Sipa Resources Limited

SIPA RESOURCES LIMITED

ABN 26 009 448 980

ANNUAL REPORT

FOR THE YEAR ENDED

30 JUNE 2022

CORPORATE DIRECTORY

Directors
Craig McGown *Non-Executive Chairman*
Pip Darvall *Managing Director*
John Forwood *Non-Executive Director*
Rick Yeates *Non-Executive Director*

Company Secretary
Ben Donovan

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Subiaco WA 6008
Telephone: (08) 9388 1551
Web: www.sipa.com.au

Stock Exchange Listing
Australian Securities Exchange
ASX Code - **SRI**

Bankers
Bank of Western Australia Ltd
306 Murray Street
Perth WA 6000

Share Registry
Computershare
Level 11, 172 St Georges Terrace
Perth WA 6000
Telephone: 1300 850 505
Facsimile: +61 3 9415 4000

Auditor
BDO Audit (WA) Pty Ltd
Level 9, Mia Yellagonga Tower 2
5 Spring Street
Perth WA 6000

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CHAIRMAN'S LETTER

Dear Shareholders.

I am pleased to present you with Sipa's Annual Report for 2022 and to reflect on what has been a particularly active and productive year.

Your Managing Director, Pip Darvall, has detailed in his Operations Report your company's activities in advancing a number of its' exploration projects through the completion of four separate drilling programs and two additional programs taking place at the time of writing.

Building on an aggressive project procurement strategy in the last two years by targeting several of Western Australia's well-endowed mineral provinces, Sipa can now maintain its accelerated exploration momentum across its projects with drilling planned to continue at a solid pace in the coming 12 months, moving the Company closer to what we hope will be a breakthrough discovery.

Notwithstanding the significant issues that have been presented by the COVID-19 pandemic, the corresponding restrictions placed on exploration and an erratic equities market, there is strong interest in companies such as Sipa, which have focussed on field activities and drill testing targets with the aim of making new discoveries. As we all know, discovery success stems from a combination of having quality ground, applying the best possible science and, most importantly, having strong backing, access to sufficient funding and a willingness to be persistent.

Over the 2022 financial year there has been a continuing focus on drilling at Murchison in July, at Warralong in August (having been granted the tenements in July), at Skeleton Rocks in February, and at Paterson North in June. This drilling is the consummation of an often time-consuming process to achieve grant of tenure requiring reaching access agreements with various stakeholders, acquiring new data where necessary, interpreting this data, conducting reconnaissance trips to site before finally developing drill targets to test and obtaining the necessary approvals.

Looking toward to the coming 12 months, the company now has a pipeline of projects at the initial drill testing or follow-up drill stages. It will be a busy period as we test these projects for new base metals, gold and lithium discoveries, and we look forward to providing regular exploration updates as the year unfolds.

I have pleasure in welcoming our new Non-Executive Director, Rick Yeates, who joined the board in July 2022 and brings a wealth of knowledge in the exploration and operating aspects in the junior to mid-cap resources sector. In February, 2022 Tim Kennedy resigned as a Non-executive Director, having been on the Sipa Board since December 2016, and I would like to thank Tim for his contribution to Sipa over the five plus years he was on the Board.

I would like to extend sincere thanks to the outstanding and hard-working exploration team at Sipa, led by Pip, whose focus and significant effort has enabled the Company to prosecute an extensive exploration effort across our key projects. Most importantly, once again our people have been kept safe at all times.

In closing, I would also like to thank our shareholders for their continued support, and to welcome the new investors who joined our register through the share placement completed in September 2022. Your support and confidence in our projects, our people and our strategic vision for Sipa is greatly appreciated. I would also like to thank all our stakeholders, particularly the traditional owners of the land on which we are working and our joint partners, being Rio Tinto Exploration and Buru Energy.

Yours sincerely

Craig McGown

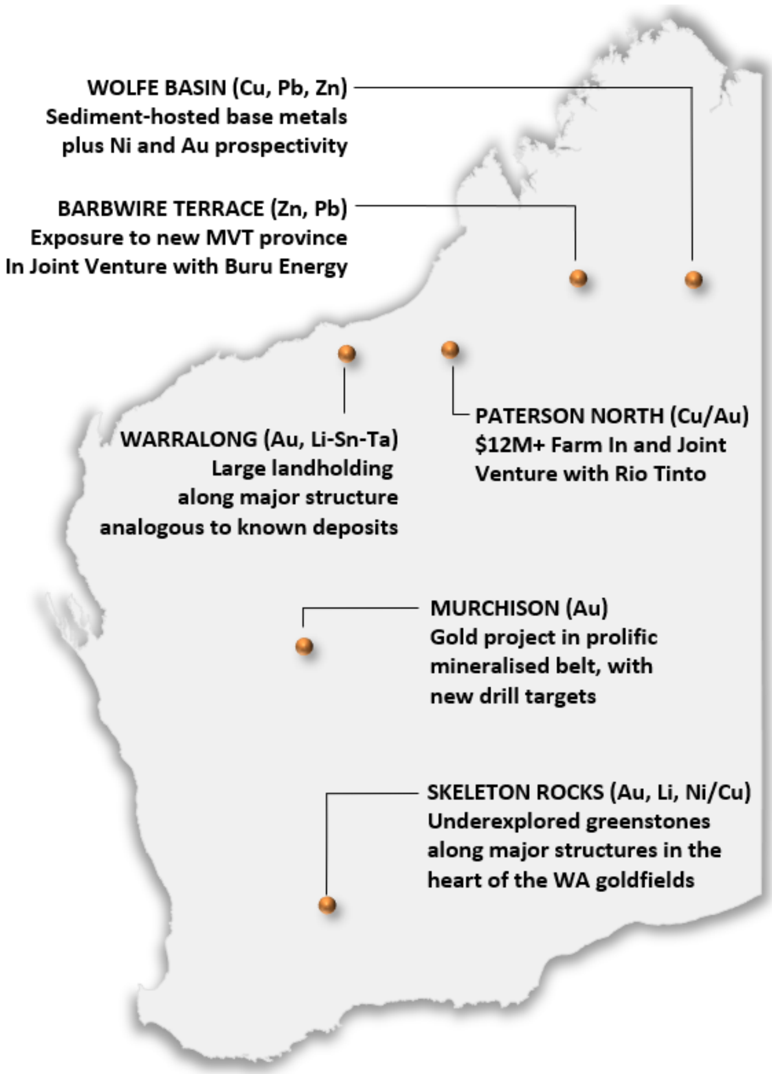
DIRECTORS' REPORT

The Company presents its financial report for the consolidated entity consisting of Sipa Resources Limited (**Company, Sipa** or **SRI**) and the entities it controls (**Consolidated Entity** or **Group**) at the end of, or during, the year ended 30 June 2022.

REVIEW OF OPERATIONS

Introduction

Sipa Resources Limited is focused on the discovery of gold, base metal and lithium deposits at its portfolio of projects predominantly located in Western Australia. The Company prides itself on taking a technically driven approach to further its projects through a systematic exploration process and has made significant progress over the last year as detailed below.



Sipa's Western Australian Projects

Major achievements for the Company during the Financial Year include:

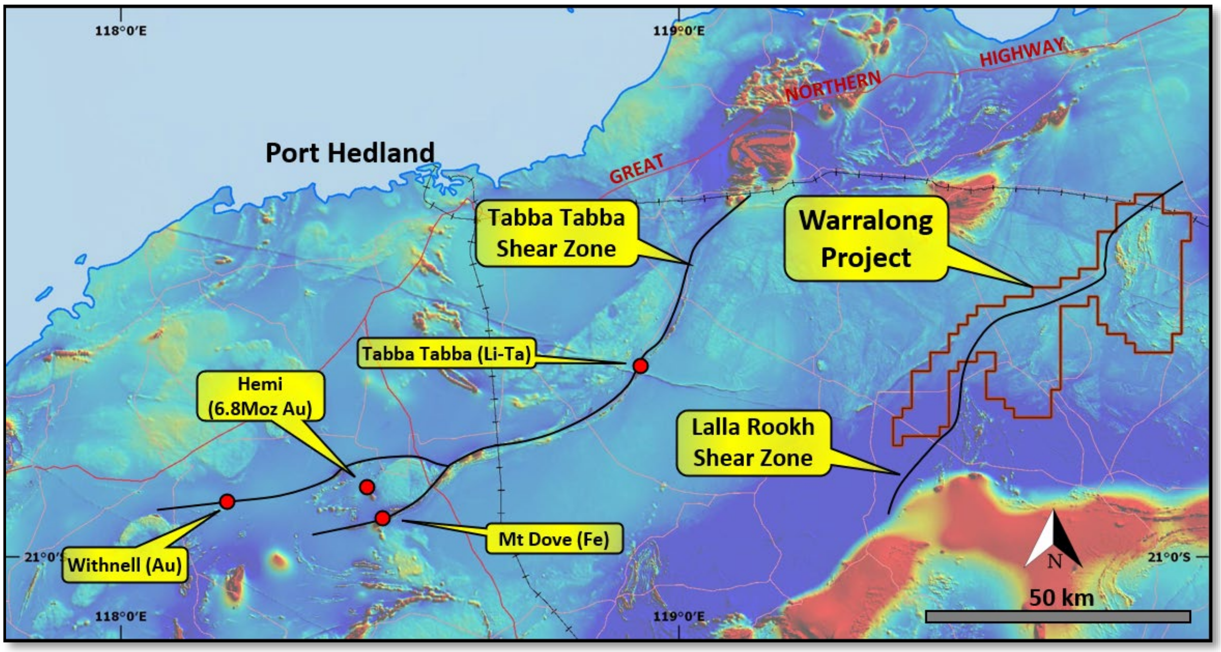
- First pass testing of recently granted projects at Warralong and Skeleton Rocks;
- Successfully managing and operating Farm In and Joint Venture agreements with Rio Tinto Exploration Pty Ltd (at Paterson North) and Buru Energy Ltd (at Barbwire Terrace);
- Operating safely and consistently throughout a period of difficult conditions for most companies; and
- Maintaining sound relationships with all stakeholders involved in the Company's projects.

Warralong Gold Project

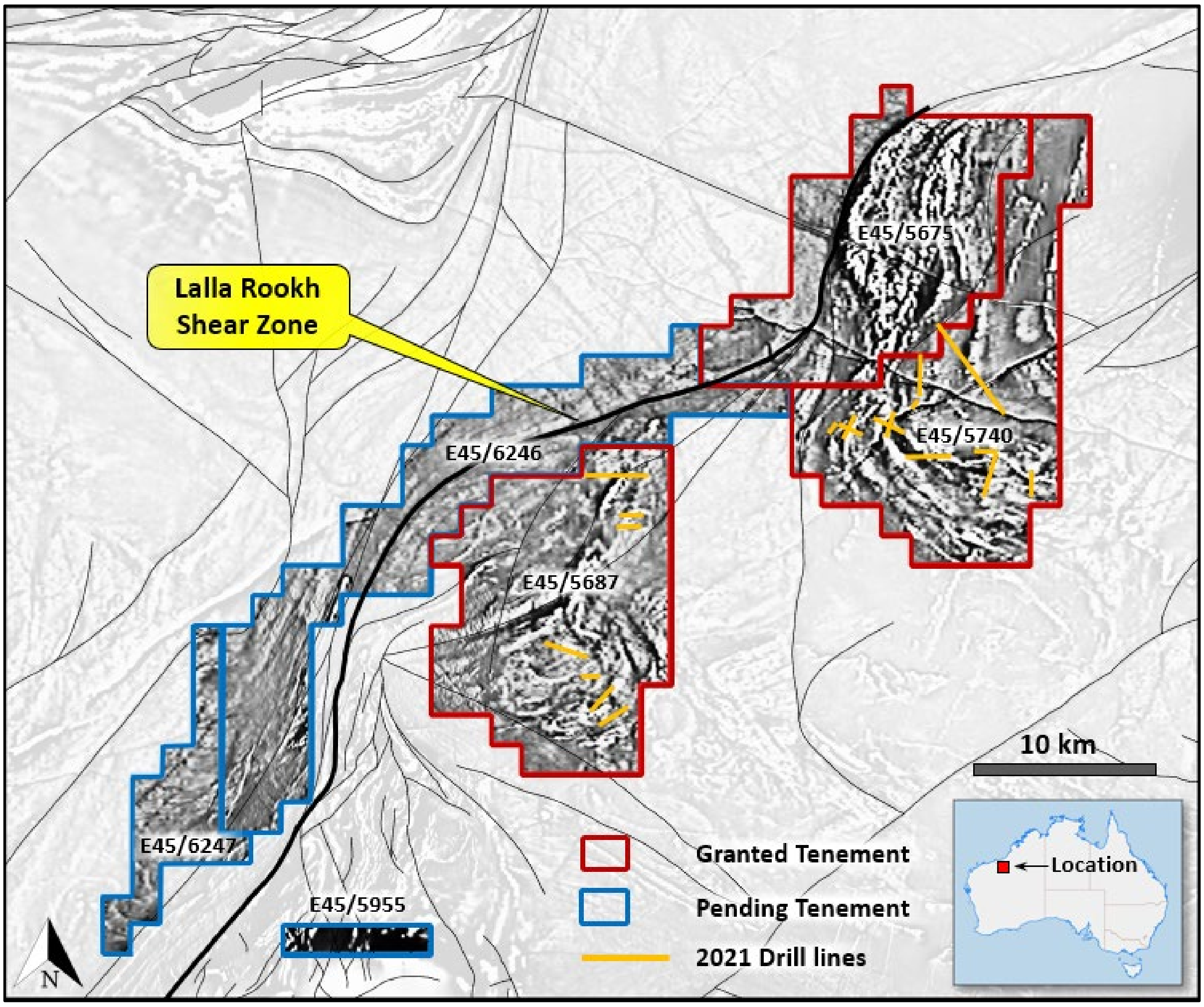
100% Sipa

Sipa's 100%-owned Warralong Project is prospective for intrusion hosted gold deposits, a newly recognised gold mineralisation style in the north Pilbara region of Western Australia. The project covers over 50km of strike length of the Lalla Rookh Shear Zone in a "look-alike" geological setting to the Tabba Tabba Shear Zone, which hosts several deposits in the region, including De Grey Mining Ltd's 'Hemi' gold deposit.

Since pegging the project Sipa has completed a detailed aeromagnetic survey over its ~1,000km^2 tenement package (ASX: SRI 24 September 2020). This data supported a targeting program and, shortly after the first tenements were granted, two drill programs were completed. The programs provided important lithostratigraphic information to build a robust geological model of the basement, which is obscured by shallow sheet wash in this area. An extensive surface sampling program was also completed, along with heritage surveys and detailed analysis of the geochemical results received to date. Further drill targets have been developed and additional drill programs were planned at the time of writing. Warralong represents an exciting opportunity for discovery in an area that has been almost completely unexplored.



Sipa's Warralong Project in relation to nearby mineral deposits along a parallel shear zone



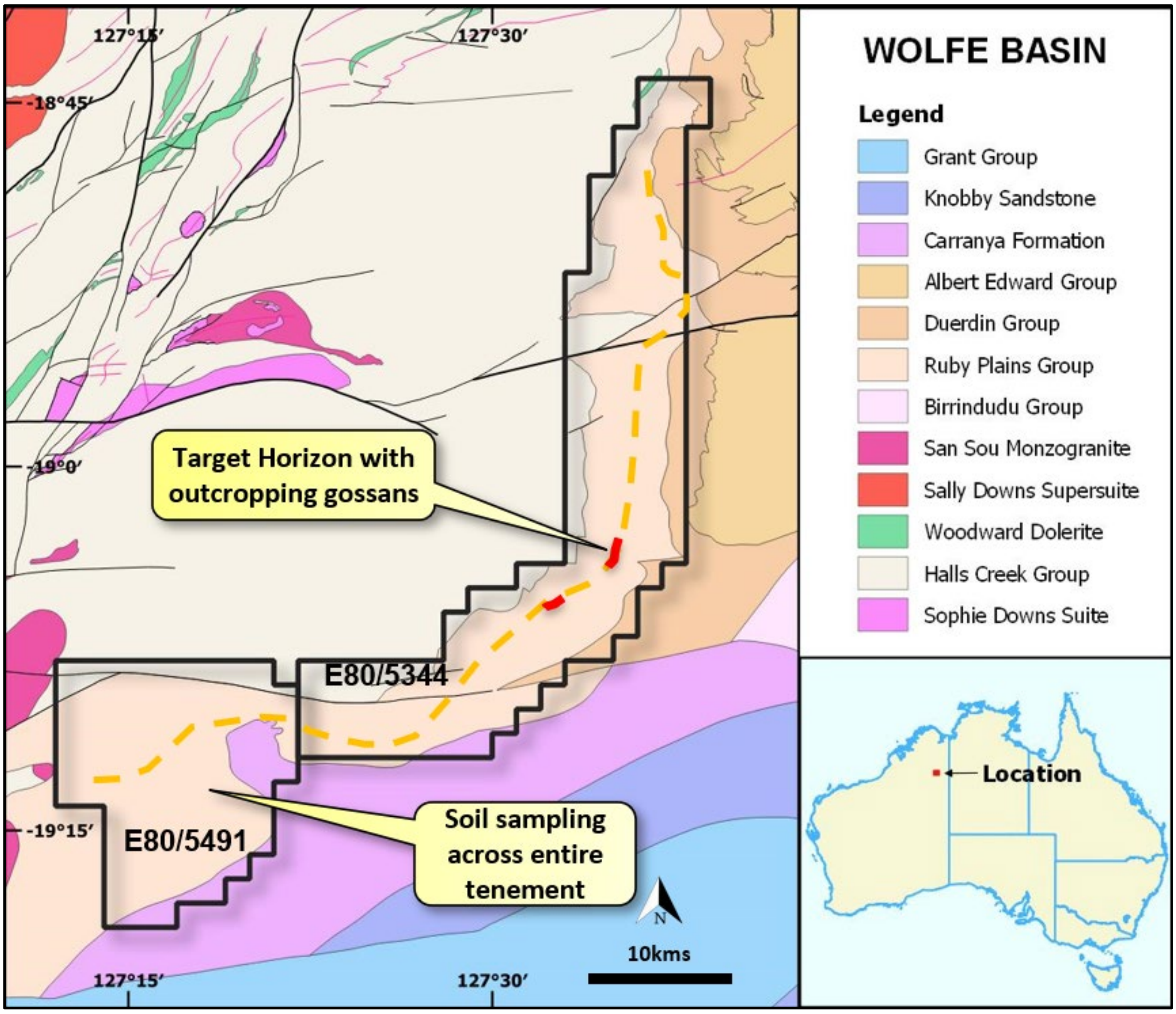
Sipa's Warralong Project tenements showing the location of drilling completed during the period

Wolfe Basin Base Metals Project

100% Sipa

The Wolfe Basin project is prospective primarily for Sedimentary Exhalative (Sedex) base metals in a Neo-Proterozoic basin setting, similar to that hosting the large deposits in the African Copper Belt. The first drillholes into the basin were completed by Sipa in November 2020, and returned assay results up to 0.5% Cu and 2.9% Pb (ASX: SRI 5 January 2021). During the year detailed mapping of the target horizon across one portion of the project area was completed, along with a dipole-dipole induced polarisation (DDIP) survey over the Romulus prospect. The DDIP results detailed a distinct, chargeable feature approximately 150-200m below surface immediately to the east, as well as north and south, of Sipa's previous drilling.

