



# **SENTINEL EXPLORATION LTD**

**ACN 644 425 678**

## **ANNUAL REPORT**

FOR THE FINANCIAL YEAR ENDED 30 JUNE 2025

**Directors**

Mark Stowell  
Simon Adams  
Glenn Zamudio

**Company Secretary**

Keith Bowker

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## Annual report for the financial year ended 30 June 2025

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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 2025. 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:

**Mark Stowell**

*B.Bus, CA*

**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 7 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 completed an IPO on the Toronto Stock Exchange in one of the largest base metal IPO's of 2011.

**Simon Adams**

*B.Bus, ACIS*

**Managing 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.

**Glenn Zamudio**

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

**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 is a qualified Chartered Accountant and holds a Bachelor of Commerce degree from Curtin University, has experience in company secretarial, corporate compliance and financial accounting matters. Mr Bowker was appointed as Company Secretary on 5 July 2022.

## Principal activities

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 and/or base metals.

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

## Review of operations

The profit to owners of the Company for the financial year after providing for income tax amounted to \$833,956 (2024: loss of \$560,919).

Sentinel Exploration owns four projects in geographically diverse domains in Western Australia (Figure1).



Figure1. Location map, Sentinel Exploration Projects

### **Cubbine Hills Project**

Sentinel Exploration recently completed a RC drilling program to the north expecting to define more mineralised gold zones potentially leading to resource definition. This drill program was co-funded by DEMIRS Exploration Incentive Scheme (EIS) (up to \$152,500 for drilling based on a 50/50 co-contribution between DEMIRS and the Company).

Further UFF soil sampling is planned for a separate significant NE trending Cu-Mo anomaly to better define the entire strike length which shows potential to be up to 4km long.

The Company is grateful for the Government Department of Mines EIS co-funding in assisting our Cubbine Hills drilling programs.

### **Marda East Project**

The Marda East Project is near to the 340k ounce Mount Jackson gold mining complex, operated by Ramelius Resources Limited (ASX: RMS).

Two phases of detailed soil sampling has resulted in two significant gold anomalies which are now drill ready, and drilling planned in the year ahead.

### **Kirup Project**

The Kirup Project is a large leasehold within a recently proven metalliferous domain and is prospective for lithium bearing pegmatites, gold mineralisation and Ni-Cu-PGE mineralisation. The Kirup tenements (E70-5451 & E70-5452) are only 20km from the giant Greenbushes lithium and tantalum mine and are crosscut by a NW-SE trending mineralised Donnybrook Shear Zone (DBSZ), suggested as the mineralising conduit for the Greenbushes accumulation. The Kirup tenements also have nickel/copper/PGE potential with a magnetic signature analogous to the recently discovered large Julimar deposit north of Perth.

### **Barlee Project**

The Barlee Project comprises six tenements in application, two of which are in ballot with three for one and eight for the other. Although the area has been lightly explored, previous operators have identified substantial copper, nickel and gold anomalies in the area and mapped mineralised trends that potentially extend onto the Sentinel Exploration tenements.

### **Iron Duke Project**

During the previous financial year, JV partner, Critica Limited ("Critica") (ASX: CRI), formerly Venture Minerals Limited, successfully continued exploration activities on the Iron Duke Project earning 70% under the Joint Venture Agreement ("JV Agreement").

Under the JV Agreement, Critica earned a 51% interest in the Iron Duke Project by spending \$250,000 within two years, including a minimum of \$75,000 in the first year.

Upon Critica earning 51%, the Company had the option to contribute 49% or dilute to 30% by Critica spending a further \$500,000 within the next 24 months to earn 70%.

Critica secured institutional funding to deliver a maiden resource followed by a resource upgrade. The Iron Duke/Jupiter Project has all the hallmarks of being Australia's biggest clay-hosted, rare earth discoveries.

On 1 July 2024, Critica and the Company entered into a Tenement Sale and Purchase Agreement ("Sale Agreement").

Under the Sale Agreement, Critica acquired the remaining 30% of the Iron Duke/Jupiter Project for \$1.5m. The consideration of \$1.5m was paid by the issue of 78,947,370 fully paid ordinary shares in the capital of Critica.

The Company realised this asset netting proceeds of \$1,138,050 to focus on the next discovery targeting gold in WA.

## Related party

Project tenements Kirup, Cubbine Hills and Marda East have a 1% Net Smelter Royalty (NSR) on minerals produced. 50% of the NSR is held by Mr Mark Stowell and 10% by Mr Simon Adams. The projects were all acquired at cost.

