



CULPEO
MINERALS

ABN 72 627 735 531

Annual Report
for the year ended 30 June 2022

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CORPORATE DIRECTORY

Culpeo Minerals Limited is an Australian listed company focused on the acquisition, exploration and development of commercially significant copper projects in Chile. For more details visit www.culpeominerals.com.au.

DIRECTORS

Mr Geoffrey McNamara
(Non-Executive Chairman)

Mr Maxwell Tuesley
(Managing Director)

Mr Zeffron Reeves
(Non-Executive Director)

Mr Paul Schmiede
(Non-Executive Director)

JOINT COMPANY SECRETARIES

Ms Shannon Coates
Ms Sarah Wilson

REGISTERED OFFICE

Suite 5
62 Ord Street
WEST PERTH WA 6005

AUDITORS

RSM Australia Partners
Level 32 Exchange Tower
2 The Esplanade
PERTH WA 6000

SHARE REGISTRAR

Computershare Investor Services Pty Ltd
Level 11, 172 St Georges Terrace
PERTH WA 6000
Telephone: (08) 9323 2000
Website: www.computershare.com.au

SECURITIES EXCHANGE LISTING

Australian Securities Exchange Limited
(Home Exchange: PERTH, Western Australia)
Code: ASX: CPO
OTCQB: CPORF

Welcome to the 2022 and first Annual Report for Culpeo Minerals Limited ("Culpeo" or the "Company") (ASX:CPO), reflecting a successful first nine months as a publicly listed company following a successful listing on the ASX on 9 September 2021..

Your Company has assembled a significant portfolio of high-grade copper assets in the Coastal Cordillera of Chile. The Company is targeting proven district scale, under-explored mineralised systems, leveraging off existing infrastructure.

Following the successful Initial Public Offering ("IPO") of Culpeo, with an associated heavily-oversubscribed equity raising of \$6 million (before costs), the Company was fully funded to commence the initial phases of exploration at the Petacas Copper Project ("Petacas") and the Lana Corina Copper Project ("Lana Corina") in Chile.

Culpeo acquired Lana Corina in March 2022 in line with its strategy of targeting high-grade copper systems in the Coastal Cordillera of Chile. Drilling commenced immediately and results to date are very encouraging, pointing towards the discovery of a large copper mineralised system. To date mineralisation has been intersected by drilling over a footprint of 400m x 300m, extending from surface to a depth of over 400m and remains open in all directions. In addition, target generation work undertaken by the Company has identified a structural trend extending for over 1km in length and 400m wide where 13 additional targets have been identified. These targets are analogous to the setting of mineralisation that has been drilled at the project and are high priorities in the Company's future exploration plans.

In addition to Lana Corina, the Company is also fortunate to have had some early exploration success at the Quelon Project which is located 40km to the south of Lana Corina. Our geology team in Chile has identified a large 800m x 1,000m surface copper anomaly at the Anico prospect that is coincident with a strong Induced Polarisation (IP) geophysical anomaly, further geochemical sampling and mapping is planned prior to drill testing this exciting project in the coming months.

During the period expenditure commitments were achieved at both Las Petacas where the company has now earned a total of 66% of the project and also at Quelon where the company has earned 10% of the project.

I would like to thank our Managing Director Max Tuesley and our team at Culpeo Minerals whose focus has been executing our strategy in a safe, compliant, and sustainable way. Our reputation for our standards of operation are very important and this will continue to influence the way in which Culpeo Minerals conducts its business.

In closing, I would like to thank all shareholders for their confidence and positivity. I am sure you all share my enthusiasm for the ongoing and future exploration and development of what we are understanding to be a significant new copper project in Chile; the world's largest copper producing country.



Geoffrey McNamara
Non-Executive Chairman

Culpeo Minerals Limited

The Directors present their report, together with the financial statements, of the Consolidated Entity (referred to hereafter as the "Consolidated Entity" or the "Group") consisting of Culpeo Minerals Limited (referred to hereafter as the "Company", "Culpeo" or "Parent Entity") and the entities it controlled at the end of, or during, the financial year ended 30 June 2022.

Directors

Unless, otherwise stated, the following persons were Directors of Culpeo Minerals Limited during the whole of the financial year and up to the date of this report:

Mr Geoffrey McNamara	Non-Executive Chairman
Mr Maxwell Tuesley	Managing Director
Mr Zeffron Reeves	Non-Executive Director
Mr Paul Schmiede	Non-Executive Director

Information on Directors

Geoffrey McNamara Non-Executive Chairman

BSc (Applied Geology), AusIMM, FINSIA, AICD

Mr McNamara is a geologist with over 30 years' of international resource sector experience as a geologist, project manager and fund manager. Previously he worked in Private Equity (FUM USD800 million) and as a Director of Societe General's Mining Finance Team in New York. Operational roles include Project Manager, Senior Mine Geologist and Mine Geologist for Ivanhoe Mines, Lion Ore International and Western Mining Corporation. Currently Co-Founder & Non-Executive Director of Tesoro Gold Limited which discovered the El Zorro gold project in Chile. Mr McNamara holds a Bachelor's degree in Geology, a Graduate Diploma in Applied Finance and Investment from the Financial Services Institute of Australasia (FINSIA). He is a member of the Australian Institute of Company Directors ("AICD") and the Australasian Institute of Mining and Metallurgy. ("AusIMM").

Maxwell Tuesley Managing Director

BSc (Hons) (Econ Geol), AusIMM

Mr Tuesley is a highly experienced project manager and has spent over 25 years in grassroots, advanced mineral exploration and mine production, predominantly in gold, copper and base metals. He has worked in Australia, the Philippines, PNG, Laos, Mongolia and Sudan, including senior management positions at Glencore, B2Gold Corp and Metals Exploration Plc. Mr Tuesley holds an Honour's degree in Economic Geology from James Cook University in Australia and is a member of the AusIMM.

Zeffron Reeves Non-Executive Director

BSc (Hons) (Applied Geology), MBA, MAIG

Mr Reeves is a Geologist with over 20 years' experience in the resources sector working on resource projects from greenfield exploration, discovery, definition & feasibility, construction, production to closure. Currently Co-Founder & Managing Director of Tesoro Gold Limited which discovered the El Zorro gold project in Chile, he has also previously been Managing Director of ASX listed Metallum Ltd (now ERNG Elements Limited) and held senior management positions with Cleveland Mining Ltd and Ashburton Minerals Ltd, developing projects in Australia, Chile & Brazil. Mr Reeves has a Bachelor of Applied Geology (Honours), a Masters of Business Administration from Curtin University & is a member of the Australia Institute of Geoscientists.