Sipa's previous drilling encountered abundant pyrite-quartz veining in hole WBC004 on the western edge of the IP anomaly, and approximately 200m to the north, the IP anomaly is interpreted to lie just east of hole WBC009 (Figure 3b – 12/08/21) where the best assay results from the 2020 program were returned (2.9% Pb, and 0.45% Cu, ASX: SRI 5 January 2021). Given the proximity of the IP anomaly to known base metals anomalism, this target area was prepared for drilling, but unfortunately COVID restrictions meant it was impossible to drill these holes prior to the wet season. At the time of writing a field crew was completing a soil survey across a large part of the project.

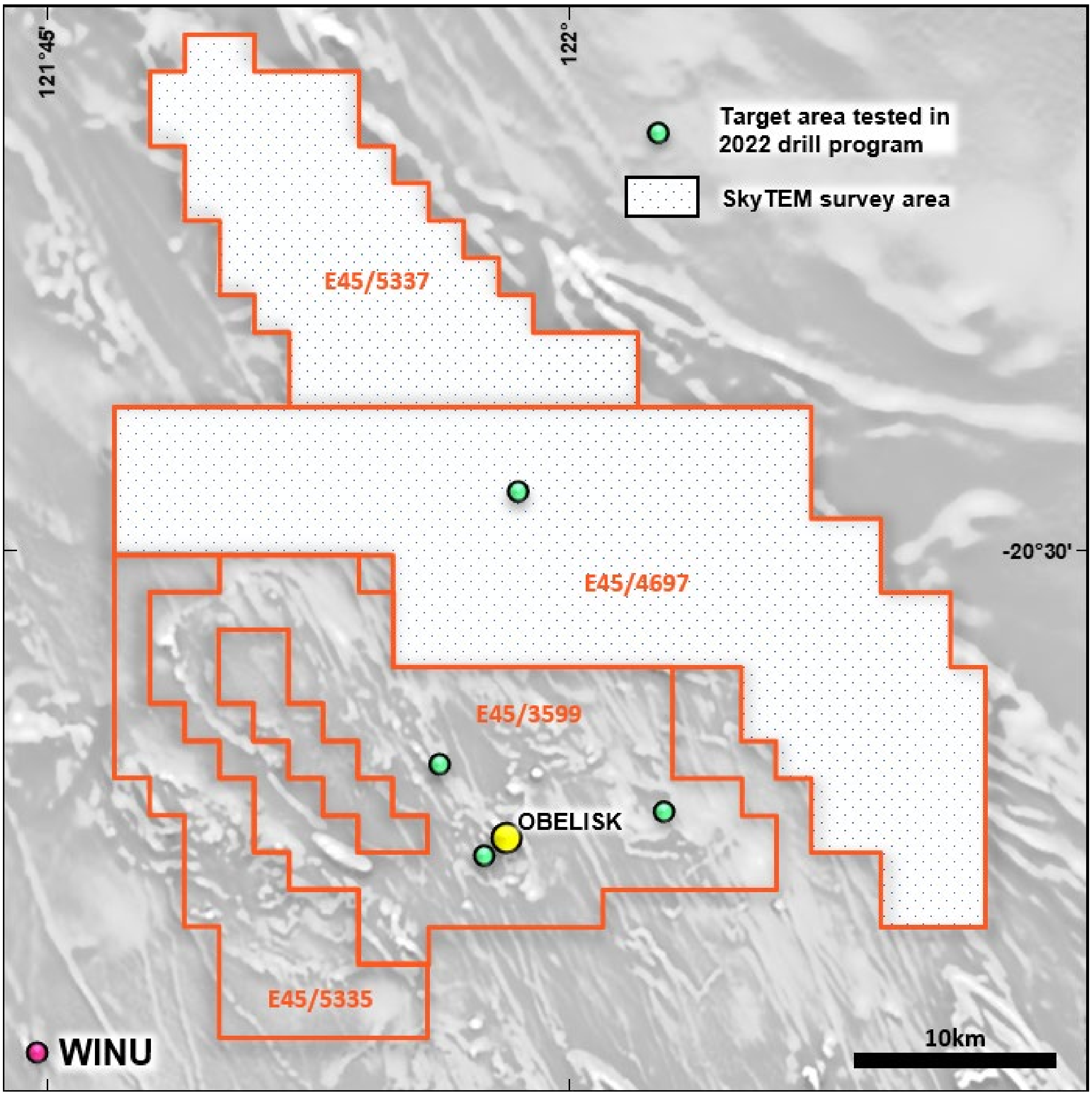


Sipa's Wolfe Basin Project

Paterson North Copper-Gold Project

Rio Tinto Earning In

Sipa is the manager and operator of the Paterson North Project, where Rio Tinto Exploration Pty Ltd is earning an interest as set out in the announcement of a Farm In and Joint Venture Agreement (ASX: SRI 10 August 2020). A large-scale gradient array IP (GAIP) survey was finalised during the first half of the financial year and underpinned a detailed targeting exercise. Drill testing of several of these targets commenced in the final month of the period and was completed in mid-August 2022. Further geophysical surveys were completed after the end of the period and will underpin further drill targeting and testing in 2023.



Sipa's Paterson North Project showing where drilling and SkyTEM was completed

Barbwire Terrace Zinc-Lead-Silver Project

Buru Energy Limited Joint Venture

Since September 2020, Sipa has been exploring the Barbwire Terrace Project in joint venture ('JV') with ASX listed energy company, Buru Energy Limited (ASX: BRU). This collaboration provides a unique opportunity to unlock the potential along the Barbwire Terrace by combining mineral exploration and petroleum industry technical capabilities. Sipa has partnered with Buru to combine Sipa's skills in mineral exploration with Buru's sophisticated basin modelling and data sets developed during years of petroleum exploration and production from the Ungani Oil Field.

Sipa believes the application of petroleum exploration models and techniques in conjunction with its own mineral exploration approach across the areas of mutual interest will enable mineralisation at Barbwire Terrace to be more efficiently targeted. The focus will be at much shallower depths than the major nearby zinc deposit of Admiral Bay, which was discovered during oil and gas drilling.

The Barbwire Terrace Project covers the south-western margin of the Fitzroy Trough, where historic drilling confirmed the potential for Mississippi Valley Type 'MVT' mineralisation similar to the Lennard Shelf deposits (e.g., Pillara and Cadjebut) located approximately 80km to the northeast along the northern margin of the Fitzroy Trough. MVT mineralisation of the type mined on the Lennard Shelf has historically produced high purity concentrates which are sought after by smelters, making this a high value exploration target.

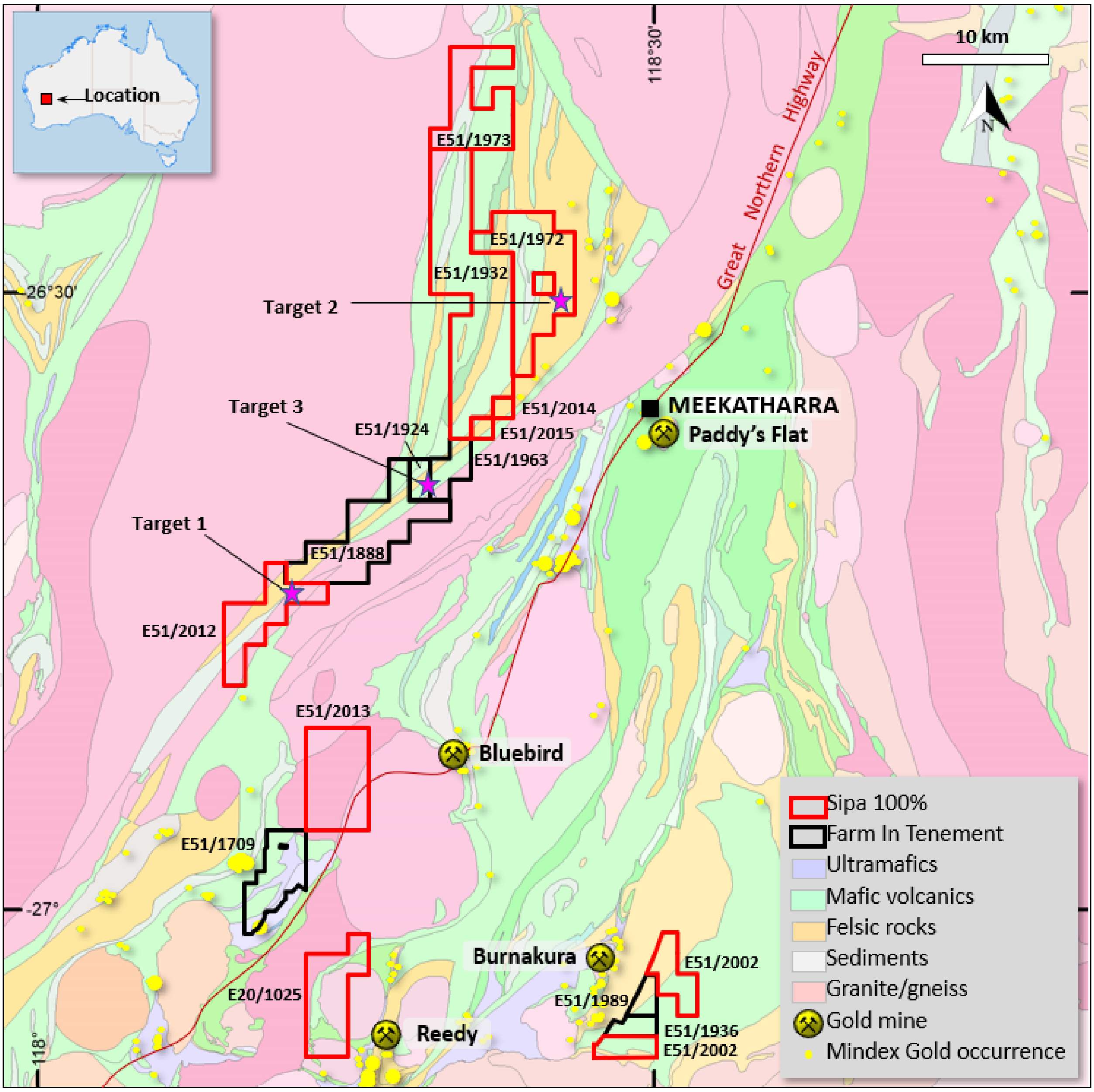
During the year, ground-based gravity surveys were conducted, and the data subsequently modelled to assist in designing the initial round of drilling. Heritage surveys were completed, and drilling commenced shortly after the end of the financial year. Financial support from the Western Australian Government's Exploration Incentive Scheme has been achieved, with up to $180,000 of funding available to the JV, resulting in a cost-effective program.

Murchison Project

Sipa 100% (some tenements), 51% (others)

Sipa's Murchison Project covers approximately 470km^2 of prospective greenstone lithologies, in close proximity to the mining centre of Meekatharra. Sipa is farming into several tenements and is the 100% owner of other tenements in the project.

During the year, five new tenements were granted and a compilation of the available drilling data and reprocessing of geophysics was completed. Several new gold targets were generated, and a heritage survey completed to allow access to the areas of interest for future drill testing.

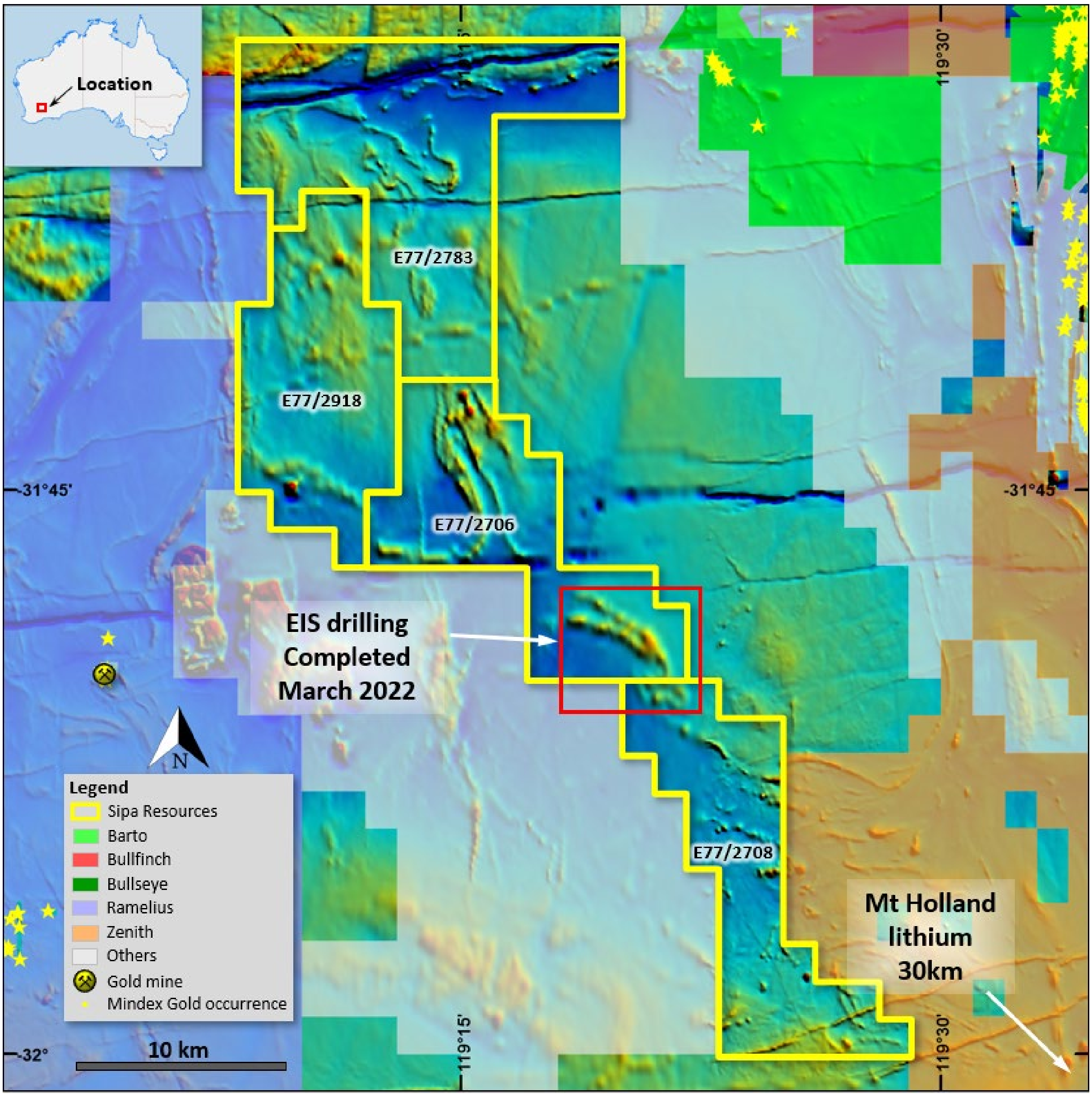


Sipa's Murchison Project tenements over regional geology showing the location of the three highest priority drill targets

Skeleton Rocks Project

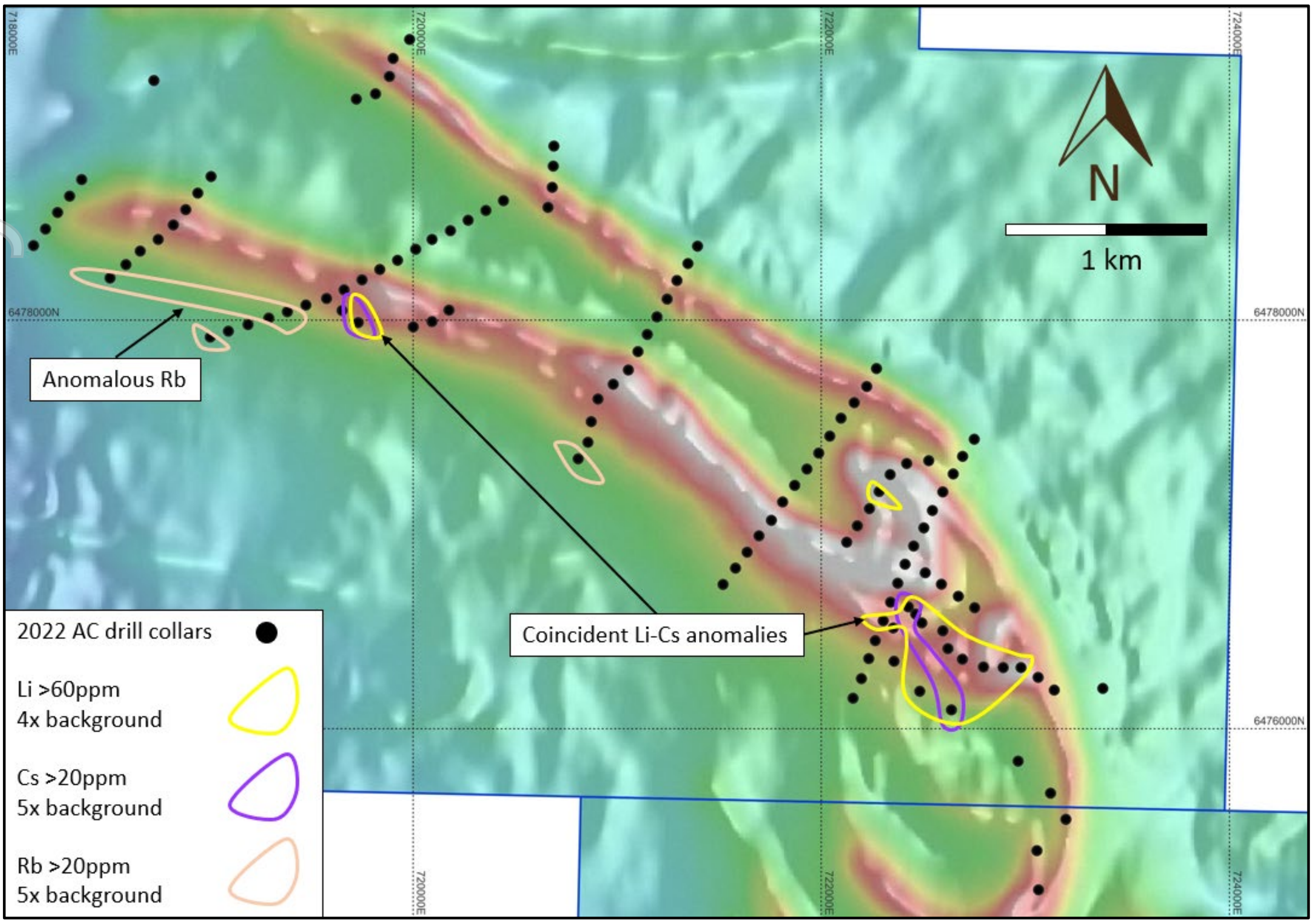
100% Sipa

The Skeleton Rocks Project in Western Australia is prospective for gold, lithium and nickel-copper-platinum group element (Ni-Cu-PGE) deposits and covers an area of more than 670km^2, immediately west of the Southern Cross greenstone belt in the Goldfields region of WA.



