



**SENTINEL EXPLORATION LTD**

**ACN 644 425 678**

**ANNUAL REPORT**

FOR THE FINANCIAL YEAR ENDED 30 JUNE 2022

**Directors**

Mark Stowell	Non-Executive Chairman
Simon Adams	Non-Executive Director
Glenn Zamudio	Non-Executive Director

**Company Secretary**

Mr Keith Bowker

**Registered Office and Principal Place of Business**

Suite 2  
20 Howard Street  
PERTH WA 6000

Tel: +61 8 6144 0592

**Postal Address**

PO Box Z5207  
St Georges Terrace  
PERTH WA 6831

**Auditors**

Dry Kirkness (Audit) Pty Ltd  
Ground Floor, 50 Colin Street  
WEST PERTH WA 6005

**Share Registry**

Automic Pty Ltd  
Level 2, 267 St Georges Terrace  
PERTH WA 6000

## Annual report for the financial year ended 30 June 2022

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The directors of Sentinel Exploration Ltd ("Sentinel Exploration" or "the Company") submit herewith the annual report of the Company for the financial year ended 30 June 2022. To comply with the provisions of the *Corporations Act 2001*, the directors report as follows:

## Information about the directors

The names and particulars of the directors of the Company during or since the end of the financial year are:

**Mr Mark Stowell**

*B.Bus, CA*

**Non-Executive Chairman**

Appointed 17 September 2020

Mr Stowell has over 20 years of corporate finance and resource business management experience. He served as manager in the corporate division of Arthur Anderson and subsequently in the establishment and management of a number of successful ventures as principal, including resource companies operating in Australia and internationally.

Mr Stowell was a founder director of Anvil Mining Ltd (Democratic Republic of Congo), a copper explorer and developer, for seven years until 2000. He was a founder and Non-Executive Director of Incremental Petroleum Limited, an oil and gas producer with operations in Turkey and the USA, until its takeover by a USA operator. He was Chairman and founder of Mawson West Ltd, a copper producer and explorer which competed an IPO on the Toronto Stock Exchange in one of the largest base metal IPO's of 2011.

**Mr Simon Adams**

*B.Bus, ACIS*

**Non-Executive Director**

Appointed 17 September 2020

Mr Adams has a wide range of experience in the area of corporate and financial management, corporate compliance and business development. Mr Adams has worked in a range of industries across the resource and industrial sectors including oil and gas production, pearl production and distribution, power generation systems, hard-rock exploration and production and finance.

**Mr Glenn Zamudio**

*FAusIMM, BSC (Chem Eng), MBA, CFA*

**Non-Executive Director**

Appointed 28 June 2021

Mr Zamudio is an executive with a strong track record of developing and operating businesses in challenging jurisdictions. Accomplished across a wide range of sectors and disciplines with exceptional project development, operational, commercial and valuation skills. He has held senior positions in various mining companies as General Manager Operations, Group Executive Commercial and Strategy and General Manager Projects. Mr Zamudio currently works as a Senior Principal Consultant with Mining Plus on the Corporate Consulting team providing technical due diligence, asset appraisal, independent technical expert and financial review advice.

The above named directors held office during the whole of the financial year and since the end of the financial year.

## Company Secretary

Mr Keith Bowker holds a Bachelor of Commerce degree from Curtin University and has experience in company secretarial, corporate compliance and financial accounting matters. Mr Bowker was appointed and Mr Simon Adams resigned as Company Secretary on 5 July 2022.

## Principal activities

Sentinel Exploration Ltd is a special purpose acquisition company. The nature of operations and principal activities of the Company is the investment in mineral exploration, development and mining opportunities including the exploration and evaluation of projects primarily for gold base metals and lithium.

There was no significant change in the nature of the Company's activity during the year.

## Review of operations

The loss to owners of the Company for the financial year after providing for income tax amounted to \$337,260 (2021: Nil).

Good progress was made by the Company during the financial year under review, the Company completed a carefully targeted drilling program of 9 RC holes at the Company's 100% owned Cubbine Hills tenement near Quairading Western Australia.