Paul Schmiede Non-Executive Director

BEng (Mining), AusIMM

Mr Schmiede is a mining engineer with 25 years' experience in mining, exploration and corporate development. He has had direct exposure to gold base metal in a range of jurisdictions including Australia, Burkina Faso and DRC. His current role is Vice President Corporate Development for TSX-V and ASX listed Sarama Resources Ltd, which has development stage gold assets in Burkina Faso. Prior to that, Mr Schmiede was Vice President Operations Project Development at Moto Goldmines where he managed the pre-feasibility and definitive feasibility study for the 22 million ounce Democratic Republic of Congo based, Moto Gold Project (now Kibali Gold). Prior to joining Moto Goldmines, Mr Schmiede held senior operational and management positions with Gold Fields & WMC where he was responsible for underground & open pit operations as well as project development and planning. Mr Schmiede holds a First Class Mine Managers Certificate (WA), a Bachelor of Engineering (Mining) degree and is a Fellow of AusIMM.

Joint Company Secretaries

Shannon Coates

LLB, Bjuris, AGIA, ACIS, GAICD

Ms Coates is a qualified lawyer, Chartered Secretary and graduate of the AICD's Company Directors course. She has more than 25 years' experience in corporate law and compliance, is an Executive Director of national corporate advisory firm Emerson CoSec, and is currently company secretary and non-executive director to a number of ASX listed companies with a strong focus on resources.

Sarah Wilson

Ms Wilson is a Company Secretary with national corporate advisory firm Emerson CoSec and has over 10 years' experience in company secretarial, corporate advisory and corporate governance roles, which have included the provision of company secretarial services to a number of resource companies. Ms Wilson holds a Certificate in Governance Practice and is a Certified Member of the Governance Institute of Australia. She is currently company secretary to a number of ASX listed companies with a strong focus on resources.

Directorships of Other Listed Companies

Directorships of other listed companies held by Directors currently and in the 3 years immediately before the end of the financial year are as follows:

Director	Company	Period of Directorship
Geoffrey McNamara	Tesoro Gold Ltd	27 November 2017 - current
	Rincon Resources Ltd	07 August 2018 – 6 December 2021
	Cora Gold Ltd	09 October 2017-19 November 2019
	Alita Resources Ltd	14 December 2018 – 18 December 2019
Zeffron Reeves	Tesoro Gold Ltd	27 November 2017 - current
	Rincon Resources Ltd	07 August 2018 – 15 November 2021
Maxwell Tuesley	-	-
Paul Schmiede	-	-

Principal Activities

The principal activities of the Company and its subsidiaries are the acquisition, exploration and development of commercially significant copper resource projects in Chile.

Operating Results

The loss, after tax, attributable to the Group for the financial year ended 30 June 2022, amounted to \$2,065,803 (2021: \$1,182,269).

Dividends

No dividends were paid or declared since the start of the financial year. No recommendation for payment of dividends has been made.

Directors' Interests in Shares and Performance Rights

At the date of this report, the following represents the shares, options and performance rights holdings of the Directors of the Company:

	Ordinary shares		Performance Rights	
	Direct	Indirect	Direct	Indirect
Geoff McNamara ¹	-	5,686,665	-	700,000
Maxwell Tuesley	1,500,000	-	2,000,000	-
Zeffron Reeves ²	-	1,321,212	-	700,000
Paul Schmiede ³	-	432,500	-	700,000
Total	1,500,000	7,440,377	2,000,000	2,100,000

- 3,832,119 Fully Paid Ordinary shares and 700,000 performance rights are held by Tanamera Resources Pte Ltd (a company registered in Singapore). Geoffrey McNamara is the sole director and shareholder of Tanamera Resources Pte Ltd. 1,854,546 Fully Paid Ordinary shares are held by Linkwood Holdings Pte Ltd (a company registered in Singapore). Geoffrey McNamara is a director and substantial shareholder of Linkwood Holdings Pte Ltd.
- 1,321,212 Fully Paid Ordinary shares and 700,000 performance rights are held by Mr Zeffron Charles Reeves as trustee for the Palin Trust.
- 432,500 Fully Paid Ordinary shares are held by Vermiculite 987 Pty Ltd <Mzungu Superannuation Fund A/C>. Mr Schmiede is a director of Vermiculite 987 Pty Ltd and a beneficiary of the Mzungu Superannuation fund. 700,000 performance rights are held by Turquoise 987 Pty Ltd <Obsidian 987 Trust A/C>. Mr Schmiede is a director of Turquoise 987 Pty Ltd and a beneficiary of the Obsidian 987 Trust.

REVIEW OF OPERATIONS

Overview

Culpeo Minerals Limited is a copper exploration and development company with project interests in Chile, the world's largest copper producing country (Figure 1). The Company is focused on the exploration and development of high grade copper systems in the coastal Cordillera region.

Culpeo's key activities during the full-year period ended 30 June 2022 have been the acquisition of the Lana Corina Project ("Lana Corina"), where a significant drilling program is underway and exploration programs at both the Quelon Project ("Quelon") and the Las Petacas Project ("Las Petacas").



Figure 1 - Location of Culpeo Minerals Projects in Chile.

Lana Corina Project

Lana Corina is a high-grade copper project, hosting multiple outcropping copper bearing breccia pipes associated with a well mineralised porphyry intrusive. The Project is located 40km north of the Company's Quelon Project in the coastal Coquimbo region of Chile (Figure 2).