Sipa's Skeleton Rocks Project tenements showing are where drilling was completed and nearby holders and mines

The Company completed a detailed aeromagnetic survey across the Skeleton Rocks Project area in late 2020. Analysis of the survey data supported a new interpretation of the basement geology and identification of target areas for follow up work. During the year, two of the key tenements E77/2706 and E77/2708 were granted, allowing drilling to commence testing previously unexplored greenstone belts. A 3,425m aircore drill program was subsequently completed with financial support from the Western Australian Government's Exploration Incentive Scheme. Encouraging quartz-sulphide veining was intersected, and analysis of the geochemical data led to the identification of some lithium targets for follow up drilling.



Lithium, caesium and rubidium halos identified in Skeleton Rocks assay results defining target areas for follow up drilling

Uganda Nickel-Copper Project

Sipa 100%

During the year, Sipa announced the sale of its Nickel-Copper Project in Uganda to London Stock Exchange listed Blencowe Resources Plc ("Blencowe", LSE: BRES) (refer ASX release 22 February 2022). Under the terms of the staged option agreement ("the Agreement"), Sipa was to receive US$1.5 million in Blencowe shares staged over four separate milestones, assuming successful advancement through all four stages. An airborne electromagnetic (EM) survey was completed by Blencowe during the year, however Blencowe subsequently announced its intention to withdraw from the Option Agreement and Sipa is currently seeking alternative partners to progress the project.

Corporate

Capital Raising

In September 2021, Sipa completed a $1.5 million Capital Raising, via a well-supported share placement to sophisticated and professional investors, including strong support from existing Sipa shareholders and directors.

Approximately 25.4 million shares were issued at a price of $0.059 per share. As at 30 June 2022, the Company had approximately $3.6 million in cash.

Board Changes

In August 2021, Sipa announced that Craig McGown would resume his role as Independent Non-Executive Chair, replacing Tim Kennedy. Tim Kennedy subsequently resigned from the Board in February 2022. On 26 July 2022 it was announced that, Rick Yeates was appointed to the Board as a Non-Executive Director, effective 1 August 2022.

DIRECTORS' REPORT (continued)

Rick has 41 years' continuous experience as an exploration geologist, mine geologist, mining consultant and company director, variously involved in ASX-listed, unlisted public and private company management, executive mentoring, lecturing, exploration management, feasibility studies, technical audits, independent geologist's reports and technical valuations. Rick has worked in all Australian States and 39 countries on five continents.

MATTERS SUBSEQUENT TO THE END OF THE FINANCIAL YEAR

Subsequent to year end:

- on 26 July 2022, it was announced that Mr Rick Yeates was appointed to the Board as a Non-Executive Director, effective 1 August 2022.
- on 6 September 2022, Sipa advised that Blencowe Resources plc intends to withdraw from the Option Agreement over Sipa's Uganda Nickel-Copper Project to focus on its graphite project. During the 6 months it held the project under Option, Blencowe has completed a detailed airborne electro-magnetic survey over the Akelikongo prospect. Sipa intends to review this new data and re-commence discussions with other parties who had previously expressed interest in moving the project forward.

No other material matters have occurred subsequent to the end of the financial year which requires reporting on other than those which have been noted above or reported to ASX.

LIKELY DEVELOPMENTS AND EXPECTED RESULTS

In general terms the review of operations of the Group gives an indication of likely developments and the expected results of the operations. In the opinion of the Directors, disclosure of any further information would be likely to result in unreasonable prejudice to the Group.

DIRECTORS

The following persons were Directors who held office during the year and up to the date of signing this report, unless otherwise stated are:

Mr Craig McGown	Non-Executive Chair	
Mr Pip Darvall	Managing Director	
Mr John Forwood	Non-Executive Director	
Mr Rick Yeates	Non-Executive Director	appointed 1 August 2022
Mr Tim Kennedy	Non-Executive Director	resigned 28 February 2022

PRINCIPAL ACTIVITIES

Sipa is an Australian-based exploration company focused on the discovery of gold and base metal deposits using a combination of technical excellence, commercial acumen and a structured approach to manage risks. The principal activities of the Group during the year were to explore mineral tenements in Australia and Uganda.

DIVIDENDS

No amounts have been paid or declared by way of dividend by the Company since the end of the previous financial year and the Directors do not recommend the payment of any dividend.

FINANCIAL POSITION

The Group made a loss from continuing operations of $2,631,679 for the year (30 June 2021: loss of $2,367,751).

At 30 June 2022, the Group had net assets of $3,558,334 (30 June 2021: $4,550,073) and cash assets of $3,589,447 (30 June 2021: $3,612,807).

INFORMATION ON DIRECTORS

The following information is current as at the date of this report.

Mr Craig McGown	**Non-Executive Chair** *Chair 1 September 2021 to present Independent Non-Executive Director (Appointed 11 March 2015)*
Qualifications	BComm, FCA, ASIA
Experience	Mr McGown is an investment banker with over 40 years of experience consulting to companies in Australia and internationally, particularly in relation to fund raising and mergers and acquisitions in the natural resources sector. He holds a Bachelor of Commerce degree, was admitted as a Fellow of the Institute of Chartered Accountants and an Affiliate of the Financial Services Institute of Australasia in 1984. Mr McGown has been an executive director of the corporate advisory business New Holland Capital Pty Ltd since 2008 and prior to that appointment was the chairman of DJ Carmichael Pty Limited. During the past three years Mr McGown has also served as the Non-Executive Chairman of Essential Metals Limited (formerly Pioneer Resources Limited – 13 June 2008 – present), a Non-Executive Director of Qmetco Limited (formerly Realm Resources Limited – 31 May 2018 – present), Develop Limited (formerly Venturex Resources Limited) (8 February 2021 – 8 June 2021) and is the Chairman of the Harry Perkins Institute for Respiratory Health.
Equity Interests	1,113,222 ordinary fully paid shares. 1,000,000 Options exercisable between \$0.102 and \$0.15.
Directorships held in other ASX listed entities	Current directorships: - Non-Executive Chairman – Essential Metals Limited from June 2008 - Non-Executive Director – Qmetco Limited from May 2018 Former directorship: - Non-Executive Director – Develop Limited (formerly Venturex Resources Limited) from February 2021 to June 2021 No other listed directorships have been held by Mr McGown in the previous three years.
Mr Pip Darvall	**Managing Director** *Appointed 01 February 2020 to present*
Qualifications	MSc (Geology), MBA, MAIG, MAusIMM
Experience	Mr Darvall most recently served as Managing Director of ASX-listed explorer Jindalee Resources Limited where he identified and acquired a significant new lithium project in the United States. He was previously Exploration Manager, for Atlas Iron Limited, where he oversaw the rapid growth in Atlas' resource base between 2010 and 2014, before starting his own consultancy company specializing in resource project evaluation and management. During the past three years Mr Darvall was a director of Jindalee Resources Limited from 28 May 2018 to 31 December 2019.
Equity Interests	1,385,957 ordinary fully paid shares. 10,459,167 Options exercisable between \$0.102 and \$0.15.
Directorships held in other ASX listed entities	Former directorship: - Director – Jindalee Resources Limited from May 2018 to December 2019 No other listed directorships have been held by Mr Darvall in the previous three years.

Mr John Forwood	**Non-Executive Director** *Appointed 10 July 2020 to present*
Qualifications	B.Sc (Hons), LlB (Hons)
Experience	Mr Forwood is a qualified geologist and lawyer with extensive experience in equity markets and debt finance, with a particular focus on the junior resources sector. He has spent the past 20 years as a specialist resources financier and fund manager. His career in resource finance began with RMB Resources Ltd, (a division of Rand Merchant Bank) in Australia and the UK. At RMB Resources he was a manager of the private Telluride Fund in Melbourne. He is currently Chief Investment Officer of the ASX-listed Lowell Resources Fund. Prior to joining RMB Resources in 1998, Mr Forwood worked as an exploration geologist, including positions with North Flinders Mines in the Northern Territory, East African Gold Mines in Tanzania, and Aberfoyle Limited in Indonesia. Currently, Mr Forwood is a director of one other publicly listed company, Flynn Gold Ltd. He is also a director of a number of unlisted companies including Lowell Resources Funds Management Pty Ltd which is the investment manager of the Lowell Resources Fund, an ASX listed investment trust.
Equity Interests	677,543 ordinary fully paid shares. 800,000 Options exercisable between $0.102 and $0.15.
Directorships held in other ASX listed entities	Current directorship: - Director – Flynn Gold Ltd from September 2020 No other listed directorships have been held by Mr Forwood in the previous three years.
Mr Rick Yeates	**Non-Executive Director** *Appointed 1 August 2022 to present*
Qualifications	BSc, MAusIMM, GAICD
Experience	Mr Yeates has 41 years' continuous experience as an exploration geologist, mine geologist, mining consultant and company director, variously involved in ASX-listed, unlisted public and private company management, executive mentoring, lecturing, exploration management, feasibility studies, technical audits, independent geologist's reports and technical valuations. Mr Yeates has worked in all Australian States and 39 countries on five continents. Mr Yeates has also served on the boards of several ASX-listed companies in both executive and non-executive capacities, including Western Areas Limited (ASX: WSA), Middle Island Resources Limited (ASX: MDI), Mungana Gold Mines Limited (ASX: MUX) and Atherton Resources Limited (ASX: ATE), as well as two leading mining industry bodies, AAMEG and Austmine, and the Swick Mining Services Limited (ASX: SWK) R&D Advisory Board. Mr Yeates was most recently Non-Executive Director at Western Areas Limited, until the time of its recent takeover by IGO Limited (ASX: IGO). He was also the Managing Director at Middle Island Resources Limited (ASX: MDI), and instrumental in the identification and securing of Middle Island's exciting Barkly copper-gold project in the Northern Territory. Prior to this, Mr Yeates established and ran the highly regarded geological consultancy group RSG Global for over 20 years, prior to its takeover by Coffey International Limited in 2006.
Equity Interests	None
Directorships held in other ASX listed entities	Former directorship: - Non-Executive Director - Western Areas Limited from October 2009 to June 2022 - Managing Director - Middle Island Resources Limited from April 2010 to July 2021 No other listed directorships have been held by Mr Yeates in the previous three years.

Mr Tim Kennedy	**Non-Executive Director** *Appointed 13 December 2016, Chairman 28 August 2018, resigned 28 February 2022*
Qualifications	B.App Sc (Geology), MBA, MAusIMM, MGSA
Experience	Mr Kennedy is a geologist with a successful 30-year career in the mining industry, including extensive involvement in the exploration, feasibility and development of gold, nickel, platinum group elements, base metals, and uranium projects throughout Australia. His most recent executive role was as exploration manager with IGO Limited, which during his 11 years IGO grew from being a junior explorer to a multi commodity mining company. During the past three years Mr Kennedy also served as a director of Millennium Minerals Limited (resigned 20 February 2020) and Helix Resources Limited (director since 16 February 2018).
Directorships held in other ASX listed entities	Current directorship: - Non-Executive Deputy - Helix Resources Limited from February 2018 - Non-Executive Chair – Yandal Resources Limited from February 2021 Former directorship: - Millennium Minerals Limited – from May 2016 to February 2020 No other listed directorships have been held by Mr Kennedy in the previous three years.

Company Secretary

Mr Ben Donovan

Appointed 21 January 2021 to present

B.Comm (Hons), AGIA, ACIS

Mr Donovan is a member of the Governance Institute of Australia and provides corporate advisory, IPO, and consultancy services. Mr Donovan is currently the company secretary of several ASX listed and public unlisted companies with experience across the resources, agritech, biotech, media, and technology industries. He has extensive experience in listing rules compliance and corporate governance, having served as a Senior Adviser at the ASX in Perth for almost three years, where he managed the listing process of close to 100 companies to the ASX. In addition, Mr Donovan has experience in the capital markets having raised capital and assisted numerous companies on achieving an initial listing on the ASX. Additionally, Mr Donovan previously worked as a private client adviser at a boutique stock broking group.

MEETINGS OF DIRECTORS

During the financial year ended 30 June 2022, the following director meetings were held:

	Eligible to Attend	Attended
P Darvall	8	8
C McGown	8	8
John Forwood	8	8
T Kennedy	5	5

Audit Committee

At the date of this report the Company does not have a separately constituted Audit Committee as all matters normally considered by an audit committee are dealt with by the full Board.

Remuneration Committee

At the date of this report, the Company does not have a separately constituted Remuneration Committee and as such, no separate committee meetings were held during the year. All resolutions made in respect of remuneration matters were dealt with by the full Board.

REMUNERATION REPORT (Audited)

The remuneration report is set out under the following main headings:

A. Introduction

B. Remuneration governance

C. Key management personnel

D. Remuneration and performance

E. Remuneration structure

- Executive Director
- Non-Executive Directors

F. Executive service agreements

G. Details of remuneration

H. Share-based compensation

I. Other information

This report details the nature and amount of remuneration for each Director of Sipa Resources Limited (Company) and key management personnel.

A. Introduction

The remuneration policy of the Company has been designed to align Director and management objectives with shareholder and business objectives by providing a fixed remuneration component, and offering specific long-term incentives, based on key performance areas affecting the Group's financial results. Key performance areas include cash flow management, growth in share price, successful exploration, and subsequent exploitation of the Group's tenements. The Company believes the remuneration policy to be appropriate and effective in its ability to attract and retain the best management and Directors to run and manage the Group, as well as create goal congruence between Directors, Executives and Shareholders.

During the period the Company did not engage remuneration consultants.

B. Remuneration governance

The Board retains overall responsibility for remuneration policies and practices of the Company. Due to the Company's size and current stage of development, the Board does not have a separate nomination and remuneration committee. This function is performed by the Board.

The Board has determined that remuneration at Sipa should achieve the following objectives:

- Align and contribute to delivering strategic projects on time and on budget;
- Assist Sipa in attracting and retaining the right people to execute the business strategy;
- Align the interests of executives with the interest of shareholders;
- Be contingent on both individual and Company performance; and
- Be simple and easy to administer.

There are two components to the Remuneration Policy: Fixed Remuneration and Long-Term Incentives. There are no Short-Term Incentives paid to any Key Management Personnel (KMP).

At the 2021 Annual General Meeting, the Company's remuneration report was passed by the requisite majority of shareholders (93% on a poll).

C. Key management personnel

The KMP in this report are as follows:

Non-Executive Directors

- C McGown (Non-Executive Chair) – appointed 11 March 2015
- J Forwood (Non-Executive Director) – appointed 10 July 2020

Executives

- P Darvall (Managing Director) – appointed 1 February 2020

Former Non-Executive Directors

- T Kennedy (Non-Executive Director) – appointed 13 December 2016 - resigned 28 February 2022

<u>Changes since the end of the reporting period</u>

On 26 July 2022, it was announced that, Rick Yeates was appointed to the Board as a Non-Executive Director, effective 1 August 2022.

D. Remuneration and performance

The following table shows the net losses attributable to members of the Company and share price of the Company at the end of the current and previous four financial years.

	30 June 2022 $	30 June 2021 $	30 June 2020 $	30 June 2019 $	30 June 2018 $
Net profit/(loss) attributable to members of the Company	(2,631,679)	(2,367,751)	336,361	(2,833,062)	(3,075,066)
Share price [(1)]	0.033	0.051	0.060	0.007	0.010

1 *The share price for periods 30 June 2019 and earlier is prior to the 12:1 consolidation approved by shareholders in July 2019.*

REMUNERATION REPORT (Audited) (continued)

There is no relationship between the financial performance of the Company for the current or previous financial year and the remuneration of the key management personnel. Remuneration is set having regard to market conditions and encouraging the continued services of key management personnel.

E. Remuneration structure

Executive Director and KMP remuneration structure

The Board's policy for determining the nature and amount of remuneration for Senior Executives of the Group is as follows.

The remuneration policy, setting the terms and conditions for Executive Directors and other Senior Executives, was developed and approved by the Board. All Executives receive a base salary (which is based on factors such as length of service and experience), superannuation, fringe benefits, options, and performance incentives. The Board reviews Executive packages annually by reference to the Group's performance, executive performance, and comparable information from industry sectors and other listed companies in similar industries.

Executives are also entitled to participate in the employee share option and performance rights plans. If an Executive is invited to participate in an employee share option or performance rights plan arrangement, the issue and vesting of any equity securities will be dependent on performance conditions relating to the Executive's role in the Group and/or a tenure-based milestone.

The employees of the Group receive a superannuation guarantee contribution required by the Government, which for the year ended 30 June 2022 is 10%, from 1 July 2022 the rate increased to 10.5%, and do not receive any other retirement benefits.

Long Term Incentive Plan

Long Term Incentive (LTI) grants are made to Executives periodically to align with typical market practice, and to align Executives' interests with those of shareholders and the generation of long-term sustainable value. Non-Executive Directors do not participate in the LTI.

The LTI grants are delivered through participation in the Sipa Resources Employee Share Option Plan (ESOP), as approved by shareholders at the Annual General Meeting held 15 November 2018. The performance hurdles are a combination of internal hurdles to optimise share performance including exploration discovery and generation, capital management, governance and strategic objectives. The threshold levels are suitably stretched to be consistent with the objectives of the LTI plan.

Performance hurdles are measured at the end of the financial year in which the incentives were granted with vesting occurring at the end of 1 year and expiry of the grants at the end of 4 years.

During the current year:

- 10,600,000 Options exercisable at between $0.093 and $0.214 were issued pursuant to the ESOP. 8,600,000 Options vest on 18 November 2021 and expire on 29 November 2025. 2,000,000 Options vest subject to various performance milestones.

During the prior year:

- 656,167 Options exercisable at $0.102 were issued pursuant to the ESOP. The Options vest on 19 November 2020 and expire on 18 November 2023. 197,000 options issued, lapsed during the year following KMP resignation.

REMUNERATION REPORT (Audited) (continued)

The performance hurdles for KMP in place for reporting period are outlined below.

Strategic objectives	Performance measure	Weight
		Executive Director
Capital Management	Cost effective assessment and acquisition of projects meeting strategic thresholds	30%
	Efficient de-risking of Company projects via cost effective exploration	10%
	Minimise holding costs and maintain cash reserves while retaining access to upside for projects that may be divested	30%
Strategic Development	Efficient and effective business operations to support key strategic objectives	30%

The plan rules do not provide for automatic vesting in the event of a change of control. The board may in its discretion determine the manner in which the unvested incentives will be dealt with in the event of a change of control. The holder of an Option does not have any rights to dividends, rights to vote or rights to the capital of the Company as a shareholder as a result of holding an Option.

Non-Executive Director remuneration structure

In line with corporate governance principles, Non-Executive Directors of the Company are remunerated solely by way of fees and statutory superannuation.

Fees and payments to Non-Executive Directors reflect the demands which are made on, and the responsibilities of, the Directors and have the objective of ensuring maximum benefit to Sipa by the retention of a high-quality Board with the relevant skills mix to optimise overall performance.

Non-Executive Directors' fees and payments are determined within an aggregate Directors' fee pool limit, which is periodically recommended by the Nomination and Compensation Committee for approval by shareholders. The pool limit maximum currently stands at $300,000, as approved by shareholders in November 2014. It is at the discretion of the Board to distribute this pool amongst the Non-Executive Directors based on the responsibilities assumed.