## 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 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 2025 or 30 June 2024, 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	30 June 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 2025 or 2024 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	7,125,000	2,125,000	\$0.20	30 June 2026
Simon Adams	900,000	400,000	\$0.20	30 June 2026
Glenn Zamudio	500,000	250,000	\$0.20	30 June 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	
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>								
Simon Adams	3	3									
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 6 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



Mark Stowell  
Chairman  
Perth, 28 October 2025

**AUDITOR'S INDEPENDENCE DECLARATION**

As lead auditor for the audit of Sentinel Exploration Ltd for the year ended 30 June 2025, 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.

This declaration is in respect of Sentinel Exploration Ltd and the entities it controlled during the year.

DRY KIRKNESS (AUDIT) PTY LTD



ROBERT HALL CA  
Director

Perth  
Date: 28 October 2025

**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") and its controlled entities ("the Group"), which comprises the consolidated statement of financial position as at 30 June 2025, and the consolidated statement of comprehensive income, consolidated statement of changes in equity and consolidated statement of cash flows for the year then ended, and notes to the financial statements, including a summary of material accounting policy information, the consolidated entity disclosure statement and the declaration by the directors.

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

- i) giving a true and fair view of the Group's financial position as at 30 June 2025 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 Group 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 Group's annual report for the year ended 30 June 2025 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:

- a) the financial report (other than the consolidated entity disclosure statement) that gives a true and fair view in accordance with the Australian Accounting Standards and the Corporations Act 2001; and
- b) the consolidated entity disclosure statement that is true and correct in accordance with the Corporations Act 2001; and
- c) for such internal control as the directors determine is necessary to enable the preparation of:
  - i) the financial report (other than the consolidated entity disclosure statement) that gives a true and fair view and is free from material misstatement, whether due to fraud or error; and
  - ii) the consolidated entity disclosure statement that is true and correct and is free from 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 Group'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 Group'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 Group 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



ROBERT HALL CA  
Director

Perth

Date: 28 October 2025

**Sentinel Exploration Ltd**  
Directors' declaration

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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;
- (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 Group; and
- (c) in the directors' opinion, the attached consolidated entity disclosure statement is true and correct.

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



Mark Stowell  
Chairman  
Perth, 28 October 2025

**Sentinel Exploration Ltd**

Consolidated statement of profit or loss and other comprehensive income

<b>For the year ended 30 June 2025</b>		<b>Note</b>	<b>2025</b>	<b>2024</b>
			<b>\$</b>	<b>\$</b>
<b>Continuing operations</b>				
Other gains and losses	7		1,179,538	(96,000)
Administration expenses			(52,767)	(74,077)
Exploration and evaluation expenditure			(253,429)	(390,842)
Finance costs			(840)	-
<b>Profit/(loss) before income tax</b>			<b>872,502</b>	<b>(560,919)</b>
Income tax	8		(38,546)	-
<b>Profit/(loss) after income tax for the year</b>			<b>833,956</b>	<b>(560,919)</b>
<b>Other comprehensive income/(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 profit/(loss) for the year, net of income tax</b>			<b>-</b>	<b>-</b>
<b>Total comprehensive profit/(loss) for the year</b>			<b>833,956</b>	<b>(560,919)</b>
<b>Profit/(loss) for the year attributable to:</b>				
Owners of Sentinel Exploration Ltd			<b>833,956</b>	<b>(560,919)</b>
<b>Total comprehensive profit/(loss) for the year attributable to:</b>				
Owners of Sentinel Exploration Ltd			<b>833,956</b>	<b>(560,919)</b>

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

**Sentinel Exploration Ltd**  
Consolidated statement of financial position

As at 30 June 2025	Note	2025 \$	2024 \$
<b>Assets</b>			
<b>Current assets</b>			
Cash and cash equivalents	9	1,012,522	24,152
Receivables and other assets	10	66,726	81,950
<b>Total current assets</b>		<b>1,079,248</b>	<b>106,102</b>
<b>Non-current assets</b>			
Other financial assets	11	84,000	120,000
<b>Total non-current assets</b>		<b>84,000</b>	<b>120,000</b>
<b>Total assets</b>		<b>1,163,248</b>	<b>226,102</b>
<b>Liabilities</b>			
<b>Current liabilities</b>			
Trade and other payables	12	227,444	162,800
Current tax liabilities	8	38,546	-
<b>Total current liabilities</b>		<b>265,990</b>	<b>162,800</b>
<b>Total liabilities</b>		<b>265,990</b>	<b>162,800</b>
<b>Net assets</b>		<b>897,258</b>	<b>63,302</b>
<b>Equity</b>			
Share capital	13	1,055,545	1,055,545
Accumulated losses		(158,287)	(992,243)
<b>Total equity</b>		<b>897,258</b>	<b>63,302</b>