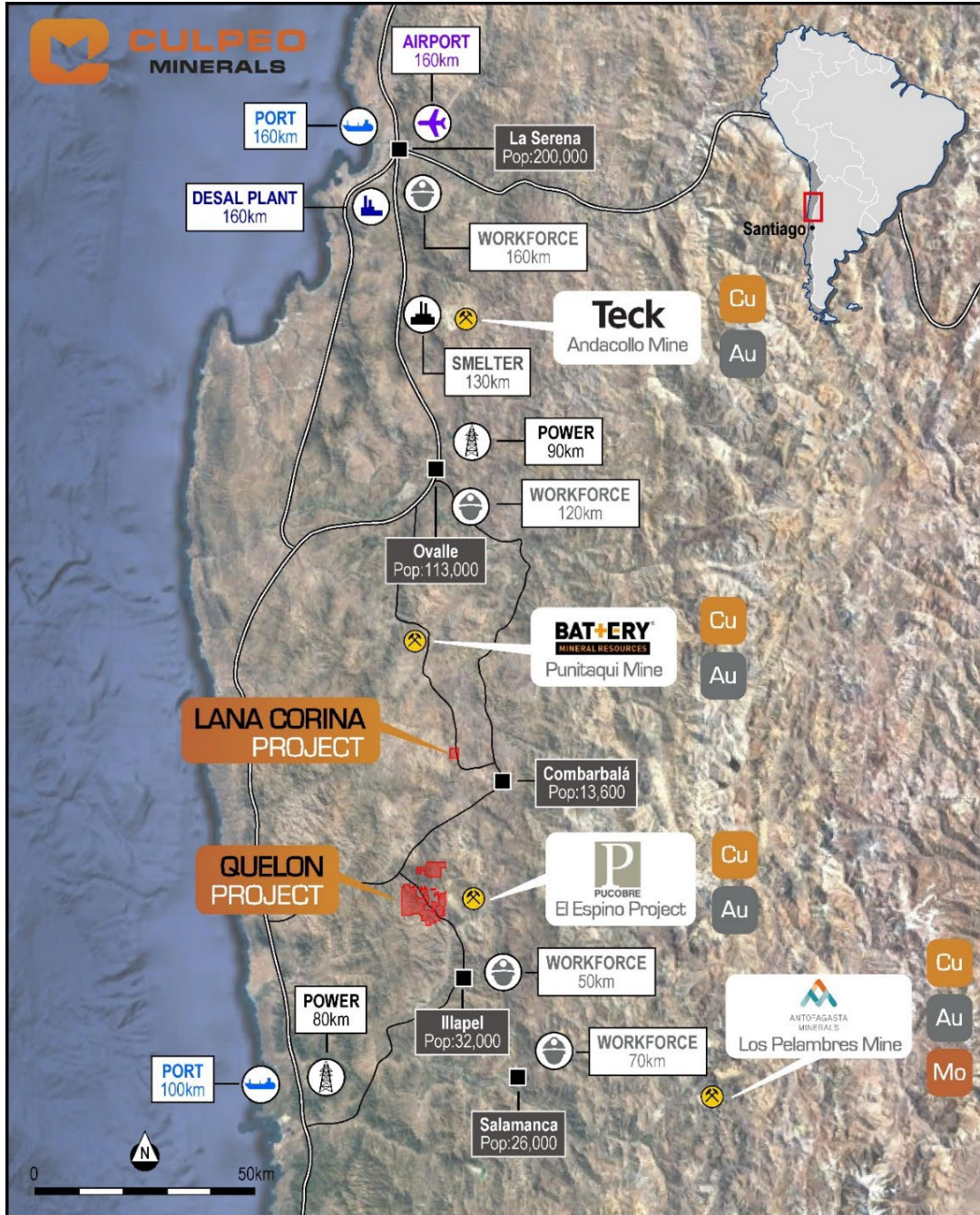


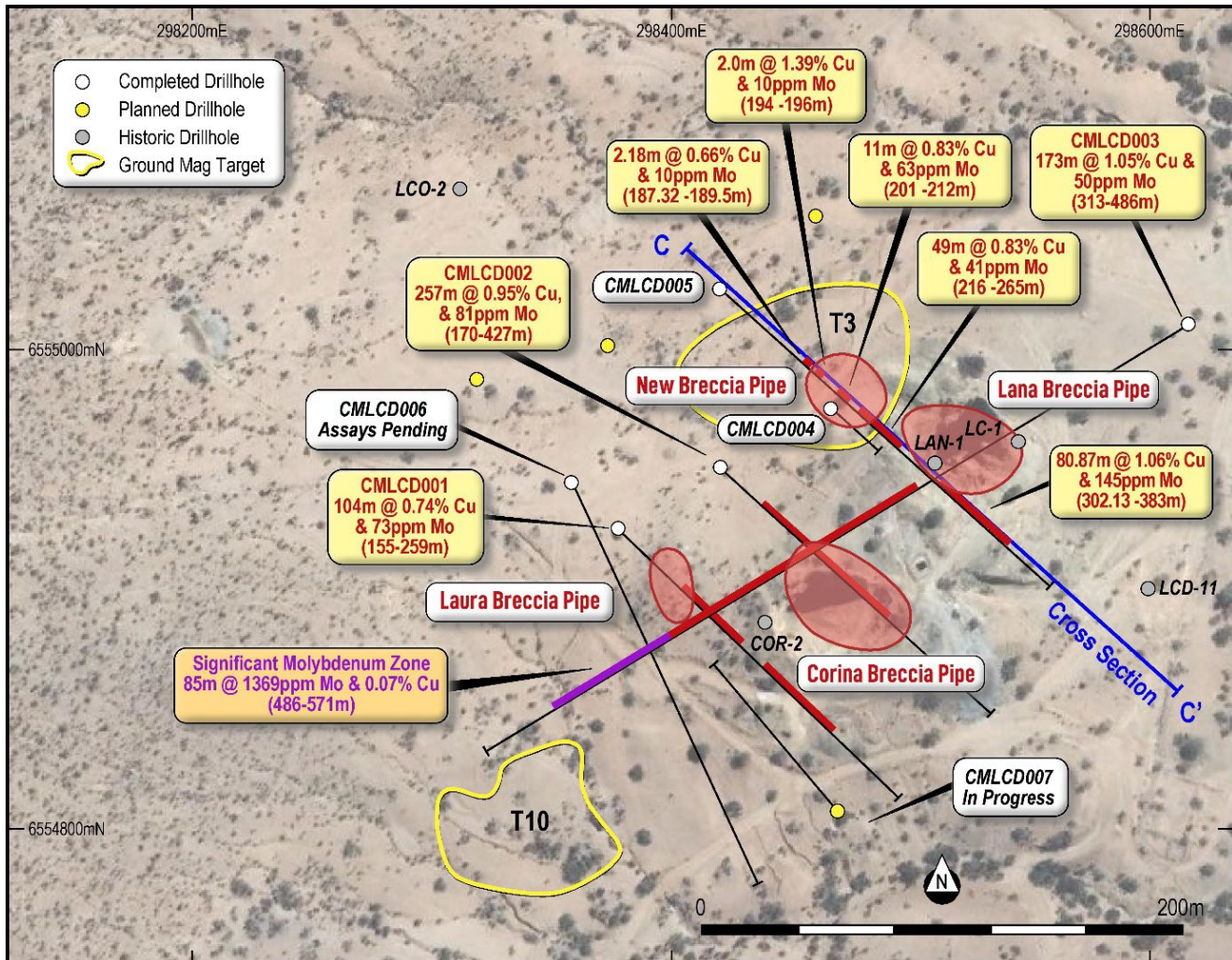
Figure 2 - Location of Lana Corina and Quelon Projects Showing Proximity to Infrastructure

Upon securing rights to earn up to 80% of the Lana Corina Project in March 2022 (ASX announcement 21 March 2022), Culpeo began a maiden drilling program to test high-grade copper mineralisation which outcrops at surface. The drilling program (Figure 3) aims to expand the mineralized footprint at the project and test the depth of mineralisation.