The drilling successfully intersected a sulphide mineral system over a 1km distance.

- The EM model dips roughly 45 deg to NE.
- Target drilled – several thin zones of up to 90% mixed sulphides (Pyrite-pyrrhotite and trace Chalcopyrite) in interval 90m-100m – hole was designed to hit conductor at 100m in a biotite altered granulite gneiss. Biotite alteration increases significantly around the sulphide zones.
- This was driven by the Loupe equipment detection of the near-surface parts of this conductor.

The Company will continue to advance the Cubbine Hills Project as well as conducting due diligence on a number of prospective projects in gold base metals and lithium.

The Company is aiming for quotation on the ASX in the first half of 2023.

## Changes in state of affairs

There was no significant change in the state of affairs of the Company during the financial year.

## Subsequent events

There has not been any other matter or circumstance occurring subsequent to the end of the financial year that has significantly affected, or may significantly affect, the operations of the Company, the results of those operations, or the state of affairs of the Company in future financial years.

## Future developments

Likely developments in the operations of the Company and the expected results of those operations in future financial years have not been included in this report as the inclusion of such information is likely to result in unreasonable prejudice to the Company.

## Environmental regulations

The Company's operations are not regulated by any significant environmental regulation under a law of the Commonwealth or of a state or territory.

## Dividends

No dividends have been paid by the Company during the financial years ended 30 June 2022 or 30 June 2021, nor have the directors recommended any dividend to be paid.

## Options

Details of unissued shares or interests under option as at the date of this report are:

Issuing entity	Number of shares under option	Class of shares	Exercise price of option	Expiry date of options
Sentinel Exploration Ltd	4,625,000	Ordinary	\$0.20	1 July 2026

The holders of these options do not have the right, by virtue of the option, to participate in any share issue or interest issue of the Company or of any other body corporate or registered scheme.

No options were exercised during the 2022 or 2021 financial year or since the end of the reporting date of this report.

## Directors interest in shares and options

Director	Number of shares	Number of options	Exercise price	Expiry date
Mark Stowell	6,625,000	2,125,000	\$0.20	1 July 2026
Simon Adams	800,000	400,000	\$0.20	1 July 2026
Glenn Zamudio	500,000	250,000	\$0.20	1 July 2026

## Indemnification of officers and auditors

During or since the end of the financial year, the Company has not indemnified or made a relevant agreement to indemnify an officer or auditor of the Company or of any related body corporate against a liability incurred as such an officer or auditor. In addition, the Company has not paid, or agreed to pay, a premium in respect of a contract insuring against a liability incurred by an officer or auditor.

## Directors' meetings

The following table sets out the number of directors' meetings held during the financial year and the number of meetings attended by each director. The directors communicate regularly and pass most resolutions via circular resolution.

	Directors' Meetings		Audit Committee		Nomination Committee		Remuneration Committee		Finance and Operations Committee		
	Number eligible to attend	Number Attended	Number eligible to attend	Number Attended	Number eligible to attend	Number Attended	Number eligible to attend	Number Attended	Number eligible to attend	Number Attended	
Mr Mark Stowell	3	3	<i>At the date of this report, the Remuneration, Audit, Nomination, and Finance and Operations Committees comprise the full Board of Directors. The Directors believe the Company is not currently of a size nor are its affairs of such complexity as to warrant the establishment of these separate committees. Accordingly, all matters capable of delegation to such committees are considered by the full Board of Directors.</i>								
Mr Simon Adams	3	3									
Mr Glenn Zamudio	3	3									

## Proceedings on behalf of the Company

No person has applied for leave of court to bring proceedings on behalf of the Company or intervene in any proceedings to which the Company is a party for the purpose of taking responsibility on behalf of the Company for all or any part of those proceedings.

The Company was not a party to any such proceedings during the financial year.

## Auditor's independence declaration

The auditor's independence declaration as required under s.307C of the *Corporations Act 2001* is included on page 5 of the annual report.

