

29 April 2022

Quarterly Activities Report

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Non-Executive Chairman
Sufian Ahmad

Non-Executive Director
Stephen Windle

Non-Executive Director
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Chief Financial Officer
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Company Secretary
Harry Spindler



Enquiries regarding this announcement
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- **Permitting activities continued at the King Tut cobalt-gold project in Argentina**
- **High grade copper and cobalt assays were recorded from a grab sampling campaign at Pathfinder's 100% owned Bloom Lake Project**
- **Subsequent to the quarter end, Mr Robert Martin was appointed as Non-Executive Director and Mr Hugh Callaghan resigned from his position as Managing Director**
- **Subsequent to the quarter end, Pathfinder requested a voluntary suspension of its securities pending an announcement in relation to a potential acquisition.**

Pathfinder Resources Ltd (**Pathfinder, PF1** or the **Company**) is pleased to provide the following summary of activities undertaken during the quarter ended 31 March 2022 (**March Quarter**).

King Tut Project

Exploration Activities

During the March Quarter the Company continued to progress permitting for its maiden diamond drilling program at the King Tut Project.

The company advanced its engagement with La Rioja State government departments, in addition to its community outreach programmes aimed at highlighting the economic and social upliftment that King Tut may offer to the local population.

The company continued to develop a comprehensive Social Management and Communication Plan (SMCP) with the support of a local consulting group, Papi Group Latam Consulting, who have extensive experience with mining operations in Argentina.

Bloom Lake Cobalt Project

During the March Quarter, results from the 2021 Bloom Lake Project sampling programme recorded high-grade copper and cobalt assays, including:

- sample 860478 with 38.4% Cu, 0.447% Co, and 2,670g/t Ag
- sample 860470 with 8.92% Cu, 0.47% Co, and 164g/t Ag
- sample 860471 with 3.41% Cu, 3.15% Co and 2.84% Ni
- sample 860482 with 3.06% Cu, 1.87% Co, 2.5% Ni and 15.1% Zn

The 2021 sampling campaign at Bloom Lake tested the narrow outcropping vein system, which has previously had trenches and mini-pits excavated in previous exploration programmes. The location is remote and accessible on a seasonal basis.

All 14 Samples recorded significantly anomalous results which confirmed the veins as having a geochemical footprint of high copper and cobalt values with accessory zinc. Grab samples were selective in nature, and the reported mineralization and assay results may not be representative.



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Analyte Symbol Unit Symbol	Au ppb	Ag ppm	Co ppm	Cu ppm	Ni ppm	Pb ppm	Zn ppm	Bi ppm
860469	18	2.8	391	4,440	37	17	39	17
860470	25	164	4,700	89,200	878	20	16	630
860471	733	66.7	31,500	34,100	2,840	84	15	9,000
860472	9	1.6	258	1,920	46	5	18	7
860473	8	27.8	340	21,000	108	9	19	139
860474	<5	2.5	1,490	212	278	36	108	11
860475	7	2.2	97	138	16	71	47	9
860476	12	<0.2	20	142	43	14	58	<2
860477	8	0.2	65	48	29	6	30	<2
860478	29	2,670	4,470	384,000	436	32	2,260	<2
860479	12	120	1,120	47,800	149	133	452	5
860480	43	133	18,900	11,700	2,770	52	143	59
860481	92	446	13,500	55,400	1,660	20	77	74
860482	32	142	18,700	30,600	2,550	374	15,100	39

Figure 1: Bloom Lake 2021 Sample results

A list of the samples noting the locations is attached to the Company’s announcement of 3 February 2022. All samples were submitted to Activation Laboratories Ltd in Timmins, Ontario. ActLabs is accredited to ISO/IEC 17025, CALA, CCIL by Standards Council of Canada. Gold (Au) results were determined by 30g fire assay, Actlabs method 1A2. A separate sample split was assayed by method 1E3, aqua regia digest then multi-element ICP-OES for a full suite of trace elements. Silver (Ag), Cobalt (Co), Copper (Cu) and Zinc (Zn) results were additionally determined by method 8-AR which is also aqua regia ICP-OES but uses dilution appropriate to determine higher grade materials.

All of the assays are partial because of the aqua regia digest; however, they are close to total for sulphide minerals and are appropriate in the context of exploration grab samples.

In addition, minimum expenditure requirements were confirmed to have been met by Pathfinder to maintain the Bloom Lake Project in good standing.