Lana Corina is in a prolific copper belt hosting multiple major deposits including Los Pelambres (6.1Bt @ 0.51% Cu, 0.016% Mo and 0.06g/t Au), Andacollo (250 Mt @ 0.62% Cu and 0.25g/t Au) and El Espino (123Mt @ 0.66% Cu and 0.24g/t Au).

Historic drilling intercepts included:

- **70m @ 1.23% Cu** from 0m in COR-2 (underground, breccia intercept);
- **154m @ 0.70% Cu** from 0m in LC-1 (underground, breccia intercept);
- **132m @ 0.56% Cu and 51ppm Mo** from 324m in LCO-1 (surface, porphyry intercept);
- **178m @ 0.72% Cu and 284ppm Mo** from 356m in LCO-2 (surface, porphyry intercept);
- **80m @ 0.67% Cu** from 0m in Lan-1 (underground, breccia intercept); and
- **207m @ 0.41% Cu and 124ppm Mo** from 274m in LCD-13 (surface porphyry intercept).



**Figure 3: Plan view showing position of drillholes and targeted breccia units
Datum PSAD56 / UTM 19S, (refer ASX announcement 20 June 2022)**

During the reporting period, Culpeo's principal focus has been the highly prospective Lana Corina Project where it planned a 9-hole diamond drilling program. As at 30 June 2022, five holes had been completed for a total of 3,950m. Results have exceeded expectations, with broad, high-grade copper intersections confirming Lana Corina has the potential to host a significant copper deposit.

The copper mineralisation encountered in drilling to date is dominated by chalcopyrite and associated with shallow breccia pipes as well as deeper high-grade porphyry hosted mineralisation (Figure 3 and 4).

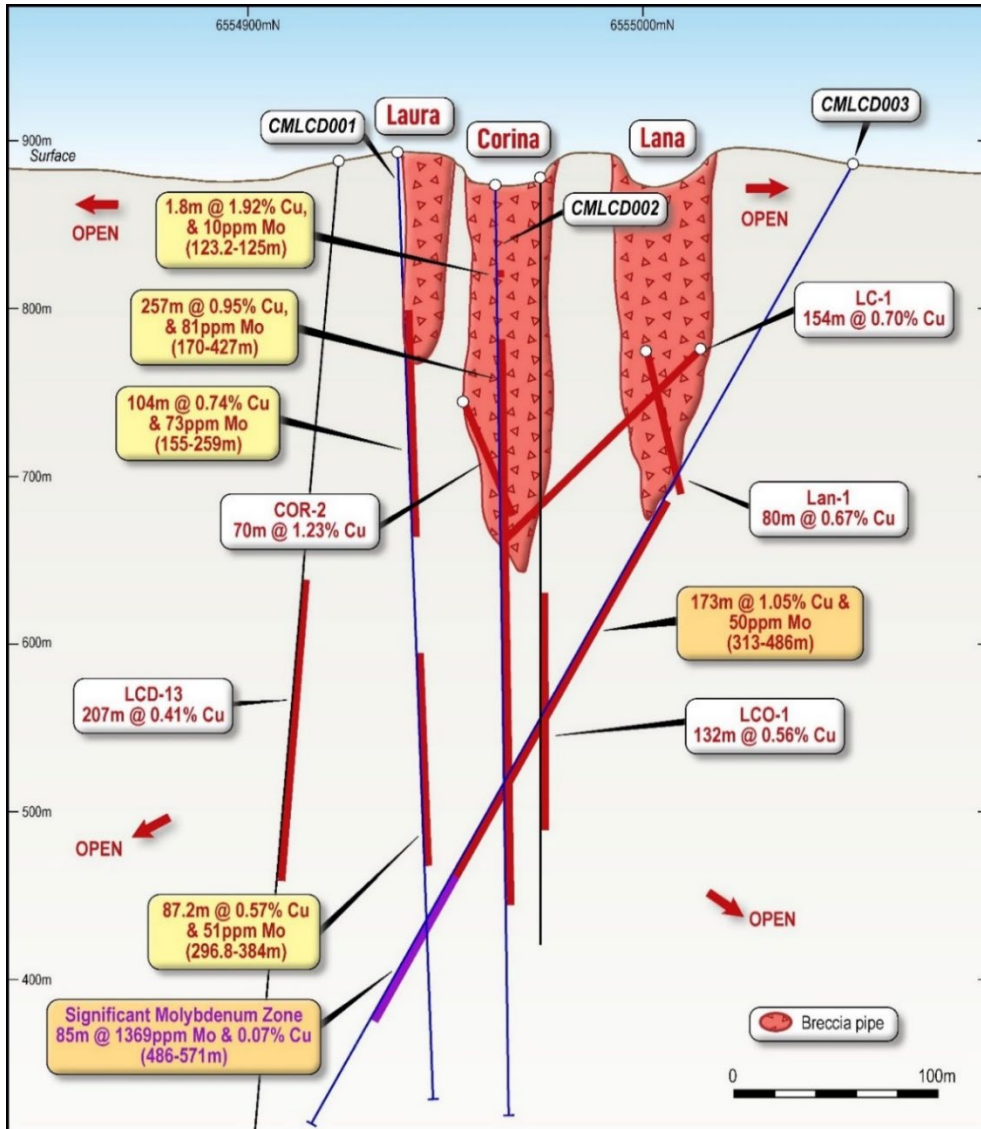


Figure 4: Long section view, looking north-west (+/- 100m) showing recent high-grade intercepts (refer ASX announcement 6 June 2022).

Post 30 June 2022, the Phase 1 drilling program was completed, with a total of 4,875m drilled. Field activities are now focused on low-cost mapping, sampling and interpretation to generate extensional and regional exploration targets.

Lana Corina occurs within a structural zone orientated along a northeast-southwest trend with >1,000m of strike and up to 400m wide. Assay results were reported during the period for diamond drillholes CMLCD001, CMLCD002, CMLCD003 and CMLCD005, all of which have returned significant copper grades over wide intervals (Table 1).

Hole_ID	From (m)	To (m)	Interval	Cu (%)	Mo (ppm)	Ag (g/t)	Au (g/t)
CMLCD001 ¹	155	259	104	0.74	73	4.8	0.02
CMLCD001 ¹	297	384	87	0.57	51	2.34	0.02
CMLCD002 ²	170	427	257	0.95	81	3.70	0.02
CMLCD003 ³	313	486	173	1.05	50	3	0.01
CMLCD003 ³	486	571	85	0.07	1367	0.5	0.003
CMLCD005 ⁴	216	265	49	0.83	41	4.2	0.03
CMLCD005 ⁴	302	383	81	1.06	145	5.3	0.02

Table 1: Significant Downhole Intersections 2022 Drilling Program

The discovery of shallow breccia-hosted copper mineralisation (Figure 5) within drillhole CMLCD005, coincident with a high-priority ground magnetic target (T3) has transformed the prospectivity of the north-west sector of the Lana-Corina-Laura mineralised zone.