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

Sentinel Exploration Ltd  
Consolidated statement of changes in equity

For the year ended 30 June 2025

	Share capital \$	Accumulated losses \$	Total \$
<b>Balance at 1 July 2023</b>	840,545	(431,324)	409,221
Loss for the year	-	(560,919)	(560,919)
<b>Total other comprehensive loss for the year</b>	-	-	-
<b>Total comprehensive loss for the year</b>	-	(560,919)	(560,919)
Shares issued	215,000	-	215,000
<b>Balance as at 30 June 2024</b>	<b>1,055,545</b>	<b>(992,243)</b>	<b>63,302</b>
<b>Balance at 1 July 2024</b>	1,055,545	(992,243)	63,302
Profit for the year	-	833,956	833,956
<b>Total other comprehensive profit for the year, net of income tax</b>	-	-	-
<b>Total comprehensive profit for the year</b>	-	833,956	833,956
<b>Balance as at 30 June 2025</b>	<b>1,055,545</b>	<b>(158,287)</b>	<b>897,258</b>

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

**Sentinel Exploration Ltd**  
**Consolidated statement of cash flows**

<b>For the year ended 30 June 2025</b>	<b>Note</b>	<b>2025</b>	<b>2024</b>
		<b>\$</b>	<b>\$</b>
<b>Cash flows from operating activities</b>			
Payments to suppliers and employees		(43,997)	(88,003)
Payments for exploration and evaluation expenditure		(182,331)	(376,796)
Net cash used in operating activities	9(a)	(226,328)	(464,799)
<b>Cash flows from investing activities</b>			
Proceeds from sale of equity investments	11	1,138,050	-
Proceeds from government grants		77,488	-
Net cash provided by investing activities		1,215,538	-
<b>Cash flows from financing activities</b>			
Proceeds from issue of shares	13	-	209,000
Interest paid		(840)	-
Net cash (used in)/ provided by financing activities		(840)	209,000
Net increase/(decrease) in cash and cash equivalents		988,370	(255,799)
Cash and cash equivalents at the beginning of the year		24,152	279,951
<b>Cash and cash equivalents at the end of the year</b>	<b>9</b>	<b>1,012,522</b>	<b>24,152</b>

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

**For the year ended 30 June 2025**

**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 and base metals.

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 2025 was authorised for issue in accordance with a resolution of the directors on 28 October 2025.

**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 consolidated financial statements of Sentinel Exploration Ltd (“the Company”) and the entities it controls (“the Group”). For the purposes of preparing the consolidated 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 Company does not have ‘public accountability’ as defined in AASB 1053 *Application of Tiers of Australian Accounting Standards* and is therefore eligible to apply the ‘Tier 2’ reporting framework under Australian Accounting Standards.

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 2025, 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.

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

Any new or amended Accounting Standards or Interpretations that are not yet effective have not been early adopted.

The Company has assessed the impact of these new or amended Accounting Standards or Interpretations most relevant to the Company as having no significant impact.

## 6. Material accounting policy information

### Financial instruments

#### Financial assets

All recognised financial assets are substantially measured in their entirety at either amortised cost or fair value, depending on the classification of the financial assets.

#### *Classification:*

On initial recognition, the Company classifies its financial assets into the following categories, those measured at:

- amortised cost
- fair value through profit or loss – FVTPL

#### *Amortised cost:*

The Company's financial assets measured at amortised cost comprise trade and other receivables and cash and cash equivalents in the statement of financial position.

#### *Fair value through profit or loss:*

The Company's financial assets measured at FVTPL comprise investment in shares held in listed entities in the statement of financial position.

#### ***Impairment of financial assets:***

Where the simplified approach to expected credit loss (ECL) is not applied, the Company uses the presumption that an asset which is more than 30 days past due has seen a significant increase in credit risk.

The Company uses the presumption that a financial asset is in default when:

- the other party is unlikely to pay its credit obligation to the Company in full, without recourse to the Company to actions such as realising security (if any is held); or
- the financial asset is more than 90 days past due.

#### Financial liabilities

The financial liabilities of the Company comprise trade payables, bank and other liabilities.

## 6. Material accounting policy information (continued)

### Income tax expense

Accounting treatment

#### *Deferred tax assets and liabilities*

Deferred tax assets are recognised for deductible temporary differences and unused tax losses only if it is probable that future taxable amounts will be available to utilise those temporary differences and losses.