No performance-based fees are paid to Non-Executive Directors, nor are Non-Executive Directors entitled to participate in the Sipa Resources Employee Share Option Plan. Retirement benefits are limited to statutory superannuation at the rate prescribed under the Superannuation Guarantee legislation, and entitlements earned under the Directors Retirement Scheme prior to 30 June 2008.

Base fees (inclusive of Superannuation)	Year ended 30 June 2022
Chair	76,650
Non-Executive Director	47,933

Fees for Non-Executive Directors are not linked to the performance of the Group.

F. Executive service agreements

Remuneration and other terms of employment for key management personnel are formalised in service agreements. The service agreements specify the components of remuneration, benefits, and notice periods. Participation in the share and performance rights plans are subject to the Board's discretion. Other major provisions of the agreements relating to remuneration are set out below. Termination benefits are within the limits set by the *Corporations Act 2001* such that they do not require shareholder approval.

Contractual arrangement with key management personnel

Executives

Name	Effective date	Term of agreement	Notice period	Base per annum $	Termination payments
P Darvall, Managing Director	1-Feb-20	No fixed term	3 months	290,000	3 months

G. Details of remuneration

Remuneration of KMP for the 2022 financial year is set out below:

	Short-term benefits	Post-employment benefits			Share-based payments (1)	Total
	Salary	Superannuation	Retirement Benefit	Annual/Long Service leave	Options	
	$	$	$	$	$	$
Non-Executive Directors						
C McGown (2)	72,076	-	-	-	20,097	92,174
J Forwood	43,379	4,338	-	-	16,078	63,795
Executives						
P Darvall	290,000	29,000	-	-	145,848	464,848
Non-Executive Director – Former						
T Kennedy (3)	33,340	3,334	-	-	16,078	52,752
Total	438,795	36,672	-	-	198,101	673,568

1 *Options granted as part of remuneration package, AASB 2 – Share-Based Payments requires the fair value at grant date of the performance rights granted to be expensed over the vesting period.*
2 *C McGown, Non-Executive Director, is a Director of Resource Investment Capital Advisors Pty Ltd, which received Mr McGown's Director fees during the year.*
3 *T Kennedy resigned 28 February 2022.*

The following table sets out each KMP's relevant interest in fully paid ordinary shares, options and performance rights to acquire shares in the Company, as at 30 June 2022:

Name	Fully paid ordinary shares	Options
C McGown	1,113,222	1,000,000
J Forwood	677,534	800,000
P Darvall	1,385,957	10,459,167

REMUNERATION REPORT (Audited) (continued)

Remuneration of KMP for the 2021 financial year is set out below:

	Short-term benefits	Post-employment benefits			Share-based payments [1]	Total
	Salary	Superannuation	Retirement Benefit	Annual/Long Service leave	Options	
	$	$	$	$	$	$
Non-Executive Directors						
T Kennedy	70,179	6,667	-	-	-	76,846
C McGown [2]	47,498	-	-	-	-	47,498
J Forwood [3]	42,155	4,005	-	-	-	46,160
Executives						
P Darvall	290,744	27,621	-	-	19,710	338,075
Non-Executive Director – Former						
K Field [4]	17,154	1,606	35,000	-	-	53,760
Other KMP – former						
T Robson [5]	110,830	10,528	-	38,633	4,267	164,258
Total	578,560	50,427	35,000	38,633	23,977	726,597

1 *Options granted as part of remuneration package, AASB 2 – Share-Based Payments requires the fair value at grant date of the performance rights granted to be expensed over the vesting period.*
2 *C McGown, Non-Executive Director, is a Director of Resource Investment Capital Advisors Pty Ltd, which received Mr McGown's Director fees during the year.*
3 *J Forwood appointed 10 July 2020.*
4 *K Field resigned 19 November 2020.*
5 *T Robson resigned 21 January 2021.*

H. Share-based compensation

Options

During the year ended 30 June 2022, the following options were granted, vested and/or lapsed to KMP:

Grant date	Grant value [1] $	Number granted	Number of vested during the year	Number forfeited during the year	Expense recognised during the year $	Maximum value yet to expense $
P Darvall – Managing Director						
18-Nov-21	160,779	8,000,000	6,000,000	-	139,596	21,183
19-Nov-20	16,071	459,167	459,167	-	6,252	-
25-Nov-19	23,740	2,000,000	-	-	-	-
C McGown - Non-Executive Chairman						
18-Nov-21	20,097	1,000,000	1,000,000	-	20,097	-
J Forwood - Non-Executive Director						
18-Nov-21	16,078	800,000	800,000	-	16,078	-
T Kennedy [2] - Non-Executive Director						
18-Nov-21	16,078	800,000	800,000	-	16,078	-

1 *The value of options are calculated as the fair value of the options at grant date and allocated to remuneration equally over the period from grant date to expected vesting date.*
2 *T Kennedy resigned 28 February 2022.*

REMUNERATION REPORT (Audited) (continued)

Relative proportions of fixed vs variable remuneration expense

The following table shows the relative proportions of remuneration that are linked to performance and those that are fixed, based on the amounts disclosed as statutory remuneration expense for the 2022 and 2021 financial years:

	Fixed remuneration	Variable remuneration	Fixed remuneration	Variable remuneration
		Options		Options
	2022		2021	
Non-Executive Directors				
C McGown	100%	-	100%	-
J Forwood	100%	-	100%	-
Executives				
P Darvall	95%	5%	94%	6%
Non-Executive Director – Former				
T Kennedy [1]	100%	-	100%	-

1 *T Kennedy resigned 28 February 2022.*

The variable remuneration is based on Board discretion.

Reconciliation of equity instruments held by KMP

The following table sets out a reconciliation of each KMP's relevant interest in ordinary shares and options and performance rights to acquire shares in the Company:

	Balance at the start of the year	Granted	Acquired [1]	Exercised	Lapsed	Other changes	Balance at year/ period end
Non-Executive Directors							
C McGown							
Fully paid ordinary shares	774,239	-	338,983	-	-	-	1,113,222
Options	-	1,000,000	-	-	-	-	1,000,000
J Forwood							
Fully paid ordinary shares	508,043	-	169,491	-	-	-	677,534
Options	-	800,000	-	-	-	-	800,000
Executives							
P Darvall							
Fully paid ordinary shares	896,466	-	489,491	-	-	-	1,385,957
Options	2,459,167	8,000,000	-	-	-	-	10,459,167
Non-Executive Director – Former							
T Kennedy [2]							
Fully paid ordinary shares	349,863	-	169,491	-	-	(519,354)	-
Options	-	800,000	-	-	-	(800,000)	-

1 *Shares acquired on 29 November 2021, under shareholder approval.*
2 *T Kennedy resigned 28 February 2022. Other changes note balances held on resignation date.*

I. Other information

Loans to key management personnel

There were no loans to key management personnel during the year (30 June 2021: none).

Payment of fees

- Mr Craig McGown, Non-Executive Director, is a Director of Resource Investment Capital Advisors Pty Ltd, which received Mr McGown's Director fees during the year. At year end the Company had an outstanding payable balance of $6,416 (ex GST) (30 June 2021: $3,958 (ex GST)).

There were no loans or other related party transactions during the period.

This concludes the Remuneration Report which has been audited.

UNISSUED ORDINARY SHARES

Unissued ordinary shares under option/right at the date of this report are 14,809,167 and broken-down as follows:

<u>Options</u>

- Issued to Directors	13,059,167
- Issued to Employees, Consultants and Vendors	1,750,000

Options over ordinary shares can be exercised between $0.102 to $0.214.

All Sipa's exploration activities are conducted within a robust framework of internal and external approvals processes that address environmental, native title, and health and safety aspects. Environmental sustainability, heritage considerations, safety and ethical procurement are at the forefront of issues considered by the Board to maintain and enhance our social license to operate in the areas and communities within which we work.

SAFETY AND ENVIRONMENTAL REGULATIONS

The entity has a responsibility to provide a safe and healthy environment for all of our sites which should exceed expectation of regulations. In the course of its normal mining and exploration activities the consolidated entity promotes an environmentally responsible culture and adheres to environmental regulations of the Department of Mines, Industry Regulation and Safety for Western Australian operations and to the Department of Geological Survey and Minerals for Ugandan operations, particularly those regulations relating to ground disturbance and the protection of rare and endangered flora and fauna. The consolidated entity has complied with all material environmental requirements up to the date of this report.

ACCESS TO INDEPENDENT ADVICE

Each Director has the right, so long as he is acting reasonably in the interests of the Company and in the discharge of his duties as a Director, to seek independent professional advice and recover the reasonable costs thereof from the Company.

The advice shall only be sought after consultation about the matter with the Chair (where it is reasonable that the Chair be consulted) or, if it is the Chair that wishes to seek the advice or it is unreasonable that he be consulted, another Director (if that be reasonable).

The advice is to be made immediately available to all Board members other than to a Director against whom privilege is claimed.

INDEMNIFICATION AND INSURANCE OF DIRECTORS AND OFFICERS

The Company has entered into agreements indemnifying, to the extent permitted by law, all the Directors and Officers of the Company against all losses or liabilities incurred by each Director and Officer in their capacity as Directors and Officers of the Company. Disclosure of the nature of the liability covered by and the amount of the premium payable for such insurance is subject to a confidentiality clause under the contract of insurance. The Company has not provided any insurance for the external auditor of the Company or a body corporate related to the external auditor.

PROCEEDINGS ON BEHALF OF THE COMPANY

No person has applied to the Court under section 237 of the *Corporations Act 2001* for leave to bring proceedings on behalf of the Company, or to 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 part of those proceedings.

AUDITOR'S INDEPENDENCE DECLARATION

A copy of the auditor's independence declaration as required under section 307C of the *Corporations Act 2001* is set out in this annual report.

NON-AUDIT SERVICES

From time to time the Consolidated Entity may decide to employ an external auditor on assignments additional to their statutory audit duties where the auditor's expertise and experience with the Consolidated Entity are important.

The Board is satisfied that the provision of non-audit services during the period is compatible with the general standard of independence for auditors imposed by the *Corporations Act 2001*.

During the year ended 30 June 2022, no amounts were paid or payable for non-audit services provided to the Group by the auditor.

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

On behalf of the Directors.

Signed in accordance with a resolution of the Directors

Pip Darvall
Managing Director

Perth
28 September 2022

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Australia

DECLARATION OF INDEPENDENCE BY GLYN O'BRIEN TO THE DIRECTORS OF SIPA RESOURCES LIMITED

As lead auditor of Sipa Resources Limited for the year ended 30 June 2022, I declare that, to the best of my knowledge and belief, there have been:

1. No contraventions of the auditor independence requirements of the *Corporations Act 2001* in relation to the audit; and
2. No contraventions of any applicable code of professional conduct in relation to the audit.

This declaration is in respect of Sipa Resources Limited and the entities it controlled during the period.

Glyn O'Brien

Director

BDO Audit (WA) Pty Ltd

Perth

28 September 2022

CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME

For the year ended 30 June 2022

	Notes	2022 $	2021 $
Other income			
Interest income	1	207	14,708
Other income	1	264,314	432,232
Expenses:			
Exploration and tenement expenses	2	(1,800,440)	(1,183,384)
Financial assets gain/(loss)	2	-	(239,626)
Depreciation expense		(60,732)	(68,128)
Share based payments expense	15	(210,604)	(25,578)
Administrative expenses	2	(824,060)	(1,286,062)
Foreign exchange (loss)/gain	2	(366)	(11,913)
Profit/(loss) before income tax expense		(2,631,679)	(2,367,751)
Income tax expense	4	-	-
Profit/(loss) attributable to the owners of the Company		(2,631,679)	(2,367,751)
Other comprehensive income/(loss):			
Items that may be reclassified to profit or loss			
Exchange difference on translation of foreign operations		(28,069)	(237)
Other comprehensive income/(loss) for the year, net of tax		(28,069)	(237)
Total comprehensive income/(loss) for year attributable to owners of Sipa Resources Limited		(2,659,748)	(2,367,988)
Basic (loss)/earnings per share (cents per share)	19	(1.33)	(1.39)
Diluted (loss)/earnings per share (cents per share)	19	(1.33)	(1.39)

The above consolidated Statement of Profit or Loss and Other Comprehensive Income should be read in conjunction with the accompanying notes.

CONSOLIDATED STATEMENT OF FINANCIAL POSITION

As at 30 June 2022

	Notes	2022 $	2021 $
Current Assets			
Cash and cash equivalents	5	3,589,447	3,612,807
Other receivables	6	69,845	498,575
Total Current Assets		3,659,292	4,111,382
Non-Current Assets			
Exploration and evaluation	7	699,891	731,038
Other financial assets		2,000	2,000
Plant and equipment		102,527	94,301
Total Non-Current Assets		804,418	827,339
Total Assets		**4,463,710**	**4,938,721**
Current Liabilities			
Trade and other payables	10	382,790	102,863
JV contributions	9	439,215	226,927
Provisions		35,387	25,501
Lease liability	11	47,984	33,357
Total Current Liabilities		905,376	388,648
Total Liabilities		**905,376**	**388,648**
Net Assets		**3,558,334**	**4,550,073**
Equity			
Contributed equity	13(a)	115,111,999	113,654,594
Reserves	13(c)	1,652,575	1,470,040
Accumulated losses	13(b)	(113,206,240)	(110,574,561)
Total Equity		**3,558,334**	**4,550,073**

The above consolidated Statement of financial position should be read in conjunction with the accompanying notes.

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

For the year ended 30 June 2022

	Issued Capital $	Accumulated Losses $	Equity benefits reserve $	Foreign Currency Translation Reserve $	Total $
Balance at 1 July 2020	**111,004,480**	**(108,206,810)**	**1,435,596**	**9,103**	**4,242,369**
Profit for the year	-	(2,367,751)	-	-	(2,367,751)
Other comprehensive profit/(loss) for the year	-	-	-	(237)	(237)
Total comprehensive profit/(loss) for the year	-	(2,367,751)	-	(237)	(2,367,988)
Shares issued	2,740,000	-	-	-	2,740,000
Share issue costs	(89,886)	-	-	-	(89,886)
Share based payments	-	-	25,578	-	25,578
				-	
Balance at 30 June 2021	**113,654,594**	**(110,574,561)**	**1,461,174**	**8,866**	**4,550,073**
Loss for the year	-	(2,631,679)	-	-	(2,631,679)
Other comprehensive income/(loss) for the year	-	-	-	(28,069)	(28,069)
Total comprehensive income/(loss) for the year	-	(2,631,679)	-	(28,069)	(2,659,748)
				-	
Shares issued	1,504,650	-	-	-	1,504,650
Share issue costs	(47,245)	-	-	-	(47,245)
Share based payments	-	-	210,604	-	210,604
				-	
Balance at 30 June 2022	**115,111,999**	**(113,206,240)**	**1,671,778**	**(19,203)**	**3,558,334**

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

CONSOLIDATED STATEMENT OF CASH FLOWS

For the year ended 30 June 2022

	Notes	2022 $	2021 $
Cash flows from operating activities			
Cash receipts from customers		6,723	11,100
Payments for exploration and evaluation expenditure		(3,168,542)	(2,279,117)
Receipts from joint ventures		2,497,174	889,269
Payments to suppliers, consultants and employees		(823,164)	(1,292,592)
Interest received		207	14,708
Incentives and subsidies		32,102	286,154
Net cash provided by/(used in) operating activities	22	(1,455,500)	(2,370,478)
Cash flows from investing activities			
Payments for tenements		-	(50,000)
Payments for property, plant, and equipment		(25,265)	(966)
Cash invested in security deposits		-	30,000
Proceeds from the disposal of plant and equipment		-	1,000
Proceeds from the sale of investments		-	1,135,054
Net cash (used in)/provide by investing activities		(25,265)	1,115,088
Cash flows from financing activities			
Proceeds from new issues of shares		1,504,650	2,580,000
Share issue costs		(47,245)	(89,886)
Net cash provided by financing activities		1,457,405	2,490,114
Net (decrease)/increase in cash held		(23,360)	1,234,724
Cash and cash equivalents at the beginning of the financial year		3,612,807	2,378,083
Effect of exchange rates on cash holdings in foreign currencies		-	-
Cash and cash equivalents at the end of the financial year	5	3,589,447	3,612,807

The above consolidated Statement of cash flows should be read in conjunction with the accompanying notes.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

For the year ended 30 June 2022

1 REVENUE AND OTHER INCOME

	2022 $	2021 $
Finance income		
Interest income	207	14,708
Other income		
Management fee income	217,465	133,978
WA State Exploration Incentive Grant	40,127	38,150
Research & Development Tax incentive	-	51,004
Cashflow boost payments (1)	-	179,500
Payroll tax grant (2)	-	17,500
Other income	6,722	12,100
Total other income	264,314	432,232
Total revenue and other income	264,521	446,940

1 *Cash flow boosts payments are delivered as credits in the activity statements and equivalent to the amount withheld from wages paid to employees from March to September 2020.*

2 *A one-off grant of $17,500 was paid to employers, or groups of employers, whose annual Australian taxable wages for 2018-19 were more than $1 million and less than $4 million.*

2 EXPENDITURE

	Notes	2022 $	2021 $
Exploration and tenement expenses			
Australian tenements		3,632,192	1,952,228
Less: exploration expenditure funded by JV parties		(1,904,072)	(898,414)
Uganda tenements		72,320	129,570
Total exploration and tenement expenses		1,800,440	1,183,384
Share-based payments expense			
Options	15	210,604	25,578
Total share-based payments expense		210,604	25,578

2 EXPENDITURE (continued)

	Notes	2022 $	2021 $
Administrative expense			
Corporate costs		286,465	333,228
Marketing costs		63,485	65,715
Office costs		42,953	58,371
Personnel costs [1]		431,157	828,748
Total administrative expense		824,060	1,286,062
Loss on financial assets		-	239,626
Foreign exchange loss [2]		366	11,913

1 *A portion of the personnel costs have been included within Exploration and tenement expenditure.*

2 *Foreign exchange loss was recognised upon cash held and payments of Canadian and United States dollar denominated balances.*

A reconciliation of employee benefits expense is as follows:

	2022 $	2021 $
Employee benefits expense		
Wages and salaries	766,481	881,243
Superannuation	68,550	66,119
Provision for leave	9,886	(124,153)
Other costs	56,127	5,539
Total employee benefits expense	901,044	828,748
Employee benefits included in		
Exploration and tenement expenses	469,887	457,999
Administrative expenses	431,157	370,749
	901,044	828,748

3 OPERATING SEGMENTS

Management has determined that the Group has two reportable segments, being exploration activities in Australia and exploration activities in Uganda. This determination is based on the internal reports that are reviewed and used by the Board (chief operating decision maker) in assessing performance and determining the allocation of resources. As the Group is focused on exploration, the Board monitors the Group based on actual versus budgeted exploration expenditure incurred by area. This internal reporting framework is the most relevant to assist the Board with making decisions regarding the Group and its ongoing exploration activities, while also taking into consideration the results of exploration work that has been performed to date.