## Rounding off of amounts

The Company is a company of the kind referred to in *ASIC Corporations (Rounding in Financials/Directors' Reports) Instrument 2016/191*, dated 24 March 2016 and in accordance with that Corporations Instrument amounts in the directors' report and the financial statements are rounded off to the nearest dollar, unless otherwise indicated.

This directors' report is signed in accordance with a resolution of the directors made pursuant to s.298(2) of the *Corporations Act 2001*.

On behalf of the Directors

A handwritten signature in blue ink, appearing to read 'M Stowell', is written over a faint, light blue rectangular stamp or watermark.

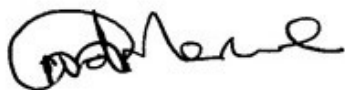
Mark Stowell  
Non-Executive Chairman  
Perth, 13 October 2022

**AUDITOR'S INDEPENDENCE DECLARATION**

As lead auditor for the audit of Sentinel Exploration Ltd for the year ended 30 June 2022, I declare that, to the best of my knowledge and belief, there have been:

- a) No contraventions of the auditor independence requirements of the Corporations Act 2001 in relation to the audit; and
- b) No contraventions of any applicable code of professional conduct in relation to the audit.

DRY KIRKNESS (AUDIT) PTY LTD



MARIUS VAN DER MERWE CA  
Director

Perth  
Date: 13 October 2022



## INDEPENDENT AUDITOR'S REPORT

### TO THE MEMBERS OF SENTINEL EXPLORATION LTD

#### Report on the Financial Report

##### Opinion

We have audited the financial report of Sentinel Exploration Ltd (the Company), which comprises the statement of financial position as at 30 June 2022, and the statement of comprehensive income, statement of changes in equity and statement of cash flows for the year then ended, and notes to the financial statements, including a summary of significant accounting policies, and the declaration by the directors.

In our opinion, the accompanying financial report of Sentinel Exploration Ltd is prepared, in all material respects, in accordance with the Corporations Act 2001, including:

- i) giving a true and fair view of the Company's financial position as at 30 June 2022 and of its financial performance for the year then ended; and
- ii) complying with Australian Accounting Standards – Simplified Disclosures and the Corporations Regulations 2001.

##### Basis for Opinion

We have conducted our audit in accordance with Australian Auditing Standards. Our responsibilities under those Standards are further described in the *Auditor's Responsibilities for the Audit of the Financial Report* section of our report.

We are independent of the Company in accordance with the auditor independence requirements of the Corporations Act 2001 and the ethical requirements of the Accounting Professional and Ethical Standards Board's APES 110 Code of Ethics for Professional Accountants (including Independence Standards) (the Code) that are relevant to our audit of the financial report in Australia. We have also fulfilled our ethical requirements in accordance with the Code.

We confirm that the independence declaration required by the Corporations Act 2001, which has been given to the directors of the Company, would be in the same terms if given to the directors as at the date of this auditor's report.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

##### Other Information

The directors are responsible for the other information. The other information comprises the information in the Company's annual report for the year ended 30 June 2022 but does not include the financial report and the auditor's report thereon. Our opinion on the financial report does not cover the other information and accordingly we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial report, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial report or our knowledge obtained in the audit or otherwise appears to be materially misstated.

If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

### **Responsibilities of the Directors for the Financial Report**

The directors of the Company are responsible for the preparation of the financial report that gives a true and fair view in accordance with the 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 financial report that gives a true and fair view and is free from material misstatement, whether due to fraud or error.

In preparing the financial report, the directors are responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the directors either intend to liquidate the Company or to cease operations, or have no realistic alternative but to do so.

### **Auditor's Responsibilities for the Audit of the Financial Report**

Our objectives are to obtain reasonable assurance about whether the financial report as a whole is free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion.

Reasonable assurance is a high level of assurance but is not a guarantee that an audit conducted in accordance with the Australian Auditing Standards will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of the financial report.

As part of an audit in accordance with the Australia Auditing Standards, we exercise professional judgement and maintain professional scepticism throughout the audit.

We also:

- Identify and assess risks of material misstatement of the financial report, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

- Obtain and understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the directors.
- Conclude on the appropriateness of the directors' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial report or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial report, including the disclosures, and whether the financial report represents the underlying transactions and events in a manner that achieves fair presentation.