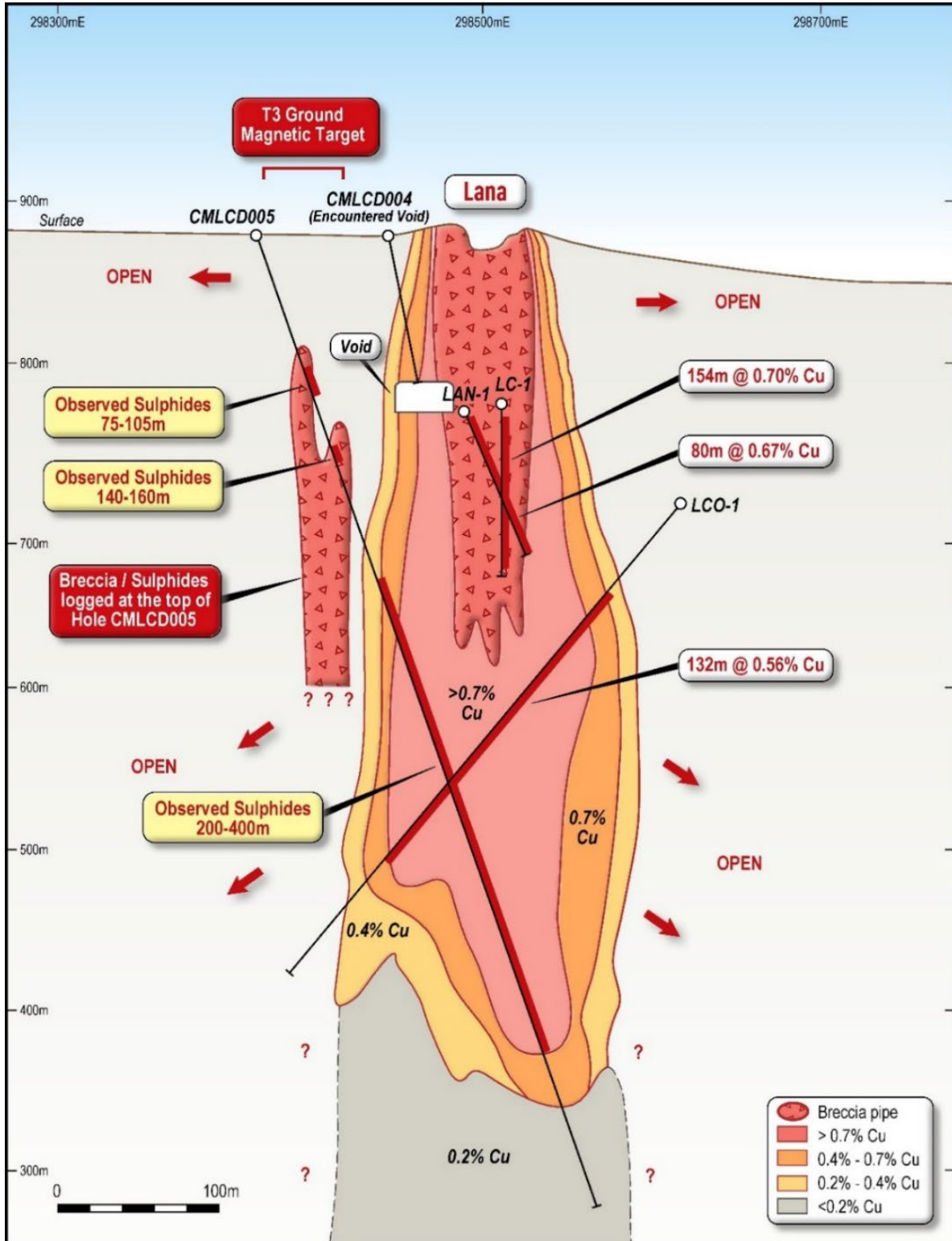


Figure 5: Cross section (+/- 100m) looking north (section C-C') showing position of drillholes and targeted breccia units (refer ASX announcement 20 June 2022).

Drilling confirmed that significant mineralisation continues below the known breccia pipes and is hosted within a porphyry which remains open at depth and laterally in multiple directions.

A deep, high-grade intercept of molybdenum rich mineralisation in CMLCD003 is particularly important as this style of mineralisation has not been encountered previously at the Project and highlights the potential for additional mineralisation to be located southwest of the main Lana-Corina-Laura ore zone.

During April 2022, the Company engaged Quantec Geoscience to conduct a ground-based magnetic survey designed to identify magnetite alteration zones, which occur peripheral to copper mineralisation and to assist targeting of additional breccia pipe targets for drill testing. Magnetite alteration has been identified at Lana Corina as being associated with the outer zone of porphyry hosted copper mineralisation. The survey covered 3.8km² with geophysical data being collected over 150 line km's at a 25m line spacing.

Interpretation of the ground magnetic survey combined with measured magnetic susceptibility of drill core has shown that mineralisation at the Project is located within areas of low magnetic response (de-magnetised zones).

The results of the survey were integrated with historical surface geochemical data and show a strong correlation between the newly defined targets and the areas of anomalous copper geochemistry at surface (Figure 6).