3 OPERATING SEGMENTS (continued)

	Australia $	Uganda $	Other $	Total $
For the year ended 30 June 2022				
Other income	217,465	-	47,057	264,522
Reportable segment loss	(1,582,975)	(72,320)	(976,384)	(2,631,679)
Reportable segment assets [(1)]	236,957	570,306	3,656,447	4,463,710
Reportable segment liabilities	(439,215)	(6,130)	(460,031)	(905,376)
For the year ended 30 June 2021				
Other income	133,978	-	312,962	446,940
Reportable segment loss	(1,183,384)	(129,570)	(1,054,797)	(2,367,751)
Reportable segment assets [(2)]	651,322	630,000	3,657,399	4,938,721
Reportable segment liabilities	(226,927)	(799)	(160,922)	(388,648)

1 *Other corporate activities includes cash held of $3,573,475.*
2 *Other corporate activities includes cash held of $3,032,928.*

4 INCOME TAX EXPENSE

	2022 $	2021 $
The components of tax expense comprise:		
Current tax	-	-
Deferred tax asset/liability	-	-
	-	-
Reconciliation of income tax to prima facie tax payable		
Loss before income tax	(2,631,679)	(2,367,751)
Income tax benefit at 25% (2021: 26%)	(657,919)	(615,615)
Tax effect of amounts which are not deductible (taxable) in calculating taxable income:		
Adjustment for difference in foreign tax rate	(3,616)	29,769
Non-(assessable)/deductible items	52,777	29,770
Under/(overprovision) in prior year	(274,162)	(86,151)
(Recognised)/Unrecognised deferred tax assets	882,920	642,227
Total income tax benefit	-	-
Unrecognised temporary differences		
Deferred tax assets and liabilities not recognised relate to the following:		
Tax losses	15,157,140	14,715,570
Net deferred tax assets unrecognised	15,157,140	14,715,570

4 INCOME TAX EXPENSE (continued)

Significant accounting judgment

Deferred tax assets

The Group expects to have carried forward tax losses, which have not been recognised as deferred tax assets, as it is not considered sufficiently probable that these losses will be recouped by means of future profits taxable in the relevant jurisdictions. The utilisation of the tax losses is subject to the Group passing the required Continuity of Ownership and Same Business Test rules at the time the losses are utilised. Net deferred tax assets have not been brought to account as it is not probable within the immediate future that taxable profits will be available against which deductible temporary difference can be utilised.

5 CASH AND CASH EQUIVALENTS

(a) Risk exposure

Refer to Note 16 for details of the risk exposure and management of the Group's cash and cash equivalents.

(b) Deposits at call

Deposits at call are presented as cash equivalents if they have a maturity of three months or less. Refer Note 27(g) for the Group's other accounting policies on cash and cash equivalents.

	2022 $	2021 $
Cash at bank	3,550,014	3,573,374
Short-term deposits	39,433	39,433
	3,589,447	3,612,807

6 TRADE AND OTHER RECEIVABLES AND OTHER CURRENT ASSETS

An assessment has been made of the recoverability of the current receivables and the Board is comfortable that their carrying amount is the same as their fair value.

Other receivables are generally due for settlement within 30 days and are therefore classified as current.

Refer to Note 16 for details of the risk exposure and management of the Group's trade and other receivables.

The term deposit has a maturity of more than three months.

	2022 $	2021 $
Trade and other receivables		
Other receivables	16,968	32,368
JV contributions	21,304	440,000
Prepayments	31,573	26,207
	69,845	498,575

7 EXPLORATION AND EVALUATION ASSETS

	2022 $	2021 $
Opening balance	731,038	581,038
Acquisition of Garden Gully project	-	150,000
Foreign exchange movement	(31,147)	-
Closing balance	699,891	731,038

7 EXPLORATION AND EVALUATION ASSETS (continued)

During the prior year, 1,694,915 shares were issued to Miramar Resources Limited in part consideration for acquisition of Garden Gully project. In consideration for purchase of a 100% interest in the Garden Gully project, Miramar received a cash payment of $50,000 (ex GST); and $100,000 worth of fully paid ordinary Sipa shares.

Significant accounting estimates and assumptions

Impairment of capitalised exploration and evaluation expenditure

The future recoverability of capitalised exploration and evaluation expenditure is dependent on a number of factors, including whether the Group decides to exploit the related lease itself or, if not, whether it successfully recovers the related exploration and evaluation asset through sale.

Factors that could impact the future recoverability include the level of reserves and resources, future technological changes, costs of drilling and production, production rates, future legal changes (including changes to environmental restoration obligations) and changes to commodity prices.

The carrying values of items of exploration and evaluation expenditure are reviewed for impairment indicators when reclassified from to mine properties under development or at each reporting date and are subject to impairment testing when events or changes in circumstances indicate that the carrying values may not be recoverable. There is no impairment during for the year ended 30 June 2022.

Significant accounting judgement

Capitalisation of exploration and evaluation expenditure

The Group has capitalised acquisition costs of tenements on the basis that this is expected to be recouped through future successful development (or alternatively sale) of the areas of interest concerned or on the basis that it is not yet possible to assess whether it will be recouped.

8 FINANCIAL ASSETS AT FAIR VALUE THROUGH PROFIT OR LOSS – EQUITY SECURITIES

	2022 $	2021 $
Opening balance	-	1,374,680
Acquisition of shares	-	-
Sales of shares	-	(1,151,658)
Revaluation of shares	-	(102,753)
Foreign exchange movements	-	(120,269)
Closing balance	-	-

Significant accounting estimates, assumptions, and judgements

Classification of financial assets at fair value through profit or loss

Investments are designated at fair value through profit or loss where management have made the election in accordance with *AASB 9: Financial Instruments*.

Fair value for financial assets at fair value through profit or loss

Information about the methods and assumptions used in determining fair value is provided in Note 12.

9 JOINT VENTURES

The Company is or has been party to a number of unincorporated exploration joint ventures. The following is a list of unincorporated exploration joint ventures under which the Company has diluted and may yet dilute its original interest:

Name of Joint Venture and Project	2022 Interest %	2021 Interest %
Earning In at Paterson North	92%- 100% [1]	90% - 100% [1]
Joint Venture at Barbwire Terrace	50% [2]	-

1 *Rio Tinto earning into the project. Ming Gold diluting out of tenements E45/3599, E45/4697, E45/5335 and E45/5336.*
2 *Buru earned a 50 per cent interest in Sipa's tenement by funding the first $250,000 of on-ground activities.*

As at 30 June 2022, the above listed joint ventures are not joint arrangements under the accounting standards as the joint venture partners do not have collective and joint control. The Company therefore accounts for the interest in the joint ventures in accordance with the relevant accounting standards and not under AASB 11 Joint Arrangements. All exploration and evaluation expenditure is expensed to Statement of Profit or Loss and Other Comprehensive Income as incurred. Contributed funds received from other joint venture partners are deducted from exploration expenditure when cash is received or the right to receive payment is established.

Joint Venture at Paterson North

In September 2020, Sipa announced a Farm in and JV agreement with Rio Tinto Exploration at the Paterson North Copper Gold Project in Western Australia. As at 30 June 2022, no amounts are held as restricted cash, . but are recognised as a current liability under JV contribution.

	2022 $	2021 $
Opening balance	177,883	-
Contributions received	1,825,000	1,204,950
Joint Venture expenditure	(1,563,668)	(1,027,067)
	439,215	177,883

Joint Venture at Barbwire Terrace

In September 2020, Sipa announced it had entered into an alliance with Buru Energy to progress mineral exploration at the Barbwire Terrace project immediately southeast of Buru's own Canning Basin oil and gas leases. During the period Buru earned a 50 per cent interest in Sipa's tenement by funding the first $250,000 of on-ground activities. As at 30 June 2022, $21,304 is recorded as a receivable under JV contributions.

	2022 $	2021 $
Opening balance	49,044	-
Contributions received	272,174	84,319
Joint Venture expenditure	(342,522)	(35,275)
	(21,304)	49,044

10 TRADE AND OTHER PAYABLES

Trade and other payables are normally settled within 30 days from receipt of invoice. All amounts recognised as trade and other payables, but not yet invoiced, are expected to settle within 12 months.

The carrying values of trade and other payables are assumed to be the same as their fair value. Refer to Note 16 for details of the risk exposure and management of the Group's trade and other receivables.

	2022 $	2021 $
Trade payables	293,162	42,418
JV contributions	439,215	-
Other payables and accrued expenses	89,628	60,445
	822,005	102,863

11 LEASE LIABILITIES

	2022 $	2021 $
Current		
Lease liabilities	47,984	33,357
	47,984	33,357

Maturities of lease liabilities

The table below shows the Group's lease liabilities based on the remaining period at the reporting date to the contractual maturity date. The amounts disclosed in the table are the contractual undiscounted cash flows.

	Less than 6 months $	6 – 12 months $	1 – 5 years $	Over 5 years $	Total contractual cash flows $	Carrying amount of liabilities $
At 30 June 2022						
Lease liability	25,275	25,275	-	-	50,550	47,984
At 30 June 2021						
Lease liability	17,417	17,417	-	-	34,834	33,357

Accounting estimates and judgements

Leases

The application of AASB 16 requires judgements that affect the valuation of lease liabilities and ROU assets. In addition to the critical judgements and areas of estimation uncertainty discussed below, the following judgements and estimations need to be considered when assessing leases:

- determination of stand-alone prices of lease and non-lease components, whether remeasurement or a separate lease is required following a change in lease terms and conditions, and whether variable payments are in-substance fixed or not to be included in the calculation of the lease liability; and
- assessments of whether a purchase option will be exercised, or an ROU asset is impaired.

11 LEASE LIABILITIES (continued)

Identifying a lease

Identifying whether a contract is, or contains, a lease involves the exercise of judgement about whether:

- the contract depends on a specified asset;
- the Group obtains substantially all of the economic benefits from the use of the asset and has the right to direct the use of the asset; and
- the contract is perpetual or for a period of time over which the underlying assets are to be used.

Determining the lease term

The following assessments impact the lease term which may significantly affect the amount of lease liabilities and ROU assets recognised.

Extension and termination options

The Group applies judgement in determining whether it is reasonably certain to exercise extension or termination options, by considering all relevant factors that could provide an economic incentive to exercise these options.

Non-cancellable period

In determining the lease term, the assessment of a contract following the contractual non-cancellable period needs to consider the substance of the contract and whether any economic penalties exist which may affect the term of the non-cancellable period.

Determining the incremental borrowing rate

Where the Group (or Group entity) cannot readily determine the interest rate implicit in the lease, it uses its IBR to measure lease liabilities. The IBR is the rate of interest that the Group would have to pay to borrow over a similar term, and with a similar security, the funds necessary to obtain an asset of a similar value to the ROU asset in a similar economic environment. Therefore, as the IBR reflects what the Group would have to pay, estimation is required when no observable rates are available or when observable rates need to be adjusted to reflect the terms and conditions of the lease.

12 FAIR VALUES OF FINANCIAL INSTRUMENTS

This note provides an update on the judgements and estimates made by the Group in determining the fair values of the financial instruments since the last annual financial report.

Fair value hierarchy

To provide an indication about the reliability of the inputs used in determining fair value, the Group classifies its financial instruments into the three levels prescribed under the accounting standards. An explanation of each level follows underneath the table.

The group had no financial assets and financial liabilities measured and recognised at fair value on a recurring basis (30 June 2021: none).

There were no transfers between levels during the period. The Group's policy is to recognise transfers into and transfers out of fair value hierarchy levels as at the end of the reporting period.

The fair value of financial assets and liabilities held by the Group must be estimated for recognition, measurement and/or disclosure purposes. The Group measures fair values by level, per the following fair value measurement hierarchy:

Level 1: quoted prices (unadjusted) in active markets for identical assets or liabilities;

Level 2: inputs other than quoted prices included within level 1 that are observable for the asset or liability, either directly (as prices) or indirectly (derived from prices); and

Level 3: inputs for the asset or liability that are not based on observable market data (unobservable inputs).

12 FAIR VALUES OF FINANCIAL INSTRUMENTS (continued)

Valuation techniques used to determine fair values

The Group did not have any financial instruments that are recognised in the financial statements where their carrying value differed from the fair value. The fair value of the financial assets and liabilities are included at the amount at which the instrument could be exchanged in a current transaction between willing parties, other than in a forced or liquidation sale. The carrying amounts of cash and short-term trade and other receivables, trade payables and other current liabilities approximate their fair values largely due to the short-term maturities of these payments.

Financial assets at fair value through profit or loss – equity securities

The fair value of the equity holdings is based on the quoted market prices from the ASX on the last traded price prior or nearest to year-end.

13 ISSUED CAPITAL

(a) Issued capital

	2022 Shares	2021 Shares	2022 $	2021 $
Fully paid	205,024,803	179,522,263	115,111,999	113,654,594

Movements in ordinary share capital during the current and prior financial period are as follows:

Details	Date	Number of shares	Issue price/share $	$
Balance at 1 July 2020		**142,276,581**		**111,004,480**
Placement	18-Sep-20	32,361,112	0.072	2,330,000
Shares issued	7-Oct-20	2,500,000	0.100	250,000
Share-based payment (Note 15)	8-Oct-20	689,655	0.087	60,000
Share-based payment (Note 15)	21-Jun-21	1,694,915	0.059	100,000
Less: Share issue costs				(89,886)
Balance at 30 June 2021		**179,522,263**		**113,654,594**
Placement	28-Sep-21	24,655,084	0.059	1,454,650
Placement	29-Nov-21	847,456	0.059	50,000
Less: Share issue costs				(47,245)
Balance at 30 June 2022		**205,024,803**		**115,111,999**

(b) Accumulated losses

	2022 $	2021 $
Balance at 1 July	(110,574,561)	(108,206,810)
Net loss for the year	(2,631,679)	(2,367,751)
Balance at 30 June	(113,206,240)	(110,574,561)

13 ISSUED CAPITAL (continued)

(c) Reserves

The following table shows a breakdown of the reserves and the movements in these reserves during the year. A description of the nature and purpose of each reserve is provided.

	Note	2022 $	2021 $
Share-based payments reserve			
Balance at 1 July		1,461,174	1,435,596
Issue of options	15(a)	210,604	25,578
Balance at 30 June		1,671,778	1,461,174
Foreign currency translation reserve			
Balance at 1 July		8,866	9,103
Currency translation differences arising during the year		(28,069)	(237)
Balance at 30 June		(19,203)	8,866
Total reserves		**1,652,575**	**1,470,040**

Share-based payments reserve

The share-based payments reserve is used to recognise: (a) the grant date fair value of options issued but not exercised; (b) the grant date fair value of market-based performance rights granted to Directors, Employees, Consultants and Vendors but not yet vested; and (c) the fair value non-market based performance rights granted to Directors, Employees, Consultants and Vendors but not yet vested.

Foreign currency translation reserve

Exchange differences arising on translation of the foreign controlled entities are recognised in other comprehensive income as described in Note 27(d) and accumulated in a separate reserve within equity. The cumulative amount is reclassified to profit or loss when the net investment is disposed of.

14 DIVIDENDS

No dividends have been declared or paid for the year ended 30 June 2022 (30 June 2021: nil).

15 SHARE-BASED PAYMENTS

Share-based payment transactions are recognised at fair value in accordance with AASB 2.

The total movement arising from share-based payment transactions recognised during the year were as follows:

	Note	2022 $	2021 $
As part of share-based payment reserve:			
Options issued to directors and advisors	15(a)	210,604	25,578
As part of administration expense:			
Shares issued –Corporate advisory	15(b)	-	60,000
As part of exploration and evaluation expenditure:			
Shares issued – Acquisition of Garden Gully project	15(b)	-	100,000
		210,604	185,578

During the year the Group had the following share-based payments:

(a) Share options

The Sipa Resources Limited share options are used to reward Executive Directors, Employees, Consultants and Vendors for their performance and to align their remuneration with the creation of shareholder wealth through the performance requirements attached to the options. The Company's Option Plan was approved and adopted by shareholders on 15 November 2018. Options are granted at the discretion of the Board and no individual has a contractual right to participate in the plan or to receive any guaranteed benefits.

The options are not listed and carry no dividend or voting right. Upon exercise, each option is convertible into one ordinary share to rank pari passu in all respects with the Company's existing fully paid ordinary shares.

Set out below are summaries of options granted:

	2022		2021	
	Average exercise price per option	Number of options	Average exercise price per option	Number of options
Opening balance	$0.227	4,202,918	$0.243	3,793,751
Granted during the period	$0.154	11,600,000	$0.105	1,156,167
Exercised during the period	-	-	-	-
Forfeited/Lapsed	$0.917	(993,751)	$0.123	(747,000)
Closing balance	$0.149	14,809,167	$0.227	4,202,918
Vested and exercisable	$0.148	12,309,167	$0.262	3,243,751

15 SHARE-BASED PAYMENTS (continued)

	Grant date	Expiry date	Exercise price	2022 Number of options	2021 Number of options
(i)	1-Sep-16	31-Aug-21	$1.32	-	162,500
(ii)	19-Dec-16	18-Dec-21	$0.72	-	331,251
(iii)	25-Nov-19	24-Nov-23	$0.13	750,000	750,000
(iv)	25-Nov-19	31-Jan-23	$0.15	2,000,000	2,000,000
(v)	19-Nov-20	18-Nov-23	$0.102	459,167	459,167
(vi)	21-Apr-21	19-Apr-24	$0.110	500,000	500,000
(vii)	18-Nov-21 [1]	29-Nov-25	various	10,600,000	-
(viii)	18-Jan-22	25-Jan-26	$0.100	500,000	-
(ix)	24-Jan-22 [2]	25-Jan-26	$0.100	-	-
(x)	17-Mar-22 [3]	21-Mar-26	$0.100	-	-
				14,809,167	4,202,918
Weighted average remaining contractual life of options outstanding at the end of the year:				2.82 years	1.82 years

1 *Options granted to Key Management Personnel on 18 November 2021 were approved at the Company's Annual General Meeting.*
2 *250,000 Options granted, were cancelled during the year as a result of the employee ceasing employment with the Company.*
3 *250,000 Options granted, were cancelled during the year as a result of the employee ceasing employment with the Company.*

The model inputs for options granted during the year included:

Series	Exercise price	Expiry (years)	Options granted	Expected volatility [1]	Dividend yield	Risk free interest rate [2]	Option value
(vii)	$0.093	4.0	2,650,000	80%	0%	0.97%	$0.025
(vii)	$0.134	4.0	2,650,000	80%	0%	0.97%	$0.021
(vii)	$0.174	4.0	2,650,000	80%	0%	0.97%	$0.018
(vii)	$0.214	4.0	2,650,000	80%	0%	0.97%	$0.016
(viii)	$0.100	4.0	500,000	64%	0%	1.19%	$0.022
(ix)	$0.100	4.0	250,000	63%	0%	1.24%	$0.022
(x)	$0.100	4.0	250,000	67%	0%	1.84%	$0.022

1 *The expected price volatility is based on historical volatility (based on the remaining life of the option), adjusted for any expected changes to future volatility due to publicly available information.*
2 *Risk free rate of securities with comparable terms to maturity.*

Key service milestones of the options which have been granted on 18 January 2022, 24 January 2022 and 17 March 2022 were as follows:

Grant date	Exercise price	Number	Service milestones	Service period
18-Jan-22	$0.100	500,000	Options vest 1 year from issue date	Jan 22 – Jan 23
24-Jan-22 [1]	$0.100	250,000	Options vest 1 year from issue date	Jan 22 – Jan 23
17-Mar-22 [1]	$0.100	250,000	Options vest 1 year from issue date	Mar 22 – Mar 23

1 *Options granted, were cancelled during the year as a result of the employee not ceasing employment with the Company.*

15 SHARE-BASED PAYMENTS (continued)

Key performance milestones of the options which have been granted on 18 November 2021 were as follows:

Grant date	Exercise price	Number	Performance milestones	Performance period
18-Nov-21	$0.093	2,150,000	None	-
18-Nov-21	$0.093	500,000	Vest subject to pre-determined performance hurdles [1]	Sep 21 – Aug 22
18-Nov-21	$0.134	2,150,000	None	-
18-Nov-21	$0.134	500,000	Vest subject to pre-determined performance hurdles [1]	Sep 22 – Aug 23
18-Nov-21	$0.174	2,150,000	None	-
18-Nov-21	$0.174	500,000	Vest subject to pre-determined performance hurdles [1]	Sep 23 – Aug 24
18-Nov-21	$0.214	2,150,000	None	-
18-Nov-21	$0.214	500,000	Vest subject to pre-determined performance hurdles [1]	Sep 24 – Aug 25

1 *The performance hurdles are designed to optimise the Company's performance against its strategic plan, with threshold levels representing meaningful progress against the Company's objectives. The threshold levels are suitably stretched to be consistent with the objectives of the Plan.*

The performance hurdles for KMP in place for the current period are outlined below.