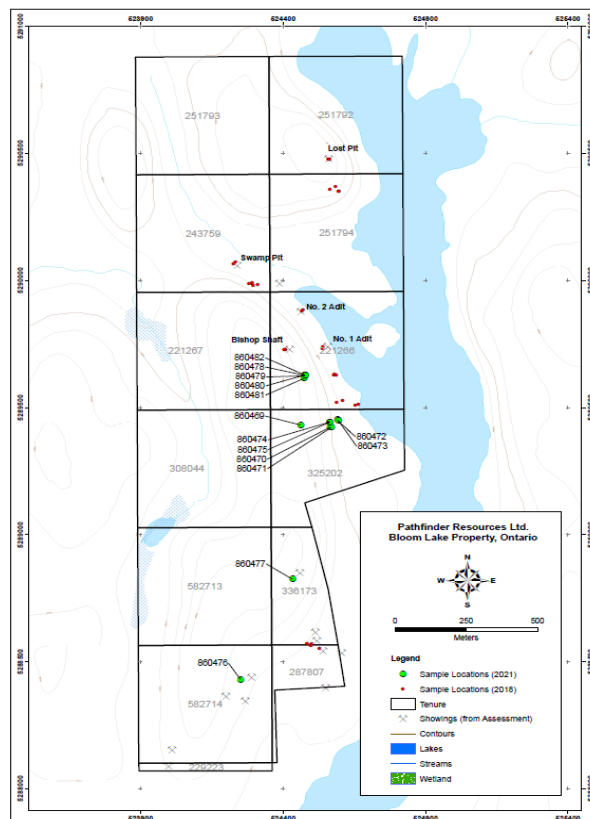


Figure 2: Bloom Lake project map with sampling positions

Corporate

Board and Management Appointments

Post the March Quarter, the Company's management team has been significantly strengthened with the appointment of Mr Robert Martin as a non-executive director.

Mr Robert Martin is a commercial businessman with over 25 years' experience across a broad range of sectors including, mining, manufacturing, mining services and capital markets. Mr Martin previously operated a highly successful mining services company which became a leading provider of products and services to the mining industry with offices and operations located globally in key mining hubs. Mr Martin now runs a family office in Western Australia with a focus on investing and supporting emerging private and public businesses and currently holds the positions of Non-Executive Chairman at ASX-listed Critical Resources Limited (ASX: CRR) and Non-Executive Director at Parkd Limited (ASX: PKD). The Board considers Mr Martin to be an independent director

Additionally, Mr Hugh Callaghan resigned from his position as Managing Director. Mr Callaghan will continue to provide consultancy services to the Company as required.

Business Development

Subsequent to the quarter end, Pathfinder requested a trading halt and voluntary suspension of its securities pending an announcement in relation to a potential acquisition.

The Company continues to actively review additional opportunities and partnerships that have a strategic fit for the Company and that have the potential to deliver value for shareholders.

Finance

The Appendix 5B quarterly cashflow report for the March Quarter is submitted separately.

The Group closed the March Quarter with a cash balance of \$1,520k. Exploration expenditure during the quarter totalled \$73k (*unaudited*).

Use of Funds

A comparison of the Company's actual expenditure since admission to the Official List of ASX on 30 October 2020 to 31 March 2022 against estimated expenditure in the Use of Funds statement in the Prospectus is set out below in accordance with ASX Listing Rule 5.3.4. The table also shows the Company's expenditure for the March Quarter, as required by ASX Listing Rule 5.3.1:

	Prospectus	Expenditure since admission	Mar Qtr
Preliminary on ground exploration at the King Tut Project	598,169	514,175	26,919
Drilling at the King Tut Project	2,340,422	149,155	45,658
King Tut Project management costs	400,000	364,629	11,456
Repayment of debt to creditors	550,000	579,951	-
M&A budget for complementary assets	749,859	88,904	40,678
Expenses of the Offers ¹	510,000	860,817	-
Administration costs	700,000	1,183,347	242,123
Working capital ²	460,051	1,047,480	(48,942)
	6,308,501	4,788,459	317,892

1. Expenses of the Offers – variance \$350,817

As reported in the quarter ended 31 December 2020, Additional Legal, Compliance and Regulatory costs associated with the offer.

2. Working Capital – Legal Fees Airguide

Included against the Working Capital budget are the legal fees associated with the defence of the Airguide claim and filings as required by SIAC prior to commencement of the Arbitration Hearing. At the date of this announcement the matter has not been heard before the Arbitrator.