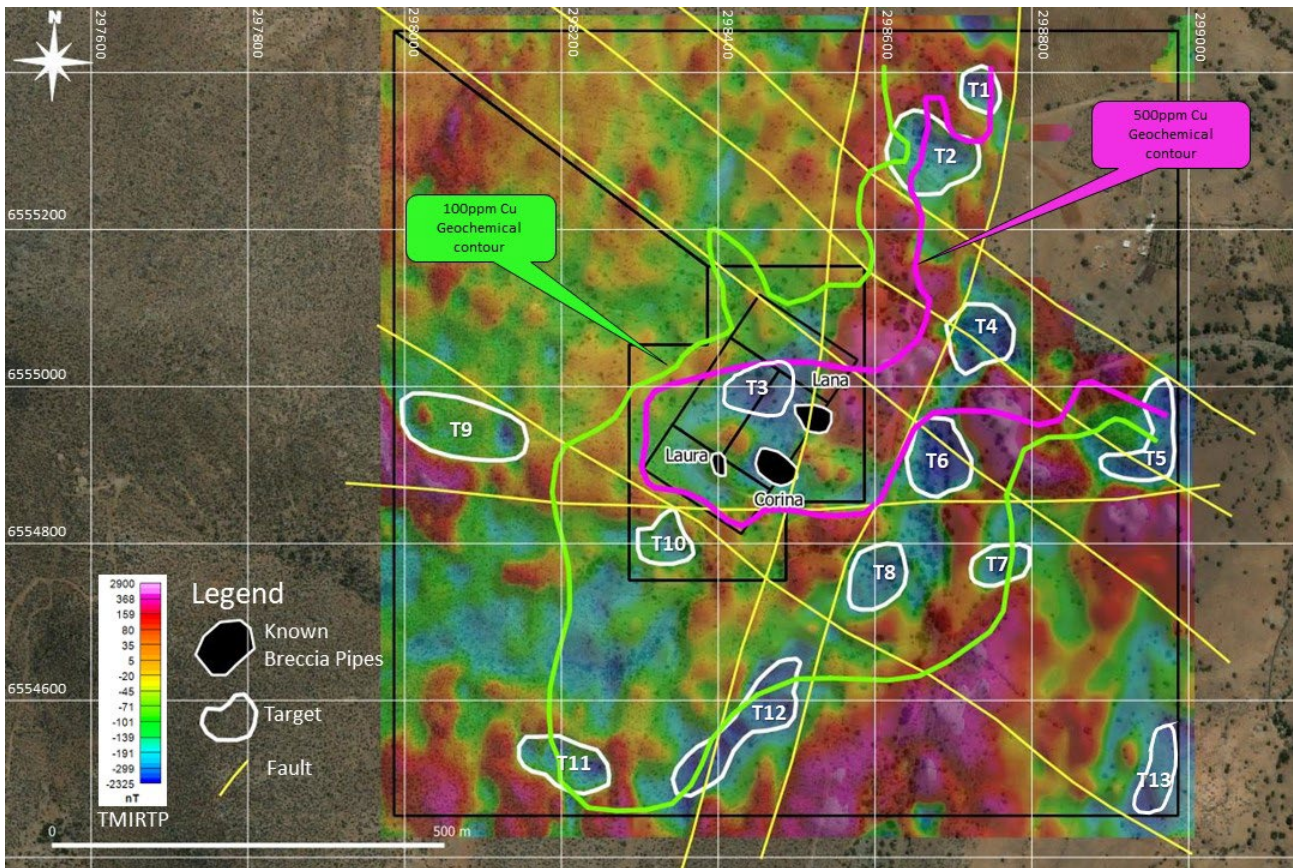


Figure 6: Plan view of the recently acquired ground magnetic data (high-pass filtered TMIRTP) integrated with historic geochemical data showing clear relationship between defined targets and anomalous copper geochemistry (refer ASX announcement 18 May 2022).

The high-resolution magnetic data significantly advances the interpretation of the subsurface geology and the definition of areas where the magnetic minerals in the host rock may have been altered by the mineralisation processes. The survey identified 13 new targets (Figure 6) of low magnetic response within a belt of predominantly high magnetic response, indicating potential destruction of magnetite typically associated with porphyry intrusions including the formation of breccia pipes and associated copper mineralisation. Several of the targets identified have dimensions two to three times the size of the breccia pipes discovered to date.

The key terms of the Lana Corina acquisition agreement (the **Agreement**) are summarised in Table 2 below.

Table 2: Lana Corina acquisition terms

Stage	Time (Months from Signing)	Cash Payment (US\$)	CPO Share Payment (US\$)	Work Commitment	Stage Acquisition Interest	Aggregate Culpeo Interest
1	Signing	100,000		N/A	0%	0%
2	12	150,000		Complete US\$1M expenditure	20%	20%
3	24	250,000		Complete US\$1M expenditure	30%	50%
4	36	800,000	750,000	N/A	15%	65%
5	60	1,650,000	1,000,000	N/A	15%	80%

The Agreement is structured as an option agreement, which gives Culpeo the right to acquire progressive equity interests in a holding company of the Project subject to the Company making, at its sole election, the requisite cash and share payments by prescribed dates. Assuming Culpeo satisfies all conditions, it will acquire an equity interest of 80% in the Project.

Quelon Project

The Quelon Project is located approximately 20km north of the City of Illapel, 240km north of Santiago and 40 km south of the Lana Corina Project (Figure 2).

Quelon is approximately 8km west of the El Espino Copper-Gold Project (123Mt @ 0.66% Cu and 0.24g/t Au, López et al., 2014) which is owned by the Chilean mining company Pucobre. Quelon consists of multiple outcropping copper targets with surface rock chip sampling having reported up to 3.0% Cu. Previous explorers conducted ground magnetic and IP surveys, with several drill ready targets identified, over a prospective strike length of 10km.

During the reporting period, modelling of a pole-dipole induced polarisation ("PDIP") geophysical survey undertaken by Culpeo (Figure 7). The survey comprised 8 survey lines totalling 14.9 line/km. The survey was designed to follow-up previously identified geophysical and remote sensing surveys. Results have generated three new copper exploration targets.

Five NNE-SSW oriented PDIP survey lines were completed at the Anico Au-Cu Prospect. The survey was designed to test a WNW-ESE striking high magnetic response and a high-amplitude chargeability anomaly defined by a 2018 IP survey. A single E-W oriented PDIP survey line (L10370) was also completed to assess IP responses associated with the western portion of the magnetic anomaly high.