Strategic objectives	Performance measure	Weight
Capital Management	Cost effective assessment and acquisition of projects meeting strategic thresholds	10%
	Efficient de-risking of Company projects via cost effective exploration	30%
	Minimise holding costs and maintain cash reserves while retaining access to upside for projects that may be divested	20%
Business Operations	Efficient and Effective business operations and capital raising where required to support Key Strategic Objectives	40%

The fair value of option issued is measured by reference to the value of the goods or services received. The fair value of services received in return for share options granted to Directors and Employees and Consultants is measured by reference to the fair value of options granted. The fair value of services received by advisors could not be reliably measured and are therefore measured by reference to the fair value of the equity instruments granted. The estimate of the fair value of the services is measured based on a number of closed and open form models by an independent valuer. The life of the options including early exercise options are built into the option model. The fair value of the options are expensed over the expected vesting period. The total expense arising from options issued during the reporting period as part of share-based payments expense was as follows:

	30 June 2022 $	30 June 2021 $
Share-based payments expense		
Options issued to Directors and employees	210,604	25,578
	210,604	25,578

15 SHARE-BASED PAYMENTS (continued)

(b) Share capital to vendors

During the prior financial year:

- On 7 October 2020, 689,655 shares were issued to Hartley's Limited in consideration for advisory fees. The fair value of the shares recognised was by direct reference to the fair value of service received. This was determined by the corresponding invoice received which amounted to $60,000. This amount has been recognised in the Statement of Profit or Loss under administration expense.
- On 21 June 2021, 1,694,915 shares were issued to Miramar Resources Limited in part consideration for acquisition of Garden Gully project. In consideration for purchase of a 100% interest in the Garden Gully project, Miramar received a cash payment of $50,000 (ex GST); and $100,000 worth of fully paid ordinary Sipa shares. The fair value of the shares recognised was by direct reference to the sales agreement, executed 15 February 2021. An amount of $100,000 has been recognised in the Statement of Financial Position under exploration and evaluation expenditure.

Significant accounting estimates, assumptions, and judgements

Estimation of fair value of share-based payments

The Group measures the cost of equity-settled transactions by reference to the fair value of the equity instruments at the date at which they are granted. The fair value for share issued to employees is determined using the Black-Scholes or Monte-Carlo model taking into account the assumptions detailed within this note. The fair value of the shares issued to vendors is recognised was by direct reference to the fair value of service received.

Probability of vesting conditions being achieved

Inputs to pricing models may require an estimation of reasonable expectations about achievement of future vesting conditions. Vesting conditions must be satisfied for the counterparty to become entitled to receive cash, other assets or equity instruments of the entity, under a share-based payment arrangement.

Vesting conditions include service conditions, which require the other party to complete a specified period of service, and performance conditions, which require specified performance targets to be met (such as a specified Increase in the entity's profit over a specified period of time) or completion of performance hurdles.

The Company recognises an amount for the goods or services received during the vesting period based on the best available estimate of the number of equity instruments expected to vest and shall revise that estimate, if necessary, if subsequent information Indicates that the number of equity instruments expected to vest differs from previous estimates. On vesting date, the entity shall revise the estimate to equal the number of equity instruments that ultimately vested.

The achievement of future vesting conditions are reassessed each reporting period.

16 FINANCIAL AND CAPITAL RISK MANAGEMENT

Overview

The financial risks that arise during the normal course of the Group's operations comprise market risk, credit risk and liquidity risk. In managing financial risk, it is policy to seek a balance between the potential adverse effects of financial risks on financial performance and position, and the "upside" potential made possible by exposure to these risks and by taking into account the costs and expected benefits of the various risk management methods available to manage them.

16 FINANCIAL AND CAPITAL RISK MANAGEMENT (continued)

General objectives, policies, and processes

The Board is responsible for approving policies on risk oversight and management and ensuring management has developed and implemented effective risk management and internal control. The Board receives reports as required from the Managing Director in which they review the effectiveness of the processes implemented and the appropriateness of the objectives and policies it sets. The Board oversees how management monitors compliance with the Group's risk management policies and procedures and reviews the adequacy of the risk management framework in relation to the risks faced.

These disclosures are not, nor are they intended to be an exhaustive list of risks to which the Group is exposed.

Financial Instruments

The Group has the following financial instruments:

	2022 $	2021 $
Financial assets		
Cash and cash equivalents	3,589,447	3,612,807
Other receivables	38,272	472,368
Security deposits	2,000	2,000
	3,629,719	4,087,175
Financial liabilities		
Trade and other payables	382,790	42,418
	382,790	42,418

(a) Market Risk

Market risk can arise from the Group's use of interest-bearing financial instruments, foreign currency financial instruments and equity security instruments and exposure to commodity prices. It is a risk that the fair value of future cash flows of a financial instrument will fluctuate because of changes in interest rates (interest rate risk), foreign exchange rate (currency risk), equity securities price risk (price risk) and fluctuations in commodity prices (commodity price risk).

(i) Interest rate risk

The Board manages the Group's exposure to interest rate risk by regularly assessing exposure, taking into account funding requirements and selecting appropriate instruments to manage its exposure. As at the 30 June 2022, the Group has interest-bearing assets, being cash at bank (30 June 2021: cash at bank).

As such, the Group's income and operating cash flows are not highly dependent on material changes in market interest rates.

Sensitivity analysis
The Group does not consider this to be a material risk/exposure for the Group and have therefore not undertaken any further analysis.

As at 30 June 2022 and 30 June 2021 the Group held funds on deposit.

(ii) Currency risk

The Group maintains a corporate listing in Australia and operates in Australia and Uganda. As a result of various operating locations, the Group is exposed to foreign exchange risk arising from fluctuations, primarily in the US Dollar (USD), and Ugandan Shilling (UGX).

16 FINANCIAL AND CAPITAL RISK MANAGEMENT (continued)

Foreign exchange risk arises from future commercial transactions and recognised assets and liabilities denominated in a currency that is not the Company's functional currency. The Group manages risk by matching receipts and payments in the same currency and monitoring movements in exchange rates. The exposure to risks is measured using sensitivity analysis and cash flow forecasting.

The Group's exposure to foreign currency risk at year end, expressed in Australian dollars, was as follows:

	2022			2021		
	USD	CAD	UGX	USD	CAD	UGX
	$	$	$	$	$	$
Financial assets						
Cash	-	-	15,972	37,723	-	790
Other receivables	-	-	3,140	-	-	7,846
Financial assets at FVPL	-	-	-	-	-	-
Financial liabilities						
Trade and other payables	-	-	6,130	-	-	799

Sensitivity analysis

The following table demonstrates the estimated sensitivity to a 10% increase/decrease in the Australian dollar/UGX exchange rate, with all variables held consistent, on post tax profit and equity. The Group does not consider the other currencies to be a material risk/exposure to the Group and have therefore not undertaken any further analysis. These sensitivities should not be used to forecast the future effect of movement in the Australian dollar exchange rate on future cash flows.

A hypothetical change of 10% in UGX exchange rates was used to calculate the Group's sensitivity to foreign exchange rate movements as the Company's estimate of possible rate movements over the coming year taking into account current market conditions and past volatility.

During the prior year sensitivity analysis was performed on USD exchange rates a hypothetical change of 10%.

Impact on post-tax profits and equity		
	%	$
30 June 2022		
AUD/UGX + %	10	1,298
AUD/UGX - %	10	(1,298)
30 June 2021		
AUD/USD + %	10	3,772
AUD/USD - %	10	(3,772)

16 FINANCIAL AND CAPITAL RISK MANAGEMENT (continued)

(iii) Price risk

The Group's did not hold any equity interests during the year. During the prior year the Group's only equity investments were publicly traded on the TSX.

To manage its price risk arising from investments in equity securities, management monitors the price movements of the investment and ensures that the investment risk falls within the Group's framework for risk management.

The Group's exposure to equity securities price risk arises from investments held by the Group and classified in the statement of financial position as financial assets at fair value (Note 8).

Sensitivity analysis

The Group does not hold any equity investments at year end and therefore does not consider this to be a material risk/exposure to the Group and have therefore not undertaken any further analysis.

(iv) Commodity price risk

As the Group has not yet entered into mineral or energy production, the risk exposure to changes in commodity price is not considered significant.

(b) Credit risk

Credit risk arises from cash and cash equivalents and deposits with financial institutions, as well as trade receivables. Credit risk is managed on a Group basis. For cash balances held with banks or financial institutions, where possible only independently rated parties with a minimum rating of '-A' are accepted.

The Board are of the opinion that the credit risk arising as a result of the concentration of the Group's assets is more than offset by the potential benefits gained.

The maximum exposure to credit risk at the reporting date is the carrying amount of the assets as summarised net of credit loss provisions and impairments.

Exposure to credit risk

The carrying amount of the Group's financial assets represents the maximum credit exposure. The Group's maximum exposure to credit risk at the reporting date was:

	2022 $	2021 $
Cash and cash equivalents	3,589,447	3,612,807
Other receivables	38,272	472,368
Security deposits	2,000	2,000
	3,629,719	4,087,175

16 FINANCIAL AND CAPITAL RISK MANAGEMENT (continued)

The credit quality of financial assets is assessed by reference to external credit ratings (if available) or to historical information about counterparty default rates. The Group has adopted lifetime expected credit loss allowance in estimating expected credit loss.

	2022 $	2021 $
Cash at bank and short-term deposits		
Held with Australian banks and financial institutions		
AA- S&P rating	-	-
A+ S&P rating	3,573,475	3,574,294
B S&P rating	15,032	37,723
Unrated	940	790
Total	3,589,447	3,612,807
Other receivables		
Counterparties with external credit ratings	-	467,183
Counterparties without external credit ratings (1)		
Group 1	-	-
Group 2	38,272	7,185
Group 3	-	-
Total	38,272	474,368

1 *Group 1 — new customers (less than 6 months).*
Group 2 — existing customers (more than 6 months) with no defaults in the past.
Group 3 — existing customers (more than 6 months) with some defaults in the past. All defaults were fully recovered.

(c) Liquidity risk

Liquidity risk is the risk that the Group will not be able to meet its financial obligations as they fall due. The Group's approach to managing liquidity is to ensure, as far as possible, that it will always have sufficient liquidity to meet its liabilities when due, under both normal and stressed conditions, without incurring unacceptable losses or risking damage to the Group's reputation. Through continuous monitoring of forecast and actual cash flows the Group manages liquidity risk by maintaining adequate reserves to meet future cash needs. The decision on how the Group will raise future capital will depend on market conditions existing at that time.

Maturities of financial liabilities

The table below analyses the Group's financial liabilities into relevant maturity groupings based on the remaining period at the reporting date to the contractual maturity date. The amounts disclosed in the table are the contractual undiscounted cash flows.

16 FINANCIAL AND CAPITAL RISK MANAGEMENT (continued)

	Less than 6 months $	6 - 12 months $	1 - 5 years $	Over 5 years $	Total contractual cash flows $	Carrying amount of liabilities $
At 30 June 2022						
Trade and other payables	382,790	-	-	-	382,790	382,790
Lease liabilities	25,275	25,275	-	-	50,550	47,984
At 30 June 2021						
Trade and other payables	42,418	-	-	-	42,418	42,418
Lease liabilities	17,417	17,417	-	-	34,834	33,357

(d) Capital risk management

The Group's objective when managing capital is to safeguard the ability to continue as a going concern. This is to provide returns for shareholders, benefits for other stakeholders and to maintain an optimal capital structure to reduce the cost of capital.

The Board monitors capital on an ad-hoc basis. No formal targets are in place for return on capital, or gearing ratios, as the Group has not derived any income from operations.

17 CRITICAL ACCOUNTING ESTIMATES AND JUDGEMENTS

The preparation of the financial statements requires the use of accounting estimates which, by definition, will seldom equal the actual results. Management also needs to exercise judgement in applying the Group's accounting policies.

This Note provides an overview of the areas that involved a higher degree of judgement or complexity and items which are more likely to be materially adjusted. Detailed information about each of these estimates and judgements is included in the Notes together with information about the basis of calculation for each affected line item in the financial statements.

Significant accounting estimates and judgements

The areas involving significant estimates or judgements are:

- Recognition of deferred tax asset for carried forward tax losses — Note 4;
- Capitalisation of exploration and evaluation expenditure – Note 7
- Impairment of capitalised of exploration and evaluation expenditure - Note 7;
- Classification of financial assets through profit or loss – Note 8;
- Estimation of fair value of share-based payments – Note 15;
- Probability of vesting conditions being achieved– Note 15.

Estimates and judgements are continually evaluated. They are based on historical experience and other factors, including expectations of future events that may have a financial impact on the entity and that are believed to be reasonable under the circumstances.

There have been no actual adjustments this year as a result of an error and of changes to previous estimates.

18 TENEMENT EXPENDITURES CONDITIONS AND LEASING COMMITMENTS

The consolidated entity has minimum statutory commitments as conditions of tenure of certain mining tenements. In addition, it has commitments to perform and expend funds towards retaining an interest in formalised agreements with partners. If all existing areas of interest were maintained on the terms in place at 30 June 2022, the Directors estimate the minimum expenditure commitment for the ensuing twelve months to be $2,073,129 (30 June 2021: $1,774,458). However, the Directors consider that the actual commitment is likely to be less as these commitments are reduced continuously by such items as exemption applications to the Department of Geological Survey and Mines, Uganda and the Department of Mines, Industry and Safety, Western Australia, withdrawal from tenements, and other farm-out transactions. In any event these expenditures do not represent genuine commitments as the ground can always be surrendered in lieu of payment of commitments. This estimate may be varied as a result of the granting of applications for exemption.

The Company has the ability to diminish its exposure under these commitments through the application of a variety of techniques including applying for exemptions from the regulatory expenditure obligations, surrendering tenements, relinquishing portions of tenements or entering into farm-out agreements whereby third parties bear the burdens of such obligation in whole or in part.

Australian Projects

The Group has certain obligations to perform minimum exploration work on tenements held. These obligations may vary over time, depending on the Group's exploration programmes and priorities. As at reporting date, total exploration expenditure commitments on tenements held is shown in the above table. These obligations are also subject to variations by farm-out arrangements, dilution with current partners or sale of the relevant tenements.

Ugandan Projects

The Group has minimum obligations for expenditure under the retention license being 1 years Work Programme.

19 (LOSS)/EARNINGS PER SHARE

	2022	2021
Basic and diluted (loss)/earnings per share		
Net (loss)/profit after tax attributable to the members of the Company	$ (2,631,679)	$ (2,367,751)
Weighted average number of ordinary shares	198,592,554	169,909,265
Basic and diluted (loss)/earnings per share (cents)	(1.33)	(1.39)
Net (loss)/profit after tax attributable to the members of the Company	$ (2,631,679)	$ (2,367,751)
Weighted average number of ordinary shares	198,592,554	169,909,265
Adjustments for calculation of diluted earnings per share		
Options	-	-
Weighted average number of ordinary shares and potential ordinary shares	-	-
Diluted (loss)/earnings per share (cents)	(1.33)	(1.39)

Nil options (2021: Nil) are considered to be potential ordinary shares and have not been included in the determination of diluted earnings per share as they are anti- dilutive for the periods presented. Details relating to the options are set out in Notes 15.

20 CONTINGENT LIABILITIES

(a) Contingent liabilities

Native Title

Tenements are commonly (but not invariably) affected by native title.

The Company is not in a position to assess the likely effect of any native title impacting the Company.

The existence of native title and heritage issues represent, as a general proposition, a serious threat to explorers and miners, not only in terms of delaying the grant of tenements and the progression of exploration development and mining operations, but also in terms of costs arising consequent upon dealing with aboriginal interest groups, claims for native title and the like.

As a general proposition, a tenement holder must obtain the consent of the owner of freehold before conducting operations on the freehold land. Unless it already has secured such rights, there can be no assurance that the Company will secure rights to access those portions (if any) of the Tenements encroaching freehold land but, importantly, native title is extinguished by the grant of freehold so if and whenever the Tenements encroach freehold the Company is in the position of not having to abide by the Native Title Act in respect of the area of encroachment albeit aboriginal heritage matters still be of concern.

The Group currently has no contingent liabilities as at 30 June 2022 (30 June 2021: Nil).

(b) Contingent assets

The Group has no contingent assets as at 30 June 2022 (30 June 2021: Nil).

Significant judgments

Contingencies & commitments

As the Group is subject to various laws and regulations in the jurisdictions in which it operates, significant judgment is required in determining whether any potential contingencies are required to be disclosed and/or whether any capital or operating leases require disclosure.

21 RELATED PARTY TRANSACTIONS

Transactions with related parties are on normal commercial terms and conditions no more favourable than those available to other parties unless otherwise stated.

Key management personnel compensation

	2022 $	2021 $
Short-term employee benefits	438,795	578,560
Post-employment benefits	36,672	124,060
Share-based payments	198,101	23,977
Other long-term benefits	-	-
	673,568	726,597

Detailed remuneration disclosures are provided within the remuneration report.

Parent entity

The ultimate parent entity and ultimate controlling party is Sipa Resources Limited (incorporated in Australia).

21 RELATED PARTY TRANSACTIONS (continued)

Subsidiaries

Interests in subsidiaries are set out in Note 24.

Transactions with related parties

Payment of fees

- Mr Craig McGown, Non-Executive Chair, is a Director of Resource Investment Capital Advisors Pty Ltd, which received Mr McGown's Director fees during the year. At year end the Company had an outstanding payable balance of $6,416 (ex GST) (30 June 2021: $3,958 (ex GST)).