We communicate with the directors regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide the directors with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, actions taken to eliminate threats or safeguards applied.

DRY KIRKNESS (AUDIT) PTY LTD



MARIUS VAN DER MERWE  
Director

Perth

13 October 2022

The directors declare that:

- (a) in the directors' opinion, there are reasonable grounds to believe that the Company will be able to pay its debts as and when they become due and payable; and
- (b) in the directors' opinion, the attached financial statements and notes thereto are in accordance with the *Corporations Act 2001*, including compliance with accounting standards and giving a true and fair view of the financial position and performance of the Company.

Signed in accordance with a resolution of the directors made pursuant to s.295(5) of the *Corporations Act 2001*.

On behalf of the Directors

A handwritten signature in blue ink, appearing to read 'M Stowell', enclosed in a rectangular box.

Mark Stowell  
Non-Executive Chairman  
Perth, 13 October 2022

**Sentinel Exploration Ltd**  
**Statement of profit or loss and other comprehensive income**

<b>For the year ended 30 June 2022</b>	<b>Note</b>	<b>2022</b>	<b>2021*</b>
		<b>\$</b>	<b>\$</b>
<b>Continuing operations</b>			
Administration expenses		(39,750)	-
Employee benefits expenses	13	(16,891)	-
Exploration and evaluation expenditure		(280,619)	-
<b>Loss before income tax</b>		<b>(337,260)</b>	<b>-</b>
Income tax	6	-	-
<b>Loss after income tax for the year</b>		<b>(337,260)</b>	<b>-</b>
<b>Other comprehensive expense for the year</b>			
Items that will not be reclassified subsequently to profit or loss		-	-
Items that may be reclassified subsequently to profit or loss		-	-
<b>Total other comprehensive loss for the year</b>		<b>-</b>	<b>-</b>
<b>Total comprehensive loss for the year</b>		<b>(337,260)</b>	<b>-</b>
<b>Loss for the year attributable to:</b>			
Owners of Sentinel Exploration Ltd		<b>(337,260)</b>	<b>-</b>
<b>Total comprehensive loss for the year attributable to:</b>			
Owners of Sentinel Exploration Ltd		<b>(337,260)</b>	<b>-</b>

\* The comparative information was for a ten-month period.

*The above statement of profit or loss and other comprehensive income should be read in conjunction with the accompanying notes.*

**Sentinel Exploration Ltd**  
Statement of financial position

As at 30 June 2022	Note	2022 \$	2021 \$
<b>Assets</b>			
<b>Current assets</b>			
Cash and cash equivalents	7	482,015	10,000
Receivables and other assets	8	67,046	-
<b>Total current assets</b>		549,061	10,000
<b>Total assets</b>		549,061	10,000
<b>Liabilities</b>			
<b>Current liabilities</b>			
Trade and other payables	9	45,026	-
Borrowings	10	750	750
<b>Total current liabilities</b>		45,776	750
<b>Total liabilities</b>		45,776	750
<b>Net assets</b>		<b>503,285</b>	<b>9,250</b>
<b>Equity</b>			
Share capital	11	840,545	9,250
Accumulated losses		(337,260)	-
<b>Total equity</b>		<b>503,285</b>	<b>9,250</b>

*The above statement of financial position should be read in conjunction with the accompanying notes.*

Sentinel Exploration Ltd  
Statement of changes in equity

For the year ended 30 June 2022

	Note	Share capital \$	Accumulated losses \$	Total \$
<b>Balance at Incorporation (17 September 2020)</b>		10	-	10
Loss for the 10-month period		-	-	-
<b>Total other comprehensive loss for the year</b>		-	-	-
<b>Total comprehensive loss for the year</b>		-	-	-
Shares issued	11	9,240	-	9,240
<b>Balance as at 30 June 2021</b>		<b>9,250</b>	-	<b>9,250</b>
<b>Balance at 1 July 2021</b>		9,250	-	9,250
Loss for the year		-	(337,260)	(337,260)
<b>Total other comprehensive loss for the year</b>		-	-	-
<b>Total comprehensive loss for the year</b>		-	(337,260)	(337,260)
Shares issued	11	840,400	-	840,400
Share issue costs	11	(9,105)	-	(9,105)
<b>Balance as at 30 June 2022</b>		<b>840,545</b>	<b>(337,260)</b>	<b>503,285</b>

The above statement of changes in equity should be read in conjunction with the accompanying notes.