### Exploration and evaluation expenditure

Exploration and evaluation costs related to an area of interest are expensed as incurred except where they may be carried forward as an item in the statement of financial position where the rights of tenure of an area are current and one of the following conditions is met:

- the costs are expected to be recouped through successful development and exploitation of the area of interest, or alternatively, by its sale; or
- exploration and/or evaluation activities in the area of interest have not at the reporting date reached a stage which permits a reasonable assessment of the existence or otherwise of economically recoverable reserves, and active and significant operations in, or in relation to, the area of interest is continuing.

Exploration and evaluation expenditure is written-off when it fails to meet at least one of the conditions outlined above or an area of interest is abandoned. Exploration and evaluation assets are assessed for impairment when facts and circumstances suggest that the carrying amount of an exploration and evaluation asset may exceed its recoverable amount. When facts and circumstances suggest that the carrying amount exceeds the recoverable amount, an impairment loss is recognised.

### 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 2025, the Company incurred a profit after tax of \$833,956 (2024: loss of \$560,919), had net cash outflows from operating activities of \$226,328 (2024: \$464,799), cash inflows from investing activities of \$1,215,538 (2024: nil), cash outflows from financing activities of \$840 (2024: cash inflows of \$209,000) and net current assets of \$813,257 (2024: liabilities \$56,698).

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:

1. The Government Department of Mines (DEMIRS) Exploration Incentive Scheme (EIS) co-funding grant (up to \$152,500 for drilling based on a 50/50 co-contribution between DEMIRS and the Company).
2. Liquid investments held ASX: KGD.
3. The fact that future exploration and evaluation expenditure is generally discretionary in nature.
4. 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.

## 7. Other gains and losses

	2025	2024
	\$	\$
Unrealised loss on fair value of other financial assets (refer note 11)	(36,000)	(96,000)
Net proceeds from sale of equity investments (refer note 11)	1,138,050	-
EIS government grant	77,488	-
	<b>1,179,538</b>	<b>(96,000)</b>

## 8. Income taxes

	2025	2024
	\$	\$
<b>Income tax comprises:</b>		
Current tax	38,546	-
Deferred tax	-	-
<b>Total income tax</b>	<b>38,356</b>	<b>-</b>

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

Profit/(loss) before income tax	872,502	(560,919)
Tax at the rate of 25%	218,126	(140,230)
Expenses not deductible in determining taxable profit	9,550	24,166
Tax benefit of deductible equity raising costs	(455)	(455)
Tax effect of utilisation of tax losses not previously recognised	(188,675)	-
Tax effect of tax losses not recognised	-	116,519
<b>Income tax</b>	<b>38,356</b>	<b>-</b>

The standard rate of corporation tax applied to taxable profit is 25%.

	2025	2024
	\$	\$
<b>Unrecognised deferred tax assets</b>		
Tax losses – Revenue	-	76,375
Temporary differences	85,925	200,173
	<b>85,925</b>	<b>276,548</b>

## 9. 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:

	2025	2024
	\$	\$
Cash and bank balances	<b>1,012,522</b>	<b>24,152</b>

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

Profit/(loss) after income tax for the year	833,956	(560,919)
Other gains and losses	(1,179,538)	96,000
Finance costs	840	-
Income tax expense recognised in profit or loss	38,546	-
Movement in receivables and other assets	17,423	(15,116)
Movement in trade and other payables	62,445	15,236
	<b>(226,328)</b>	<b>(464,799)</b>

## 10. Receivables and other assets

	2025	2024
	\$	\$
Prepayments	50,000	50,000
GST and fuel credits recoverable	16,726	31,950
	<b>66,726</b>	<b>81,950</b>

## 11. Other financial assets

	2025	2024
	\$	\$
<b>Financial assets measured at fair value through profit or loss</b>		
Shares in Kula Gold Limited <sup>1</sup>	84,000	120,000
	<b>84,000</b>	<b>120,000</b>

<sup>1</sup> On 4 April 2023, the Company received 12,000,000 fully paid ordinary shares in Kula Gold Limited (ASX: KGD) at a deemed value of \$0.035 per share as part consideration for the disposal of a 70% interest in Kirup tenement E70/5452.

As at 30 June 2025, the shares were revalued at \$0.007 (2024: \$0.01) per share.

<sup>2</sup> During the previous financial year, JV partner, Critica Limited ("Critica") (ASX: CRI), formerly Venture Minerals Limited, successfully continued exploration activities on the Iron Duke Project earning 70% under the Joint Venture Agreement ("JV Agreement").