Payments to Related Parties

Pursuant to section 6 of the Company’s Appendix 5B, and as required under ASX Listing Rule 5.3.5, during the Quarter the Company paid \$103k in current Directors’ fees.

Capital structure

The capital structure at the end of the March Quarter is as follows:

- 57,968,163 Ordinary Shares on issue;
- 7,000,000 Performance Shares on issue.

The Company did not issue any new securities during the March Quarter.

Interests in Mining Tenements at 31 March 2022

Location	Tenement Reference	Nature of Interest	% Held
Western Australia ¹	M47/1450	Granted	36.5%
Canada, Bloom Lake	221266, 221267, 229223 243759, 251792, 251793 251794, 287807, 308044 325202, 336173, 582713 582714	Granted	100%
Argentina ²	168-L-1939	Granted	100%
	66-C-2005	Granted	100%
	28-L-2011	Pending approval	100%

1. Pathfinder’s interest in the Hamersley Iron Ore Project is held indirectly by way of its investment held in Equinox Resources Limited.
2. Pathfinder’s interest in the Tenements located in the La Rioja Province in Argentina are held through its wholly owned subsidiaries Blue Gold Mining Pty Ltd (BGM) and Sandrino Gold Pty Ltd (SG) which, through their respective Argentine subsidiaries Tres Elementos SA (TESA) and Tecno Minera SA (TMSA), collectively own the Tenements the subject of the King Tut Project.

ASX Announcements

This Quarterly Activities Report contains information extracted from ASX market announcements reported in accordance with the 2012 edition of the “Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves” (2021 JORC Code). Further details (including 2012 JORC Code reporting tables where applicable) of exploration results referred to in this Quarterly Activities Report can be found in the following announcements released during the March quarter on the ASX announcements platform.

31 Jan 2022	Quarterly Activities/Appendix 5B Cash Flow Report
4 Feb 2022	Bloom Lake Project Sampling Results
15 Mar 2022	Half Yearly Report and Accounts

These announcements are available for viewing on the Company’s website under the New and Research tab. The Company confirms that it is not aware of any new information or data that materially affects the information included in the original ASX announcements above.

- END -

This announcement has been approved by the Board of Pathfinder Resources Ltd.

For further information, please contact:

Sufian Ahmad | **Non-Executive Chairman**

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Compliance Statement

This quarterly report contains information on the King Tut and Bloom Lake Cobalt Projects extracted from an ASX market announcements dated 23 February 2021, 16 August 2021, 17 August 2021, 29 October 2021, 4 February 2022 and 15 March 2022 released by Pathfinder on 23 February 2021 and reported in accordance with the 2012 edition of the “Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves” (**JORC Code**). The original market announcement is available to view on www.pathfinderresources.com.au and www.asx.com.au. Pathfinder is not aware of any new information or data that materially affects the information included in the original market announcement and, in the case of estimates of Mineral Resources (as that term is defined in the JORC Code) that all material assumptions and technical parameters underpinning the estimates in the relevant market announcement continue to apply and have not materially changed.

Forward Looking Statements

Information included in this release constitutes forward-looking statements. Often, but not always, forward looking statements can generally be identified by the use of forward looking words such as “may”, “will”, “expect”, “intend”, “plan”, “estimate”, “anticipate”, “continue”, and “guidance”, or other similar words and may include, without limitation, statements regarding plans, strategies and objectives of management, anticipated production or construction commencement dates and expected costs or production outputs. Forward looking statements inherently involve known and unknown risks, uncertainties and other factors that may cause the Company’s actual results, performance and achievements to differ materially from any future results, performance or achievements. Relevant factors may include, but are not limited to, changes in commodity prices, foreign exchange fluctuations and general economic conditions, increased costs and demand for production inputs, the speculative nature of exploration and project development, including the risks of obtaining necessary licenses and permits and diminishing quantities or grades of reserves, political and social risks, changes to the regulatory framework within which the company operates or may in the future operate, environmental conditions including extreme weather conditions, recruitment and retention of personnel, industrial relations issues and litigation. Forward looking statements are based on the Company and its management’s good faith assumptions relating to the financial, market, regulatory and other relevant environments that will exist and affect the Company’s business and operations in the future. The Company does not give any assurance that the assumptions on which forward looking statements are based will prove to be correct, or that the Company’s business or operations will not be affected in any material manner by these or other factors not foreseen or foreseeable by the Company or management or beyond the Company’s control. Although the Company attempts and has attempted to identify factors that would cause actual actions, events or results to differ materially from those disclosed in forward looking statements, there may be other factors that could cause actual results, performance, achievements or events not to be as anticipated, estimated or intended, and many events are beyond the reasonable control of the Company. Accordingly, readers are cautioned not to place undue reliance on forward looking statements. Forward looking statements in these materials speak only at the date of issue. Subject to any continuing obligations under applicable law or any relevant stock exchange listing rules, in providing this information the company does not undertake any obligation to publicly update or revise any of the forward-looking statements or to advise of any change in events, conditions or circumstances on which any such statement is based.