**Sentinel Exploration Ltd**  
Statement of cash flows

<b>For the year ended 30 June 2022</b>	<b>Note</b>	<b>2022</b>	<b>2021*</b>
		<b>\$</b>	<b>\$</b>
<b>Cash flows from operating activities</b>			
Payments to suppliers and employees		(66,753)	-
Payments for exploration and evaluation expenditure		(229,327)	-
Net cash used in operating activities	7(a)	(296,080)	-
<b>Cash flows from financing activities</b>			
Proceeds from issue of shares		777,200	9,250
Payments for share issue costs		(9,105)	-
Proceeds of borrowings		-	750
Net cash provided by investing activities		768,095	10,000
Net increase in cash and cash equivalents		472,015	10,000
Cash and cash equivalents at the beginning of the year		10,000	-
<b>Cash and cash equivalents at the end of the year</b>	<b>7</b>	<b>482,015</b>	<b>10,000</b>

\* The comparative information was for a ten-month period.

*The above statement of cash flows should be read in conjunction with the accompanying notes.*



For the year ended 30 June 2022

## 1. General information

Sentinel Exploration Ltd (“Sentinel Exploration” or “the Company”) is a special purpose acquisition company. The nature of operations and principal activities of the Company is the investment in mineral exploration, development and mining opportunities including the exploration and evaluation of projects primarily for gold base metals and lithium.

Sentinel Exploration is a company limited by shares incorporated and registered in Australia. The address of the registered office and principal place of business is Suite 2, 20 Howard Street, Perth, Western Australia 6000. The financial report of the Company for the year ended 30 June 2022 was authorised for issue in accordance with a resolution of the directors on 13 October 2022.

## 2. Basis of preparation

These general purpose financial statements have been prepared in accordance with the *Corporations Act 2001*, Australian Accounting Standards and other authoritative pronouncements issued by the Australian Accounting Standards Board (AASB) and comply with other requirements of the law.

The financial statements comprise the financial statements of Sentinel Exploration Ltd. For the purposes of preparing the financial statements, the Company is a for-profit entity.

The presentation currency used in these financial statements is Australian dollars (\$). Amounts in these financial statements are stated in Australian dollars unless otherwise noted.

## 3. Statement of compliance

The financial statements comply with the recognition and measurement requirements of Australian Accounting Standards, the presentation requirements in those Standards as modified by AASB 1060 *General Purpose Financial Statements – Simplified Disclosures for For-Profit and Not-For-Profit Tier 2 Entities* (AASB 1060) and the disclosure requirements in AASB 1060. Accordingly, the financial statements comply with Australian Accounting Standards – Simplified Disclosures.

## 4. Judgements and key sources of estimation uncertainty

In the application of the Company’s accounting policies, the directors of the Company are required to make judgements, estimates and assumptions about the carrying amount of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised if the revision affects only that period or in the period of the revision and future periods if the revision affects both current and future periods.

## 5. Application of new and revised Accounting Standards

### i. New, revised or amending Accounting Standards and Interpretations

In the year ended 30 June 2022, the directors have reviewed all of the new and revised Standards and Interpretations issued by the AASB that are relevant to the Company and effective for the current annual reporting period. As a result of this review, the directors have determined that there is no material impact of the new and revised Standards and Interpretations on the Company and, therefore, no material change is necessary to the Company's accounting policies.

### ii. New Accounting Standards and Interpretations not yet mandatory or early adopted

The following amended reporting requirements that are not effective for financial years ended 30 June 2022:

AASB 17 *Insurance Contracts* (as amended).