Share-based payments

During the year the following options were granted:

- Mr Craig McGown was granted 1,000,000 options;
- Mr Pip Darvall was granted 8,000,000 options;
- Mr Tim Kennedy was granted 800,000 options;
- Mr John Forwood was granted 800,000 options.

Details of the valuation pertaining to the above-mentioned equity instruments are set out in Note 15.

There were no other related party transactions during the period.

22 RECONCILATION OF (LOSS)/PROFIT AFTER INCOME TAX TO NET CASH OUTFLOW FROM OPERATING ACTIVITIES

	2022 $	2021 $
Loss for the period	(2,631,679)	(2,367,751)
Add/(less) non-cash items:		
Depreciation	64,921	75,192
Leases	(31,122)	(29,815)
Share based payments	210,604	85,578
Foreign exchange (loss)/gain	946	360
Add/ (less) items classified as invested/financing activities:		
Proceeds from sale of plant and equipment	-	(1,000)
Fair value movement on investments held	-	239,626
Movement in deposits	-	(30,000)
Changes in assets and liabilities during the financial year:		
Decrease/(increase) in trade and other receivables	486,679	(395,008)
Increase in joint venture contributions	190,985	226,927
(Decrease)/increase in trade and other payables	243,280	(15,434)
Increase/(decrease) in employee provision	9,886	(159,153)
Net cash outflow used in operating activities	(1,455,500)	(2,370,478)

22 RECONCILATION OF LOSS AFTER INCOME TAX TO NET CASH OUTFLOW FROM OPERATING ACTIVITIES (continued)

(a) Non-cash investing and financing activities

	Note	2022 $	2021 $
Acquisition of Garden Gully project	7	-	100,000

23 EVENTS SUBSEQUENT TO REPORTING DATE

Subsequent to year end:

- On 26 July 2022, it was announced that Mr Rick Yeates was appointed to the Board as a Non-Executive Director, effective 1 August 2022.
- On 6 September 2022, Sipa advised that Blencowe Resources plc intends to withdraw from the Option Agreement over Sipa's Uganda Nickel-Copper Project to focus on its graphite project. During the 6 months it held the project under Option, Blencowe has reported that it completed a detailed airborne electro-magnetic survey over the Akelikongo prospect. Sipa intends to review this new data and re-commence discussions with other parties who had previously expressed interest in moving the project forward.

No other material matters have occurred subsequent to the end of the financial year which requires reporting on other than those which have been noted above or reported to ASX.

24 INTEREST IN OTHER ENTITIES

(a) Investments in controlled entities

The consolidated financial statements incorporate the assets, liabilities and results of the following subsidiaries in accordance with the accounting policy described in Note 27(a):

Name of entity	Country of incorporation	2022 Equity holding	2021 Equity holding
Sipa Exploration NL	Australia	100%	100%
Sipa Management Pty Ltd	Australia	100%	100%
Sipa East Africa Pty Ltd	Australia	100%	100%
SiGe East Africa Pty Ltd	Australia	100%	100%
Sipa Exploration Uganda Limited	Uganda	100%	100%
Sipa Resources Tanzania Limited	Tanzania	100%	100%

25 REMUNERATION OF AUDITORS

From time to time the Consolidated Entity may decide to employ an external auditor on assignments additional to their statutory audit duties where the auditor's expertise and experience with the Consolidated Entity are important. These assignments are principally tax advice and due diligence on acquisitions, which are awarded on a competitive basis. It is the Group's policy to seek competitive tenders for all major consulting projects.

No non-audit services have been provided during the period.

During the year, the following fees were paid or payable for services provided by the auditor of the parent entity, its related parties and non-related audit firms:

	2022 $	2021 $
(a) BDO Australia		
Audit and assurance services		
Audit and review of financial statements	42,233	35,852
Total fees	42,233	35,852

26 PARENT ENTITY INFORMATION

The following information relates to the parent entity, Sipa Resources Limited as at 30 June 2022. The information presented here has been prepared using consistent accounting policies as presented in Note 27.

(a) Summary of financial information

The individual aggregate financial information for the parent entity is shown in the table.

(b) Guarantees entered into by the parent entity

The parent entity did not have any guarantees as at 30 June 2022 or 30 June 2021.

(c) Contingent liabilities of the parent entity

Other than those disclosed in Note 20, the parent entity did not have any contingent liabilities as at 30 June 2022 or 30 June 2021.

(d) Contractual commitments for the acquisition of property, plant, and equipment

The parent entity did not have any contractual commitments for the acquisition of property, plant and equipment as at 30 June 2022 or 30 June 2021.

	Company	
	2022 $	2021 $
Financial position		
Current assets	2,765,952	3,032,928
Total assets	**3,531,534**	**3,886,123**
Current liabilities	-	-
Total liabilities	**-**	**-**
Equity		
Contributed equity	115,111,999	113,654,594
Reserves	1,671,778	1,461,175
Accumulated losses	(113,252,243)	(111,229,646)
Total equity	**3,531,534**	**3,886,123**
Financial performance		
Loss for the year	(2,022,597)	(2,554,506)
Total comprehensive profit/(loss)	**(2,022,597)**	**(2,554,506)**

27 STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES

Sipa Resources Limited (Company or Sipa) is a company incorporated in Australia whose shares are publicly traded on the Australian Securities Exchange. Sipa Resources Limited is the ultimate parent entity of the Group.

The consolidated financial statements of Sipa Resources Limited for the year ended 30 June 2022 comprise the Company and its controlled subsidiaries (together referred to as the Group and individually as Group entities).

Statement of compliance

These general-purpose financial statements have been prepared in accordance with Australian Accounting Standards, other authoritative pronouncements of the Australian Accounting Standards Board, Australian Accounting Group Interpretations, and the Corporations Act 2001. Sipa Resources Limited is a for-profit entity for the purpose of preparing the financial statements.

The consolidated financial statements of the Group also comply with International Financial Reporting Standards (IFRS) as issued by the International Accounting Standards Board (IASB).

Historical cost convention

These financial statements have been prepared on an accruals basis and are based on historical costs and do not take into account changing money values or, except where stated, current valuations of non-current assets. Cost is based on the fair values of the consideration given in exchange for assets.

Critical accounting estimates and significant judgments

The preparation of financial statements requires the use of certain critical accounting estimates. It also requires Management to exercise its judgment in the process of applying the Group's accounting policies. The areas involving a higher degree of judgment or complexity, or areas where assumptions and estimates are significant to the financial statements are disclosed within Note 17.

New and amended standards adopted by the Group

The Group has adopted all of the new and revised Standards and Interpretations issued by the AASB that are relevant to their operations and effective for the current annual reporting period.

Other amendments did not have any impact on the amounts recognised in prior periods and are not expected to significantly affect the current or future periods.

The adoption of all the new and revised Standards and Interpretations has not resulted in any changes to the Group's accounting policies and has no effect on the amounts reported for the current or prior years. However, the above standards have affected the disclosures in the notes to the financial statements.

New standards and interpretations not yet adopted

Certain new accounting standards and interpretations have been published that are not mandatory for 30 June 2022 reporting periods and have not been early adopted by the group. The group's assessment of the impact of these new standards and interpretations is set out below. These standards are not expected to have a material impact on the entity in the current or future reporting periods and on foreseeable future transactions.

Accounting policies

In order to assist in the understanding of the financial statements, the following summary explains the principal accounting policies that have been adopted in the preparation of the financial report. These policies have been applied consistently to all of the periods presented, unless otherwise stated.

(a) Basis of consolidation

The consolidated financial statements comprise the financial statements of the Company and its subsidiaries as at 30 June each year.

Control is achieved when the Group is exposed, or has rights, to variable returns from its involvement with the investee and has the ability to affect those returns through its power over the investee. Specifically, the Group controls an investee if and only if the Group has:

- Power over the investee (i.e., existing rights that give it the current ability to direct the relevant activities of the investee)
- Exposure, or rights, to variable returns from its involvement with the investee, and
- The ability to use its power over the investee to affect its returns.

When the Group has less than a majority of the voting or similar rights of an investee, the Group considers all relevant facts and circumstances in assessing whether it has power over an investee, including:

- The contractual arrangement with the other vote holders of the investee
- Rights arising from other contractual arrangements, and
- The Consolidated Entity's voting rights and potential voting rights.

The Group re-assesses whether or not it controls an investee if facts and circumstances indicate that there are changes to one or more of the three elements of control. Consolidation of a subsidiary begins when the Group obtains control over the subsidiary and ceases when the Group loses control of the subsidiary. Assets, liabilities, income, and expenses of a subsidiary acquired or disposed of during the year are included in the statement of comprehensive income from the date the Group gains control until the date the Group ceases to control the subsidiary.

When necessary, adjustments are made to the financial statements of subsidiaries to bring their accounting policies into line with the Group's accounting policies. All intra-Group assets and liabilities, equity, income, expenses, and cash flows relating to transactions between members of the Group are eliminated in full on consolidation.

(b) Going concern

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

(c) Segment Reporting

Operating segments are reported in a manner that is consistent with the internal reporting to the chief operating decision maker, which has been identified by the company as the Board.

(d) Foreign Currency Translation

Functional and presentation currency

Items included in the financial statements of the Group are measured using the currency of the primary economic environment in which the Group operates ('the functional currency). The consolidated financial statements are presented in Australian dollars, which is Sipa Resources Limited's functional and presentation currency.

Transactions and balances

Foreign currency transactions are translated into functional currency using the exchange rates prevailing at the dates of the transactions. Foreign currency monetary assets and liabilities at the reporting date are translated at the exchange rate existing at reporting date. Exchange differences are recognised in profit or loss in the period in which they arise.

No dividends were paid or proposed during the year.

Group companies

The results and financial position of foreign operations (none of which has the currency of a hyperinflationary economy) that have a functional currency different from the presentation currency are translated into the presentation currency as follows:

- assets and liabilities for each statement of financial position presented are translated at the closing rate at the date of that statement of financial position;
- income and expenses for each statement of profit or loss and other comprehensive income are translated at average exchange rates (unless this is not a reasonable approximation of the cumulative effect of the rates prevailing on the transaction dates, in which case income and expenses are translated at the dates of the transactions); and
- all resulting exchange differences are recognised in other comprehensive income.

On consolidation, exchange differences arising from the translation of any net investment in foreign entities, and of borrowings and other financial instruments designated as hedges of such investments, are recognised in other comprehensive income. When a foreign operation is sold or any borrowings forming part of the net investment are repaid, a proportionate share of such exchange difference is reclassified to profit or loss, as part of the gain or loss on sale where applicable.

Goodwill and fair value adjustments arising on the acquisition of a foreign operation are treated as assets and liabilities of the foreign operation and translated at the closing rate.

(e) Revenue and Other Income

Revenue from contracts with customers is recognised when a customer obtains control of the promised assets, and the Group satisfies its performance obligations under the contract. Revenue is allocated to each performance obligation. The Group considers the terms of the contract in determining the transaction price. The transaction price is based upon the amount the entity expects to be entitled to in exchange for the transferring of promised goods.

Management fee income

Sipa was paid a management fee ranging between 10% - 15% of expenditure incurred on behalf of joint venture parties. Revenue from providing services is recognised in the period in which the services are rendered.

Interest income

Interest income is recognised as the interest accrues (using the effective interest method, which is the method that exactly discounts estimated future cash receipts through the life of the financial asset) to the net carrying amount of the financial asset.

(f) Leases

The group leases office space and office equipment. Rental contracts can range from a period of month to month or up to-3 years.

Contracts may contain both lease and non-lease components. The group allocates the consideration in the contract to the lease and non-lease components based on their relative stand-alone prices. However, for leases of real estate for which the group is a lessee, it has elected not to separate lease and non-lease components and instead accounts for these as a single lease component.

Lease terms are negotiated on an individual basis and contain a wide range of different terms and conditions. The lease agreements do not impose any covenants other than the security interests in the leased assets that are held by the lessor. Leased assets may not be used as security for borrowing purposes.

Until the 2019 financial year, leases of property, plant and equipment were classified as either finance leases or operating leases, see Note 11 for details. From 1 July 2019, leases are recognised as a right-of-use asset and a corresponding liability at the date at which the leased asset is available for use by the group.

Assets and liabilities arising from a lease are initially measured on a present value basis. Lease liabilities include the net present value of the following lease payments:

- fixed payments (including in-substance fixed payments), less any lease incentives receivable

- variable lease payment that are based on an index or a rate, initially measured using the index or rate as at the commencement date
- amounts expected to be payable by the group under residual value guarantees
- the exercise price of a purchase option if the group is reasonably certain to exercise that option, and
- payments of penalties for terminating the lease, if the lease term reflects the group exercising that option.

Lease payments to be made under reasonably certain extension options are also included in the measurement of the liability.

The lease payments are discounted using the interest rate implicit in the lease. If that rate cannot be readily determined, which is generally the case for leases in the group, the lessee's incremental borrowing rate is used, being the rate that the individual lessee would have to pay to borrow the funds necessary to obtain an asset of similar value to the right-of-use asset in a similar economic environment with similar terms, security and conditions.

The group is exposed to potential future increases in variable lease payments based on an index or rate, which are not included in the lease liability until they take effect. When adjustments to lease payments based on an index or rate take effect, the lease liability is reassessed and adjusted against the right-of-use asset.

Lease payments are allocated between principal and finance cost. The finance cost is charged to profit or loss over the lease period so as to produce a constant periodic rate of interest on the remaining balance of the liability for each period.

Right-of-use assets are measured at cost comprising the following:

- the amount of the initial measurement of lease liability
- any lease payments made at or before the commencement date less any lease incentives received
- any initial direct costs, and
- restoration costs.

Right-of-use assets are generally depreciated over the shorter of the asset's useful life and the lease term on a straight- line basis. If the group is reasonably certain to exercise a purchase option, the right-of-use asset is depreciated over the underlying asset's useful life. While the group revalues its land and buildings that are presented within property, plant, and equipment, it has chosen not to do so for the right-of-use buildings held by the group. The Group did not have any Right of use assets during the financial year ended 30 June 2022.

Payments associated with short-term leases of equipment and vehicles and all leases of low-value assets are recognised on a straight-line basis as an expense in profit or loss. Short-term leases are leases with a lease term of 12 months or less. Low-value assets comprise minor office equipment.

(g) Cash and cash equivalents

Cash and cash equivalents in the Consolidated Statement of Financial Position comprise cash at bank and in hand and short-term deposits with an original maturity of three months or less.

For purposes of the Cash Flow Statement, cash and cash equivalents consist of cash and cash equivalents as defined above.

(h) Term deposits provided as security

Term deposits provided as security are classified as other receivables with an original maturity of three to twelve months or less.

(i) Trade and other receivables

Trade receivables are recognised initially at fair value and subsequently measured at amortised cost using the effective interest method, less provision for doubtful debts. Trade receivables are generally due for settlement within 30 – 90 days. They are presented as current assets unless collection is not expected for more than 12 months after the reporting date.

Collectability of trade receivables is reviewed on an ongoing basis.

(j) Derecognition of financial instruments

The derecognition of a financial instrument takes place when the Group no longer controls the contractual rights that comprise the financial instrument, which is normally the case when the instrument is sold, or all the cash flows attributable to the instrument are passed through to an independent third party.

(k) Impairment of non-financial assets

The Group assesses at each reporting date whether there is an indication that a non-financial asset may be impaired. If any such indication exists, or when annual impairment testing for an asset is required, the Group makes an estimate of the asset's recoverable amount. An asset's recoverable amount is the higher of its fair value less costs to dispose and its value in use and is determined for an individual asset, unless that asset does not generate cash inflows that are largely independent of those from other assets or groups of assets and the asset's value in use cannot be estimated to be close to its fair value. In such cases the asset is tested for impairment as part of the cash-generating unit (CGU) to which it belongs. When the carrying amount of an asset or cash-generating unit exceeds its recoverable amount, the asset or cash generating unit is considered impaired and is written down to its recoverable amount.

In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset or CGU. In determining fair value less costs of disposal, recent market transactions are taken into account. If no such transactions can be identified, an appropriate valuation model is used. These calculations are corroborated by valuation multiples or other available fair value indicators.

An assessment is also made at each reporting date as to whether there is any indication that previously recognised impairment losses may no longer exist or may have decreased. If such indication exists, the recoverable amount is estimated. A previously recognised impairment loss is reversed only if there has been a change in the estimates used to determine the asset's recoverable amount since the last impairment loss was recognised. If that is the case the carrying amount of the asset is increased to its recoverable amount. That increased amount cannot exceed the carrying amount that would have been determined, net of depreciation, had no impairment loss been recognised for the asset in prior years. Such reversal is recognised in profit or loss unless the asset is carried at revalued amount, in which case the reversal is treated as a revaluation increase. After such a reversal the depreciation charge is adjusted in future periods to allocate the asset's revised carrying amount, less any residual value, on a systematic basis over its remaining useful life.

(l) Income tax

Current tax assets and liabilities for the current and prior periods are measured at the amount expected to be recovered from or paid to the taxation authorities. The tax rates and tax laws used to compute the amount are those that are enacted or substantively enacted by the reporting date.

Deferred income tax is provided on all temporary differences at the reporting date between the tax bases of assets and liabilities and their carrying amounts for financial reporting purposes.

Deferred income tax liabilities are recognised for all taxable temporary differences except:

- when the deferred income tax liability arises from the initial recognition of goodwill or of an asset or liability in a transaction that is not a business combination and, at the time of the transaction, affects neither the accounting profit nor taxable profit or loss; or
- when the taxable temporary difference is associated with investments in subsidiaries, or interest in joint ventures and the timing of the reversal of the temporary difference can be controlled and it is probable that the temporary differences will not reverse in the foreseeable future.

Deferred income tax assets are recognised for all deductible temporary differences, carry-forward of unused tax assets and unused tax losses, to the extent that it is probable that taxable profit will be available against which the deductible temporary differences and the carry-forward of unused tax assets and unused tax losses can be utilised except:

- when the deferred income tax asset relating to the deductible temporary difference arises from the initial recognition of an asset or liability in a transaction that is not a business combination and, at the time of the transaction, affects neither the accounting profit nor taxable profit or loss; or
- when the deductible temporary difference is associated with investments in subsidiaries or interest in joint venture, in which case a deferred tax asset is only recognised to the extent that it is probable that the temporary differences will reverse in the foreseeable future and taxable profit will be available against which the temporary differences can be utilised.

Unrecognised deferred income tax assets are reassessed at each reporting date and are recognised to the extent that it has become probable that future taxable profit will allow the deferred tax asset to be recovered.

The carrying amount of deferred income tax assets is reviewed at each reporting date and reduced to the extent that it is no longer probable that sufficient taxable profit will be available to allow all or part of the deferred income tax asset to be utilised.

Deferred income tax assets and liabilities are measured at the tax rates that are expected to apply to the year when the asset is realised or the liability is settled, based on tax rates (and tax laws) that have been enacted or substantively enacted at the reporting date.

Income taxes relating to items recognised directly in equity are recognised in equity and not in the income statement.

Deferred tax assets and deferred tax liabilities are offset only if a legally enforceable right exists to set off current tax assets against current tax liabilities and the deferred tax liabilities relate to the same taxable entity and the same taxation authority.