Under the JV Agreement, Critica earned a 51% interest in the Iron Duke Project by spending \$250,000 within two years, including a minimum of \$75,000 in the first year.

Upon Critica earning 51%, the Company had the option to contribute 49% or dilute to 30% by Critica spending a further \$500,000 within the next 24 months to earn 70%.

Critica secured institutional funding to deliver a maiden resource followed by a resource upgrade. The Iron Duke/Jupiter Project has all the hallmarks of being Australia's biggest clay-hosted, rare earth discoveries.

On 1 July 2024, Critica and the Company entered into a Tenement Sale and Purchase Agreement ("Sale Agreement").

Under the Sale Agreement, Critica acquired the remaining 30% of the Iron Duke/Jupiter Project for \$1.5m. The consideration was paid by the issue of 78,947,370 fully paid ordinary shares in the capital of Critica.

The Company realised this asset during the year netting proceeds of \$1,138,050.

## 12. Trade and other payables

	2025	2024
	\$	\$
Trade creditors	219,744	157,300
Accrued expenses	7,700	5,500
	<b>227,444</b>	<b>162,800</b>

## 13. Share capital

	2025	2024
	\$	\$
21,905,000 (2024: 21,905,000) fully paid ordinary shares	<b>1,055,545</b>	<b>1,055,545</b>

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.

	2025		2024	
	No.	\$	No.	\$
<b>Fully paid ordinary shares</b>				
Balance at beginning of financial year	21,905,000	1,055,545	19,755,000	840,545
Shares issued via placement at \$0.10	-	-	2,150,000	215,000
Balance at end of financial year	<b>21,905,000</b>	<b>1,055,545</b>	<b>21,905,000</b>	<b>1,055,545</b>

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

## 14. Options

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

	2025		2024	
	Number of share options	Weighted average exercise price	Number of share options	Weighted average exercise price
Outstanding at the beginning of the year (i)	4,625,000	\$0.20	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.

## 15. Related party transactions

On 28 June 2024, a variation agreement with Kula Gold Limited (ASX: KGD) in relation to the disposal of a 70% interest in tenement E70/5452 was executed to:

- include 70% of all gold, base metal and non-LCT mineral rights acquired for the reimbursement of costs of \$10,000 as a result of the new epithermal potential.
- The 2,000,000 performance rights that convert to fully paid ordinary shares in the capital of Kula Gold were cancelled as a result of the current market and economic conditions of lithium and replaced with a 1% net smelter royalty.

Mark Stowell is a current director of both Sentinel Exploration Limited and Kula Gold Limited.

An amount of \$48,400 was outstanding and payable to Merchant Holdings Pty Ltd, a company that Mark Stowell is a current director, for consulting fees (2024: \$48,400).

Kula Gold Limited was paid a total of \$33,040 (2024: \$59,257) for geological services rendered by employees and consultants of Kula Gold Limited.

Project tenements Kirup, Cubbine Hills and Marda East have a 1% Net Smelter Royalty (NSR) on minerals produced. 50% of the NSR is held by Mr Mark Stowell and 10% by Mr Simon Adams. The projects were acquired at cost.

## 16. Contingent liabilities and contingent assets

In the opinion of the directors, there are no contingent liabilities or contingent assets as at 30 June 2025 or 30 June 2024 and none were incurred in the interval between the year-end and the date of this financial report.

## 17. Remuneration of auditors

	2025	2024
	\$	\$
Audit of the financial statements	<b>7,759</b>	<b>5,163</b>

The auditor of Sentinel Exploration Ltd for the current and prior financial years is Dry Kirkness (Audit) Pty Ltd. An amount of \$7,700 has been accrued for the audit of these financial statements for the year ended 30 June 2025 (2024: \$5,500).

### 18. Subsequent events

There has not been any 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.

### 19. Subsidiaries

Details of the subsidiaries at the end of the reporting period are as follows:

Name of subsidiary	Place of incorporation	Proportion of ownership interest held	
		2025	2024
Merchant Ventures Pty Ltd	Australia	100%	100%

As at 30 June 2025		Body Corporates		
Entity name	Entity type	Place incorporated	% of share capital	Tax residency
Sentinel Exploration Ltd	Body Corporate	Australia	N/A	Australia
Merchant Ventures Pty Ltd	Body Corporate	Australia	100%	Australia

1. Merchant Ventures Pty Ltd has a joint venture agreement with Kula Gold Limited (ASX: KGD). The Group holds 70% of tenement E70/5452, the Kirup Project.