Effective Date: 1 January 2023

AASB 2020-1 *Amendments to Australian Accounting Standards – Classification of Liabilities as Current or Non-current*.

Effective Date: 1 January 2023

AASB 2020-3 *Amendments to Australian Accounting Standards – Annual Improvements 2018–2020 and Other Amendments*.

Effective Date 1 January 2022

AASB 2021-2 *Amendments to Australian Accounting Standards– Disclosure of Accounting Policies and Definition of Accounting Estimates*.

Effective Date 1 January 2023

AASB 2021-5 *Amendments to Australian Accounting Standards – Deferred Tax related to Assets and Liabilities arising from a Single Transaction*.

Effective Date 1 January 2023

AASB 2022 -1 *Amendments to Australian Accounting Standards – Initial Application of AASB 17 and AASB 9 – Comparative Information*

Effective Date 1 January 2023

### **AASB 2020-1 & AASB 2020-6**

This Standard amends AASB 101 to clarify requirements for the presentation of liabilities in the statement of financial position as current or non-current. For example, the amendments clarify that a liability is classified as non-current if an entity has the right at the end of the reporting period to defer settlement of the liability for at least 12 months after the reporting period. The meaning of settlement of a liability is also clarified.

An entity shall classify a liability as current when:

- it expects to settle the liability in its normal operating cycle;
- it holds the liability primarily for the purpose of trading;
- the liability is due to be settled within twelve months after the reporting period; or
- it does not have the right at the end of the reporting period to defer settlement of the liability for at least twelve months after the reporting period.

An entity shall classify all other liabilities as non-current.

The Company does not believe that the amendments will have a significant impact on the classification of its liabilities

### Going concern basis

The financial statements have been prepared on the going concern basis, which contemplates continuity of normal business activities and the realisation of assets and discharge of liabilities in the normal course of business.

As disclosed in the financial statements for the year ended 30 June 2022, the Company incurred a loss of \$337,260, had net cash outflows from operating activities of \$296,080, cash inflows from financing activities of \$768,095 (2021: \$10,000) and net current assets of \$503,285 (2021: \$9,250).

As such, the directors believe that there are reasonable grounds to believe that the Company will be able to continue as a going concern, after consideration of the following factors:

- Current cash reserves are sufficient to fund current working capital projections.
- The directors are confident the Company has the ability to raise further funds through capital raisings as and when required to satisfy its operational expenditure commitments.

Accordingly, the directors believe that the Company will be able to continue as a going concern and that it is appropriate to adopt the going concern basis in the preparation of the financial report.

## 6. Income taxes

### Income tax comprises:

Current tax

Deferred tax

**Total income tax**

	2022 \$	2021 \$
	-	-
	-	-
	-	-

Income tax for the year can be reconciled to the accounting loss as follows:

Loss before income tax

Tax at the rate of 25% (2021: 27.5%)

Expenses not deductible in determining taxable profit

Tax benefit of deductible equity raising costs

Tax effect of tax losses not recognised

**Income tax**

	(337,260)	-
	(84,315)	-
	1,375	-
	(455)	-
	83,395	-
	-	-

The standard rate of corporation tax applied to taxable profit is 25% (2021: 27.5%).

### Unrecognised deferred tax assets

Tax losses – Revenue

Temporary differences

	2022 \$	2021 \$
	83,395	-
	(11,309)	-
	<b>72,086</b>	-

## 7. Cash and cash equivalents

For the purposes of the statement of cash flows, cash and cash equivalents include cash on hand and in banks, net of outstanding bank overdrafts. Cash and cash equivalents at the end of the reporting period as shown in the statement of cash flows can be reconciled to the related items in the statement of financial position as follows:

	2022	2021
	\$	\$
Cash and bank balances	482,015	10,000

### (a) Reconciliation of loss for the year to net cash flows from operating activities

Loss after income tax for the year	(337,260)	-
Increase in receivables	(17,045)	-
Increase in payables	58,225	-
	<b>(296,080)</b>	-

## 8. Receivables and other assets

	2022	2021
	\$	\$
Prepayments	51,035	-
Goods and services tax recoverable	16,011	-
	<b>67,046</b>	-

## 9. Trade and other payables

	2022	2021
	\$	\$
Trade creditors	39,526	-
Accrued expenses	5,500	-
	<b>45,026</b>	-

## 10. Borrowings

	2022	2021
	\$	\$
Loans from related parties (i)	750	750
	<b>750</b>	<b>750</b>

(i) On 29 June 2021, Merchant Holdings Pty Ltd, a company associated with Mark Stowell provided the Company with an interest free loan.