(m) Good and Services Tax (GST)

Revenues, expenses, and assets are recognised net of the amount of GST except:

- when the GST incurred on a purchase of goods and services is not recoverable from the taxation authority, in which case the GST is recognised as part of the cost of acquisition of the asset or as part of the expense item as applicable, and
- receivables and payables are stated with the amount of GST included.

The net amount of GST recoverable from, or payable to, the taxation authority is included as part of receivables or payables in the Consolidated Statement of Financial Position.

Cash flows are included in the Cash Flow Statement on a gross basis and the GST component of cash flows arising from investing and financing activities, which is recoverable from, or payable to, the taxation authority are classified as operating cash flows. Commitments and contingencies are disclosed net of the amount of GST recoverable from, or payable to, the taxation authority.

(n) Plant and Equipment

Plant and equipment is carried at cost less accumulated depreciation and any accumulated impairment losses.

Depreciation is calculated on a straight-line basis over the estimated useful life of the asset which is 2-15 years for plant and equipment. The assets residual values, useful lives and depreciation methods are reviewed, and adjusted if appropriate, at each financial year end.

Derecognition

An item of plant and equipment is derecognised upon disposal or when no future economic benefits are expected to arise from the continued use of the asset.

Any gain or loss arising on derecognition of the asset (calculated as the difference between the net disposal proceeds and the carrying amount of the item) is included in the income statement in the period the item is derecognised.

(o) Exploration and Evaluation

Exploration and Evaluation expenditure

Exploration for and evaluation of mineral resources is the search for mineral resources after the entity has obtained legal rights to explore in a specific area as well as the determination of the technical feasibility and commercial viability of extracting mineral resource.

Exploration and evaluation expenditure incurred by or on behalf of the consolidated entity is accumulated separately for each prospect area.

Acquisition costs

Acquired exploration and evaluation expenditure is carried forward at cost where rights to tenure of the area of interest are current and;

- it is expected that expenditure will be recouped through successful development and exploitation of the area of interest or alternatively by its sale and/or;
- exploration and evaluation activities are continuing in an area of interest but at reporting date have not yet reached a stage which permits a reasonable assessment of the existence or otherwise of economically recoverable reserves.

Other costs

Exploration and evaluation expenditure are expensed to the profit or loss as incurred except when existence of a commercially viable oil and/or gas reserve has been established and it is anticipated that future economic benefits are more likely than not to be generated as a result of the expenditure.

(p) Investments and other financial assets

Classification

The group classifies its financial assets in the following measurement categories:

- Those to be measured subsequently at fair value (either through other comprehensive income or through profit or loss), and
- Those to be measured at amortised cost.

The classification depends on the entity's business model for managing the financial assets and the contractual terms of the cash flows.

For assets measured at fair value, gains and losses will either be recorded in profit or loss or other comprehensive income.

For investments in equity instruments that are not held for trading, this will depend on whether the group has made an irrevocable election at the time of initial recognition to account for the equity investment at fair value through other comprehensive income.

Recognition and derecognition

Regular way purchases and sales of financial assets are recognised on trade-date, the date on which the group commits to purchase or sell the asset. Financial assets are derecognised when the rights to receive cash flows from the financial assets have expired or have been transferred and the group has transferred substantially all the risks and rewards of ownership.

Measurement

At initial recognition, the group measures a financial asset at its fair value plus, in the case of a financial asset not at fair value through profit or loss (FVPL), transaction costs that are directly attributable to the acquisition of the financial asset. Transaction costs of financial assets carried at FVPL are expensed in profit or loss.

Financial assets with embedded derivatives are considered in their entirety when determining whether their cash flows are solely payment of principal and interest.

Measurement - Equity instruments

The group subsequently measures all equity investments at fair value. Where the group's management has elected to present fair value gains and losses on equity investments in OCI, there is no subsequent reclassification of fair value gains and losses to profit or loss following the derecognition of the investment. Dividends from such investments continue to be recognised in profit or loss as other income when the group's right to receive payments is established.

Changes in the fair value of financial assets at FVPL are recognised in other gains/(losses) in the statement of profit or loss as applicable. Impairment losses (and reversal of impairment losses) on equity investments measured at FVOCI are not reported separately from other changes in fair value.

Impairment

The group assesses on a forward-looking basis the expected credit losses associated with trade receivables. The group applies the simplified approach permitted by AASB 9, which requires expected lifetime losses to be recognised from initial recognition of the receivables. See Note 8 for further details.

(q) Trade and Other Payables

Trade payables and other payables are carried at amortised costs and represent liabilities for goods and services provided to the Group prior to the end of the financial year that are unpaid and arise when the Group becomes obliged to make future payments in respect of the purchase of these goods and services.

(r) Provisions

Provisions are recognised when the Group has a present obligation (legal or constructive) as a result of a past event, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation.

If the effect of the time value of money is material, provisions are determined by discounting the expected future cash flows at a pre-tax rate that reflects current market assessments of the time value of money and, where appropriate, the risks specific to the liability. When discounting is used, the increase in the provision due to the passage of time is recognised as a finance cost.

(s) Employee Benefits

Provision is made for amounts expected to be paid to employees of the Group in respect of their entitlement to annual leave and long service leave arising from services rendered by employees to the reporting date. Employee benefits due to be settled within one year arising from wage and salaries and annual leave have been measured at the amounts due to be paid when the liabilities are expected to be settled and included in provisions. Long service leave entitlements payable later than one year have been measured at the present value of the estimated future cash outflows to be made in respect of services provided by employees up to the reporting date. Under the terms of the Directors' Retirement Scheme (applicable to non-executive directors only), approved by a meeting of shareholders, provision has been made for the retirement or loss of office of eligible non-executive Directors of Sipa Resources Limited.

(t) Share-based payment transactions

The Group provides benefits to employees (including executive directors) of the Group in the form of share-based payments, whereby employees render services in exchange for shares or rights over shares ('equity-settled transactions'). Equity-settled transactions with employees and directors are administered through the Sipa Resources Employee Share Option Plan which was approved by shareholders.

The cost of these equity-settled transactions with participants is measured by reference to the fair value of the equity instruments at the date at which they are granted using an appropriate valuation model, further details of which are given in Note 15.

The cost of equity-settled transactions is recognised, together with a corresponding increase in equity, over the period in which the performance conditions are fulfilled, ending on the date on which the relevant employees become fully entitled to the award ('vesting date').

The cumulative expense recognised for equity-settled transactions at each reporting date until vesting date reflects (i) the extent to which the vesting period has expired and (ii) the Group's best estimate of the number of equity instruments that will ultimately vest. The income statement charge or credit for a period represents the movement in cumulative expense recognised at the beginning and end of that period.

No expense is recognised for awards that do not ultimately vest, except for awards where vesting is only conditional upon a market condition.

If the terms of an equity-settled award are modified, as a minimum an expense is recognised as if the terms had not been modified. In addition, an expense is recognised for any modification that increases the total fair value of the share-based payment arrangement or is otherwise beneficial to the employee, as measured at the date of modification.

If an equity-settled award is cancelled (other than for reason of forfeiture), it is treated as if it had vested on the date of cancellation, and any expense not yet recognised for the award is recognised immediately. However, if a new award is substituted for the cancelled award and designated as a replacement award on the date that it is granted, the cancelled and new award are treated as if they were a modification of the original award, as described in the previous paragraph.

The dilutive effect, if any, of outstanding options is reflected as additional share dilution in the computation of loss per share.

(u) Contributed Equity

Ordinary shares are classified as equity. Incremental costs directly attributable to the issue of new shares or options are shown in equity as a deduction, net of tax, from the proceeds.

(v) Profit/Loss Per Share

Basic EPS is calculated as net profit/loss attributable to members, adjusted to exclude costs of servicing equity (other than dividends), divided by the weighted average number of ordinary shares, adjusted for any bonus element.

Diluted EPS is calculated as net profit/loss attributable to members, adjusted for:

- costs of servicing equity (other than dividends);
- the after-tax effect of dividends and interest associated with dilutive potential ordinary shares that have been recognised as expenses; and
- other non-discretionary changes in revenues or expenses during the period that would result from the dilution of potential ordinary shares;
- divided by the weighted average number of ordinary shares and dilutive potential ordinary shares, adjusted for any bonus element.

(w) Government Grants

Government grants are recognised only where it is reasonably certain that the Group will comply with conditions attached to the grant. Grants are recognised as income over the periods necessary to match them with the related costs which they are intended to compensate, on a systematic basis.

(x) Dividends

No dividends were paid or proposed during the year.

(y) Comparatives

Comparative figures have been restated to conform with the current year's presentation. This has had no impact on the financial statements.

(z) Parent Entity Financial Information

The financial information for the parent entity, Sipa Resources Limited, disclosed in Note 26 has been prepared on the same basis as the consolidated financial statements except as set out below:

Investments in subsidiaries

Investments in subsidiaries are accounted for at cost and subject to an annual impairment review.

DIRECTORS' DECLARATION

The Directors of the Group declare that:

1. the accompanying financial statements and notes are in accordance with the *Corporations Act 2001* and:

   (a) comply with Australian Accounting Standards and the *Corporations Act 2001*;

   (b) give a true and fair view of the financial position as at 30 June 2022 and performance for the year ended on that date of the Group; and

   (c) the audited remuneration disclosures set out in the Remuneration Report section of the Directors' Report for the year ended 30 June 2022 complies with section 300A of the *Corporations Act 2001*;

2. the Chief Financial Officer has declared pursuant to section 295A.(2) of the *Corporations Act 2001* that:

   (a) the financial records of the Group for the financial year have been properly maintained in accordance with section 286 of the *Corporations Act 2001*;

   (b) the financial statements and the notes for the financial year comply with Australian Accounting Standards; and

   (c) the financial statements and notes for the financial year give a true and fair view;

3. in the Directors' opinion, there are reasonable grounds to believe that the Group will be able to pay its debts as and when they become due and payable;

4. the Directors have included in the notes to the financial statements an explicit and unreserved statement of compliance with International Financial Reporting Standards.

This declaration is made in accordance with a resolution of the Board of Directors.

Pip Darvall
Managing Director

Perth
28 September 2022

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INDEPENDENT AUDITOR'S REPORT

To the members of Sipa Resources Limited

Report on the Audit of the Financial Report

Opinion

We have audited the financial report of Sipa Resources Limited (the Company) and its subsidiaries (the Group), which comprises the consolidated statement of financial position as at 30 June 2022, the consolidated statement of profit or loss and other comprehensive income, the consolidated statement of changes in equity and the consolidated statement of cash flows for the year then ended, and notes to the financial report, including a summary of significant accounting policies and the directors' declaration.

In our opinion the accompanying financial report of the Group, is 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 2022 and of its financial performance for the year ended on that date; and

(ii) Complying with Australian Accounting Standards and the *Corporations Regulations 2001*.

Basis for opinion

We 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 *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 other ethical responsibilities 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 time 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.

Key audit matters

Key audit matters are those matters that, in our professional judgement, were of most significance in our audit of the financial report of the current period. These matters were addressed in the context of our audit of the financial report as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

Accounting for share-based payments

Key audit matter	*How the matter was addressed in our audit*
During the financial period ended 30 June 2022, the Group issued options to key management personnel, which have been accounted for as share-based payments. Refer to Note 15 of the financial report for a description of the significant estimates and judgements applied to these arrangements. Share-based payments are a complex accounting area and due to the complex and judgemental estimates used in determining the fair value of the share-based payments, we consider the Group's calculation of the share-based payment expense to be a key audit matter.	Our procedures included, but were not limited to the following: • Reviewing relevant supporting documentation to obtain an understanding of the contractual nature and terms and conditions of the share-based payment arrangements; • Holding discussions with management to understand the share-based payment transactions in place; • Reviewing management's determination of the fair value of the share-based payments granted, considering the appropriateness of the valuation models used and assessing the valuation inputs; • Involving our valuation specialists, to assess the reasonableness of management's valuation method and inputs, including volatility; and • Assessing the reasonableness of the share-based payment expense. We also assessed the adequacy of the related disclosures in Note 15 to the financial statements.

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 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 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 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 ability of the group 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 Group or to cease operations, or has 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 this financial report.

A further description of our responsibilities for the audit of the financial report is located at the Auditing and Assurance Standards Board website (http://www.auasb.gov.au/Home.aspx) at:

https://www.auasb.gov.au/admin/file/content102/c3/ar1_2020.pdf

This description forms part of our auditor's report.

Report on the Remuneration Report

Opinion on the Remuneration Report

We have audited the Remuneration Report included in pages 16 to 23 of the directors' report for the year ended 30 June 2022.

In our opinion, the Remuneration Report of Sipa Resources Limited, for the year ended 30 June 2022, complies with section 300A of the *Corporations Act 2001*.

Responsibilities

The directors of the Company are responsible for the preparation and presentation of the Remuneration Report in accordance with section 300A of the *Corporations Act 2001*. Our responsibility is to express an opinion on the Remuneration Report, based on our audit conducted in accordance with Australian Auditing Standards.

BDO Audit (WA) Pty Ltd

BDO

Glyn O'Brien

Glyn O'Brien

Director

Perth

28 September 2022

ADDITIONAL INFORMAITON

The following additional information is required by the Australian Securities Exchange Ltd in respect of listed public companies only.

Information as at 23 August 2022.

Distribution of Shareholders

Category (Size of Holding)	Number of Holders	Fully Paid Ordinary Shares	%
1 to 1,000	1,213	551,172	0.27
1,001 to 5,000	1,087	2,776,489	1.35
5,001 to 10,000	416	3,154,406	1.54
10,001 to 100,000	968	34,341,206	16.75
100,001 and over	258	164,201,530	80.09
Total	**3,942**	**205,024,803**	**100.00**

Unmarketable Parcels

The number of shareholdings held in less than marketable parcels is 2,770 holders holding 7,054,266 shares.

Substantial shareholders:

The names of the substantial shareholders listed in the Company's register as at 23 August 2022

Shareholder Name	Number of Shares	% of Issued Share Capital
RODIV NSW P/L <RODIV PENSION FUND A/C>	30,793,649	15.02
SANDHURST TRUSTEES LTD <JMFG CONSOL A/C>	17,876,505	8.72

Twenty largest shareholders – Quoted fully paid ordinary shares:

	Shareholder Name	Number of Shares	% of Issued Share Capital
1.	RODIV NSW P/L <RODIV PENSION FUND A/C>	30,793,649	15.02
2.	SANDHURST TRUSTEES LTD <JMFG CONSOL A/C>	17,876,505	8.72
3.	EQUITY TRUSTEES LIMITED <LOWELL RESOURCES FUND A/C>	4,478,432	2.18
4.	MR GAVIN JEREMY DUNHILL	4,400,000	2.15
5.	MOGGS CREEK PTY LTD <MOGGS CREEK SUPER A/C>	3,719,144	1.81
6.	MR JEREMY DOMINIC KALMUND	3,153,120	1.54
7.	MR ATHUR JOHN CONOMOS	2,951,000	1.44
8.	RIO TINTO EXPLORATION PTY LIMITED	2,500,000	1.22
9.	MISS ESTHER LIMANTO	2,265,114	1.10
10.	SUPERFUZE PTY LTD <KALJER SUPER FUND A/C>	2,103,034	1.03
11.	WIP FUNDS MANAGEMENT PTY LTD <PORTER FAMILY S/F A/C>	2,100,000	1.02
12.	SANCOAST PTY LTD	2,000,000	0.98
13.	MR LINCOLN TOPHAM + MS PAULINE TOPHAM	1,812,618	0.88
14.	RYTECH PTY LTD <RYTECH PTY LTD S/F A/C>	1,750,000	0.85

ADDITIONAL INFORMAITON

	Shareholder Name	Number of Shares	% of Issued Share Capital
15.	EVOLUS PTY LTD <THE SUSHAMES S/F A/C>	1,709,295	0.83
16.	MIRAMAR RESOURCES LIMITED	1,694,915	0.83
17.	EVERBRIGHT ACCOUNTING SERVICES PTY LTD <THE ZHANG FAMILY A/C>	1,681,154	0.82
18.	MIXEL PTY LTD <DARVALL S/F A/C>	1,385,957	0.68
19.	CITICORP NOMINEES PTY LIMITED	1,316,459	0.64
20.	RALLOU PTY LTD <MASSEY CHARITABLE A/C>	1,225,628	0.60
	Totals: Top 20 holders of ORDINARY FULLY PAID SHARES (Total)	**90,916,024**	**44.34**
	Total Remaining Holders Balance	**114,108,779**	**55.66**

Unquoted Securities

Unquoted Equity Security Holders with Greater than 20% of an Individual Class

UNLISTED OPTIONS EXPIRING 19/04/2024 @ $0.11

Rank	Name	Units	% Units
1	MR DAVID FREEMAN	500,000	100.00

UNLISTED OPTIONS EXPIRING 31/01/2023 @ $0.15

Rank	Name	Units	% Units
1	ELMIX PTY LTD <WESTERN DARVALL FAMILY A/C>	2,000,000	100.00

UNLISTED EMPLOYEE OPTIONS EXPIRNG 18/11/2023 @ $0.102

Rank	Name	Units	% Units
1	ELMIX PTY LTD <WESTERN DARVALL FAMILY A/C>	459,167	100.00

UNLISTED OPTIONS EXPIRING 24/11/2023 @ $0.13

Rank	Name	Units	% Units
1	MS TARA ROBSON	562,500	75.00
2	MR PAUL PARKER	187,500	25.00

UNLISTED OPTIONS EXPIRING 26/11/2025 @ $0.214

Rank	Name	Units	% Units
1	ELMIX PTY LTD <WESTERN DARVALL FAMILY A/C>	2,000,000	75.47

UNLISTED OPTIONS EXPIRING 26/11/2025 @ $0.174

Rank	Name	Units	% Units
1	ELMIX PTY LTD <WESTERN DARVALL FAMILY A/C>	2,000,000	75.47

ADDITIONAL INFORMAITON

UNLISTED OPTIONS EXPIRING 26/11/2025 @ $0.134

Rank	Name	Units	% Units
1	ELMIX PTY LTD <WESTERN DARVALL FAMILY A/C>	2,000,000	75.47

UNLISTED OPTIONS EXPIRING 26/11/2025 @ $0.093

Rank	Name	Units	% Units
1	ELMIX PTY LTD <WESTERN DARVALL FAMILY A/C>	2,000,000	75.47

UNLISTED OPTIONS EXPIRING 25/1/2026 @ $0.10

Rank	Name	Units	% Units
1	MR DAVID FREEMAN	500,000	100.00

Buy-Back Plans

The Company does not have any current on-market buy-back plans.

Voting Rights

The voting rights attaching to ordinary shares are governed by the Constitution. On a show of hands every person present who is a Member or representative of a member shall have one vote and on a poll, every member present in person or by proxy or by attorney or duly authorised representative shall have one vote for each fully paid ordinary share held. None of the options have any voting rights.

There are no voting rights attached to any class of options or performance rights that are on issue.

Restricted Securities

There are no restricted securities currently on issue.

Corporate Governance

Pursuant to the ASX Listing Rules, the Company's Corporate Governance Statement will be released in conjunction with this report. The Company's Corporate Governance Statement is available on the Company's website at: www.sipa.com.au