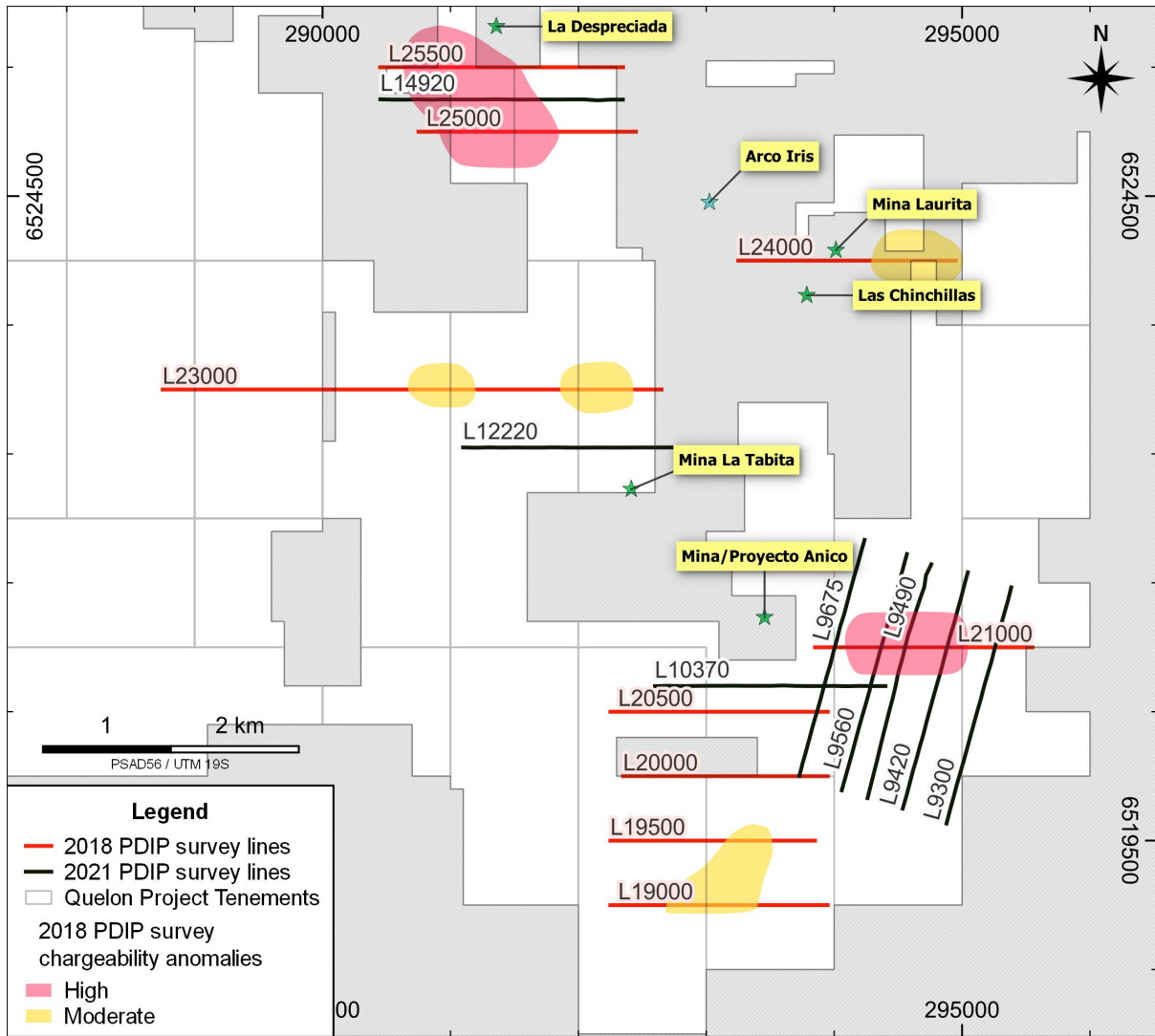


Figure 7: 2018 PDIP survey lines (red lines), chargeability anomalies (red and yellow shaded polygons) and 2021 PDIP survey (black lines) (refer ASX announcement 19 April 2022).

The Anico, La Tabita and La Despreciada Prospects were also surveyed with single PDIP lines and three significant PDIP anomaly targets, potentially related to IOCG or porphyry style hematite and sulphide mineralisation, have been identified.

The Anico Prospect is considered to be the highest priority for IOCG or porphyry style mineralisation, due to the elevated chargeability anomalies, proximal magnetic anomaly highs, and mapped alteration in outcrop (Figures 8 and 9).

Detailed field mapping of key prospect and PDIP target areas has been prioritised, and drill hole planning will be undertaken once all data is compiled.

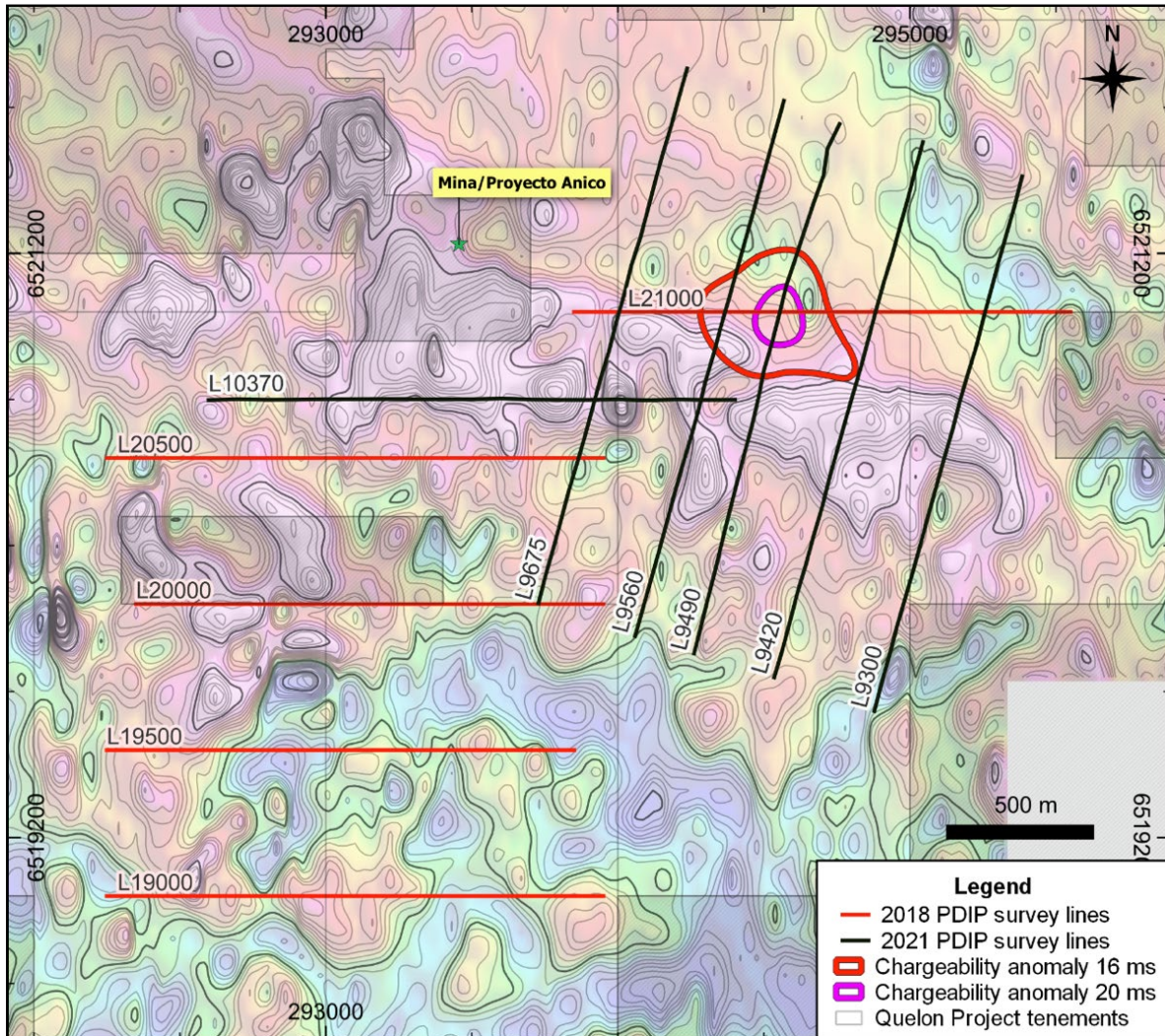


Figure 8: Filtered ground magnetic intensity anomaly image and contours for the Anico Prospect, overlain with 2018 and 2021 PDIP survey line locations and the outline of a high-amplitude chargeability target response projected to surface (refer ASX announcement 19 April 2022).

