shares | 31 December 2025 \$ | No. of Shares | 30 June 2025 \$ |
|------------------------------------------------------|-------------------|------------------------------|-------------------|-----------------------|
| Ordinary Shares fully paid | 57,842,127 | 7,298,884 | 46,008,794 | 5,605,884 |
| | No. of Shares | 31 December 2025 \$ | No. of Shares | 30 June 2025 \$ |
| Opening balance | 46,008,794 | 5,605,884 | 37,500,010 | 4,805,110 |
| Proceeds from Issue of Placement | 11,333,333 | 1,700,000 | 3,500,000 | 350,000 |
| Issue of Incentive shares to previous director | 500,000 | 95,000 | - | - |
| Proceeds from Entitlement Issue ⁽ⁱ⁾ | - | - | 3,501,284 | 350,000 |
| Share Based Payments for Acquisition of Garnet Hills | - | - | 1,507,500 | 150,750 |
| Cost of Issued Securities | - | (102,000) | - | (49,976) |
| Closing balance | 57,842,127 | 7,298,884 | 46,008,794 | 5,605,884 |

(i) Issue of 500,000 Incentive Shares to Dr James Warren on 12 December 2026. The Company's share price on the date of issue was \$0.18 per share.

Note 12. Reserves

| | 31 December 2025 \$ | 30 June 2025 \$ |
|------------------------------------------|---------------------------|-----------------------|
| Share-based payments reserve (a) | 906,823 | 906,823 |
| Loyalty options reserve (b) | 21,700 | 18,025 |
| Foreign currency translation reserve (c) | (20,157) | (6,408) |
| | 908,366 | 918,440 |

a) Share-based payments reserve

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

| | 31 December 2025 \$ | 30 June 2025 \$ |
|--------------------------------------------|---------------------------|-----------------------|
| <i>Share-based payments reserve</i> | | |
| Opening balance | 906,823 | 890,002 |
| Fair value for lead manager options issued | - | 16,821 |
| Balance at end of period | 906,823 | 906,823 |

b) Options reserve

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

| | 31 December 2025 \$ | 30 June 2025 \$ |
|---------------------------------|---------------------------|-----------------------|
| <i>Loyalty option reserve</i> | | |
| Opening balance | 18,025 | 18,025 |
| Amount paid for options issued | 3,675 | - |
| Balance at end of period | 21,700 | 18,025 |

Pure Resources Limited
Notes to the Financial Statements (cont'd)
For the half year ended 31 December 2025

Note 12. Reserves (cont'd)

(c) Foreign currency translation reserve

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

| <i>Foreign currency translation reserve</i> | 31 December 2025 | 30 June 2025 |
|---------------------------------------------|-----------------------------|-------------------------|
| | \$ | \$ |
| Opening balance | (6,408) | (17,845) |
| Movement during the period | (37,642) | 11,437 |
| Transfer to accumulated losses | 23,893 | - |
| Balance at end of period | (20,157) | (6,408) |

Note 13. Loss Per Share

| | 31 December 2025 | 31 December 2024 |
|-------------------------------------------------------------------------------------------------------|-----------------------------|-----------------------------|
| | Cents Per Share | Cents Per Share |
| Basic loss per share | (2.52) | (2.04) |
| Diluted loss per share | (2.52) | (2.04) |
| (Loss) used in calculation of basic and diluted loss per share | (1,174,604) | (888,464) |
| Weighted average number of ordinary shares on issue used in the calculation of basic loss per share | 46,612,576 | 43,513,787 |
| Weighted average number of ordinary shares on issue used in the calculation of Diluted loss per share | 46,612,576 | 43,513,787 |

Note 14. Events After Balance Date

The Company listed 36,751,289 options exercisable at \$0.25 on or before 11 December 2028 under the ASX code PR1OC on 5 January 2026. The options were issued at purchase price of \$0.0001 under the Priority Offer Options Prospectus dated 19 November 2025 and announced on the ASX on the same day.

On 7 January 2026, the Group reported a follow-up strategic update to the Company's 15 July 2025 "Reedy Creek - Garnet and Graphite Update: Downstream, REE and Thermal Management Initiatives" announcement.

The Company announced the appointment of Mr Martin Helean as a Non-Executive Director of the Company and resignation of Mr Allister Caird, effective 14 January 2026.

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.

Pure Resources Limited
Notes to the Financial Statements (cont'd)
For the half year ended 31 December 2025

Note 16. Segment Reporting

The Group undertakes mineral exploration and evaluation work on multiple projects located in Western Australia, as well as Canada and Sweden in previous periods. 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.

These operating segments 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.