Appendix 5B

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

Name of entity

PATHFINDER RESOURCES LTD

ABN

80 085 905 997

Quarter ended ("current quarter")

31 MARCH 2022

Consolidated statement of cash flows	Current quarter \$A'000	Year to date (9 months) \$A'000
1. Cash flows from operating activities		
1.1 Receipts from customers	-	-
1.2 Payments for		
(a) exploration & evaluation	(11)	(60)
(b) development	-	-
(c) production	-	-
(d) staff costs	(163)	(256)
(e) administration and corporate costs	(114)	(556)
1.3 Dividends received (see note 3)	-	-
1.4 Interest received	-	2
1.5 Interest and other costs of finance paid	-	(1)
1.6 Income taxes paid	-	-
1.7 Government grants and tax incentives	-	-
1.8 Other (provide details if material)		
- Settlement of Litigation	49	(617)
1.9 Net cash from / (used in) operating activities	(239)	(1,488)
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	(73)	(391)
(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 (9 months) \$A'000
2.2	Proceeds from the disposal of:		
	(a) entities	-	-
	(b) tenements	-	-
	(c) property, plant and equipment	-	8
	(d) investments	-	-
	(e) other non-current assets	-	-
2.3	Cash flows from loans to other entities	-	25
2.4	Dividends received (see note 3)	-	-
2.5	Other (provide details if material)	-	-
2.6	Net cash from / (used in) investing activities	(73)	(358)
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	(6)	(46)
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	(6)	(46)
4.	Net increase / (decrease) in cash and cash equivalents for the period		
4.1	Cash and cash equivalents at beginning of period	1,838	3,412
4.2	Net cash from / (used in) operating activities (item 1.9 above)	(239)	(1,488)
4.3	Net cash from / (used in) investing activities (item 2.6 above)	(73)	(358)
4.4	Net cash from / (used in) financing activities (item 3.10 above)	(6)	(46)

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 (9 months) \$A'000
4.5	Effect of movement in exchange rates on cash held	-	-
4.6	Cash and cash equivalents at end of period	1,520	1,520

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	1,520	1,838
5.2	Call deposits	-	-
5.3	Bank overdrafts	-	-
5.4	Other (provide details)	-	-
5.5	Cash and cash equivalents at end of quarter (should equal item 4.6 above)	1,520	1,838

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	103
6.2	Aggregate amount of payments to related parties and their associates included in item 2	-

Note: if any amounts are shown in items 6.1 or 6.2, your quarterly activity report must include a description of, and an explanation for, such payments.

6.1 Amounts shown relate to Non-Executive Chairman and Non-Executive Director fees payments.

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.</i>		
<i>Add notes as necessary for an understanding of the sources of finance available to the entity.</i>		
7.1 Loan facilities	20	20
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.		
Comprise Insurance Premium Funding for the FY2022 year.		

8. Estimated cash available for future operating activities	\$A'000
8.1 Net cash from / (used in) operating activities (item 1.9)	(239)
8.2 (Payments for exploration & evaluation classified as investing activities) (item 2.1(d))	(73)
8.3 Total relevant outgoings (item 8.1 + item 8.2)	(312)
8.4 Cash and cash equivalents at quarter end (item 4.6)	1,520
8.5 Unused finance facilities available at quarter end (item 7.5)	-
8.6 Total available funding (item 8.4 + item 8.5)	1,520
8.7 Estimated quarters of funding available (item 8.6 divided by item 8.3)	4.88
<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: Not Applicable	
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: Not applicable	
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: Not Applicable	
<i>Note: where item 8.7 is less than 2 quarters, all of questions 8.8.1, 8.8.2 and 8.8.3 above must be answered.</i>	

Compliance statement

- 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.

Date: 29 April 2022

Authorised by: The Board of Pathfinder Resources Ltd
(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.