## 11. Share capital

	2022 \$	2021 \$
19,755,000 (2021: 9,250,000) fully paid ordinary shares	840,545	9,250

The Company is incorporated under the *Corporations Act 2001* and accordingly, does not have a limited amount of authorised capital and issued shares do not have a par value.

	2022		2021	
	No.	\$	No.	\$
<b>Fully paid ordinary shares</b>				
Balance at beginning of financial year	9,250,000	9,250	-	-
Shares issued pursuant to prospectus at \$0.08	10,505,000	840,400	-	-
Founder shares at \$0.001	-	-	9,250,000	9,250
Share issue costs	-	(9,105)	-	-
Balance at end of financial year	<b>19,755,000</b>	<b>840,545</b>	<b>9,250,000</b>	<b>9,250</b>

Fully paid ordinary shares carry one vote per share and carry a right to dividends.

## 12. Options

Details of the share options outstanding during the year are as follows.

	2022		2021	
	Number of share options	Weighted average exercise price	Number of share options	Weighted average exercise price
Outstanding at the beginning of the year	4,625,000	\$0.20	-	-
Granted during the year (i)	-	-	4,625,000	\$0.20
Exercisable at the end of the year	<b>4,625,000</b>	<b>\$0.20</b>	<b>4,625,000</b>	<b>\$0.20</b>

(i) the options were free-attaching options issued pursuant to the prospectus on a 1 for 2 basis.

## 13. Employee benefits

	2022 \$	2021 \$
Wages and salaries	15,356	-
Superannuation	1,535	-
	<b>16,891</b>	-

## 14. Related party transactions

In the current financial year, on 15 December 2021, Merchant Holdings Pty Ltd, a company associated with Mark Stowell paid \$11,000 (incl GST) for the acquisition of tenement E70/5435 Cubbine Hills. The outstanding amount payable to Merchant Holdings Pty Ltd was settled via the issue of 125,000 fully paid ordinary shares at an issue price of \$0.08 and a cash payment of \$1,000 for the GST component.

In addition, reimbursements for field exploration related expenses totalling \$3,050 were paid to Merchant Holdings Pty Ltd.

In the prior financial year, on 29 June 2021, Merchant Holdings Pty Ltd, a company associated with Mark Stowell provided the Company with an interest free loan of \$750.

#### 14. Related party transactions (Cont'd)

During the current financial year, Kula Gold Limited, a company that Mr Mark Stowell and Mr Simon Adams are both Directors of, was paid a total of \$7,241 for geological services rendered by employees and consultants of Kula Gold Limited. As at 30 June 2022, an amount of \$2,663 was outstanding and payable.

In addition, Kula Gold Limited paid the Company an amount of \$3,938 for reimbursement of property plant and equipment.

#### 15. Contingent liabilities and contingent assets

In the opinion of the directors, there are no contingent liabilities or contingent assets as at 30 June 2022 or 30 June 2021 and none were incurred in the interval between the year-end and the date of this financial report.

#### 16. Remuneration of auditors

	2022	2021
	\$	\$
Audit of the financial statements	10,530	-

The auditor of Sentinel Exploration Ltd for the current and prior financial years is Dry Kirkness (Audit) Pty Ltd, formerly known as Butler Settineri (Audit) Pty Ltd. The amount of \$10,530 includes \$5,030 paid for the 2021 financial year and an amount of \$5,500 accrued for the 2022 financial year.

#### 17. Subsequent events

No matter or circumstance has arisen since 30 June 2022, which has significantly, or may significantly affect the operations of the Company, the result of those operations, or the state of affairs of the Company in subsequent financial years.