Segment assets and liabilities are disclosed in the table below:

31 December 2025

| | Corporate Australia | Mineral Exploration Canada | Mineral Exploration Australia | Total |
|----------------------------------|--------------------------------|-------------------------------------------|----------------------------------------------|--------------------|
| | \$ | \$ | \$ | \$ |
| Business segments | | | | |
| Revenue | | | | |
| Fair Value Gain on sale | 101,552 | - | - | 101,552 |
| Other external revenue | 1,427 | - | - | 1,427 |
| Total segment revenue | <u>102,979</u> | <u>-</u> | <u>-</u> | <u>102,979</u> |
| Results | | | | |
| Operating loss before income tax | (507,894) | (516,260) | (150,450) | (1,174,604) |
| Net Loss | <u>(507,894)</u> | <u>(516,260)</u> | <u>(150,450)</u> | <u>(1,174,604)</u> |
| Assets | | | | |
| Segment assets | 1,751,251 | - | 1,070,176 | 2,821,427 |
| Liabilities | | | | |
| Segment liabilities | 223,500 | - | - | 223,500 |

31 December 2024

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

Pure Resources Limited

Notes to the Financial Statements (cont'd)

For the half year ended 31 December 2025

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 to a return of 2% gross revenue (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 agreement of the Garnet Hill Project executed on the 24 July 2024, the Group has agreed to pay the Vendors three milestone payments upon reaching the corresponding Milestones. Milestone 1 was completed within this period. The remaining milestones are as follows:

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;

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Pure Resources Limited
Notes to the Financial Statements (cont'd)
For the half year ended 31 December 2025

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.

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Pure Resources Limited Directors' Declaration For the half year ended 31 December 2025

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 2025 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
11 March 2026

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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 2025, 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 2025 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 audits of the financial report of public interest entities 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.

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 Group's financial position as at 31 December 2025 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

HLB Mann Judd
Chartered Accountants

Perth, Western Australia
11 March 2026



B G McVeigh
Partner

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Attachment: Reconciliation of Appendix 5B and Financial Report

| Consolidated statement of cash flows | | Appendix 5B December 2025 Disclosures \$A'000 | December 2025 Financial Report Disclosures \$A'000 |
|--------------------------------------|-----------------------------------------------------------------------------------------|--------------------------------------------------------|-------------------------------------------------------------|
| 1. | Cash flows from operating activities | | |
| 1.1 | Receipts from customers | - | - |
| 1.2 | Payments for | | |
| | (a) exploration & evaluation | - | (150) |
| | (b) development | - | - |
| | (c) production | - | - |
| | (d) staff costs | (141) | (141) |
| | (e) administration and corporate costs | (278) | (266) |
| 1.3 | Dividends received (see note 3) | - | - |
| 1.4 | Interest received | 1 | 1 |
| 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 | (418) | (556) |
| 2. | Cash flows from investing activities | | |
| 2.1 | Payments to acquire or for: | | |
| | (a) entities | (125) | (125) |
| | (b) tenements | - | - |
| | (c) property, plant and equipment | (13) | - |
| | (d) exploration & evaluation | (172) | (160) |
| | (e) investments | - | - |
| | (f) other non-current assets | - | - |
| 2.2 | Proceeds from the disposal of: | | |
| | (a) entities | - | - |
| | (b) tenements | - | - |
| | (c) property, plant and equipment | - | - |
| | (d) investments | 238 | 362 |
| | (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 | (72) | 77 |
| 3. | Cash flows from financing activities | | |
| 3.1 | Proceeds from issues of equity securities (excluding convertible debt securities) | 1,704 | 1,704 |
| 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 | (112) | (102) |
| 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) | - | (21) |
| 3.10 | Net cash from / (used in) financing activities | 1,592 | 1,581 |
| 4. | Net increase / (decrease) in cash and cash equivalents for the period | | |
| 4.1 | Cash and cash equivalents at beginning of period | 482 | 482 |
| 4.2 | Net cash from / (used in) operating activities (item 1.9 above) | (418) | (556) |
| 4.3 | Net cash from / (used in) investing activities (item 2.6 above) | (72) | 77 |
| 4.4 | Net cash from / (used in) financing activities (item 3.10 above) | 1,592 | 1,581 |
| 4.5 | Effect of movement in exchange rates on cash held | - | - |
| 4.6 | Cash and cash equivalents at end of period | 1,584 | 1,584 |

Reconciliation of key differences between Pure's Consolidated Statement of Cash Flows reported in the Appendix 5B and Consolidated Statement of Cashflows reported in the attached statutory accounts.

In summary, the material differences between the two reports are the exploration & evaluation being recognised in investing activities rather than operating activities, Lease Repayment being accounted for under financing activities and proceeds from disposal of investments being understated.