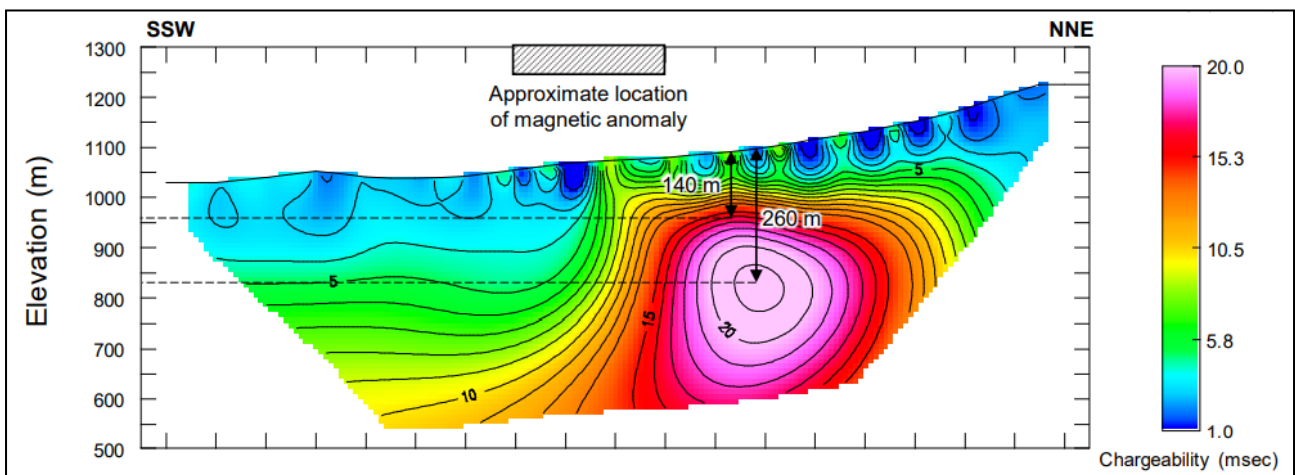


Figure 9: Chargeability inversion model cross section for PDIP data acquired along survey line L9490N at the Anico Prospect showing a strong anomaly for high priority drill targeting (refer ASX announcement 19 April 2022).

Culpeo Minerals has earned an initial 10% interest and has a right to earn up to 85% in the project.

Las Petacas Project

Las Petacas is located approximately 35km south of the city of Copiapo, in the Atacama Region of Chile, approximately 760km north of Santiago, the capital of Chile, and approximately 55km east of the Pacific Ocean coast (Figure 10). Access to Las Petacas is via an unsealed secondary road in good condition, approximately 10km from the main national highway.

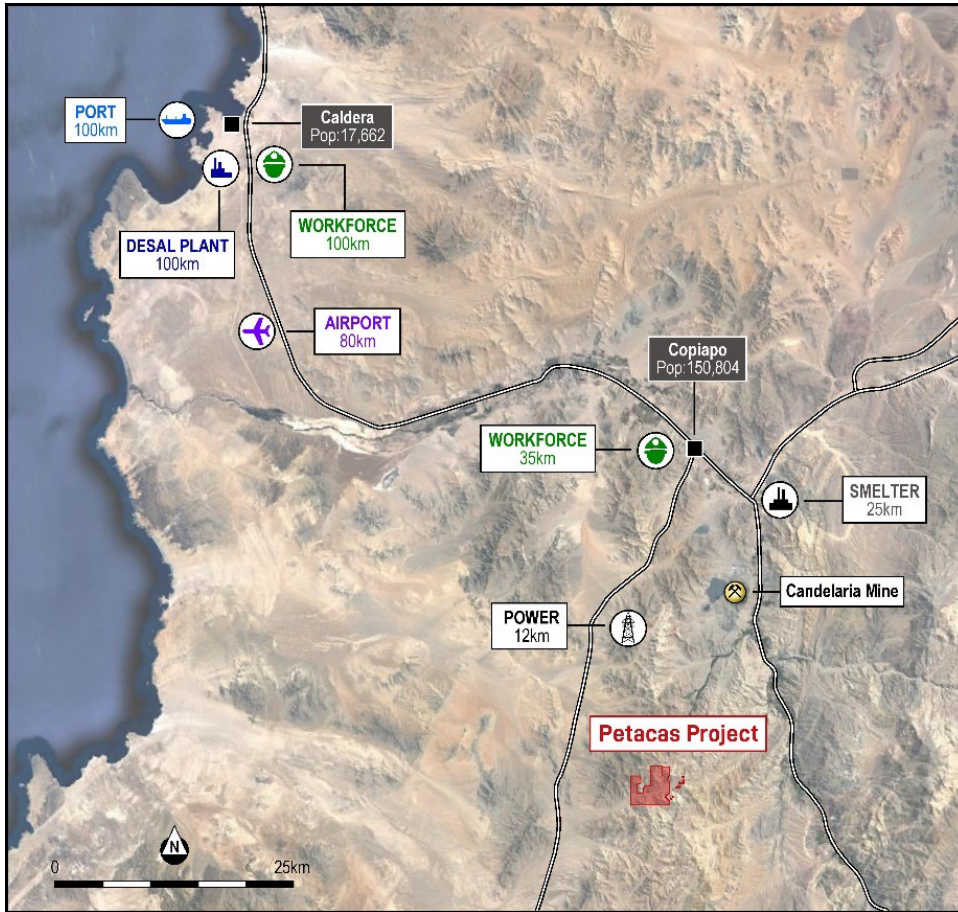


Figure 10 - Location of Las Petacas and Proximity to Infrastructure.

Las Petacas lies approximately 20km south south-west of the world-class Candelaria Iron Oxide Copper Gold (**IOCG**) deposit and within a well-recognised IOCG belt associated with the Atacama Fault zone.

Historic work at Las Petacas produced high quality mapping and surface geochemical targets and >17 km of drilling has to date identified five highly prospective areas.

Culpeo commenced an initial 3,000m diamond drilling program (Figure 11) at Las Petacas on 17 September 2021. The drilling program was designed to test zones of known high-grade copper mineralisation and high priority geophysical targets.

The drilling program at Las Petacas confirmed copper mineralisation (Figure 11) over a strike length of >500m within the >6km mineralised trend. Assay results are particularly significant at Peta 1 Prospect where mineralisation remains open at depth and along strike.

Eight diamond drillholes totalling 2,740m were drilled at Las Petacas, with five holes completed on the Peta 1 Prospect and three holes at the Diego Prospect targeting geophysical anomalies

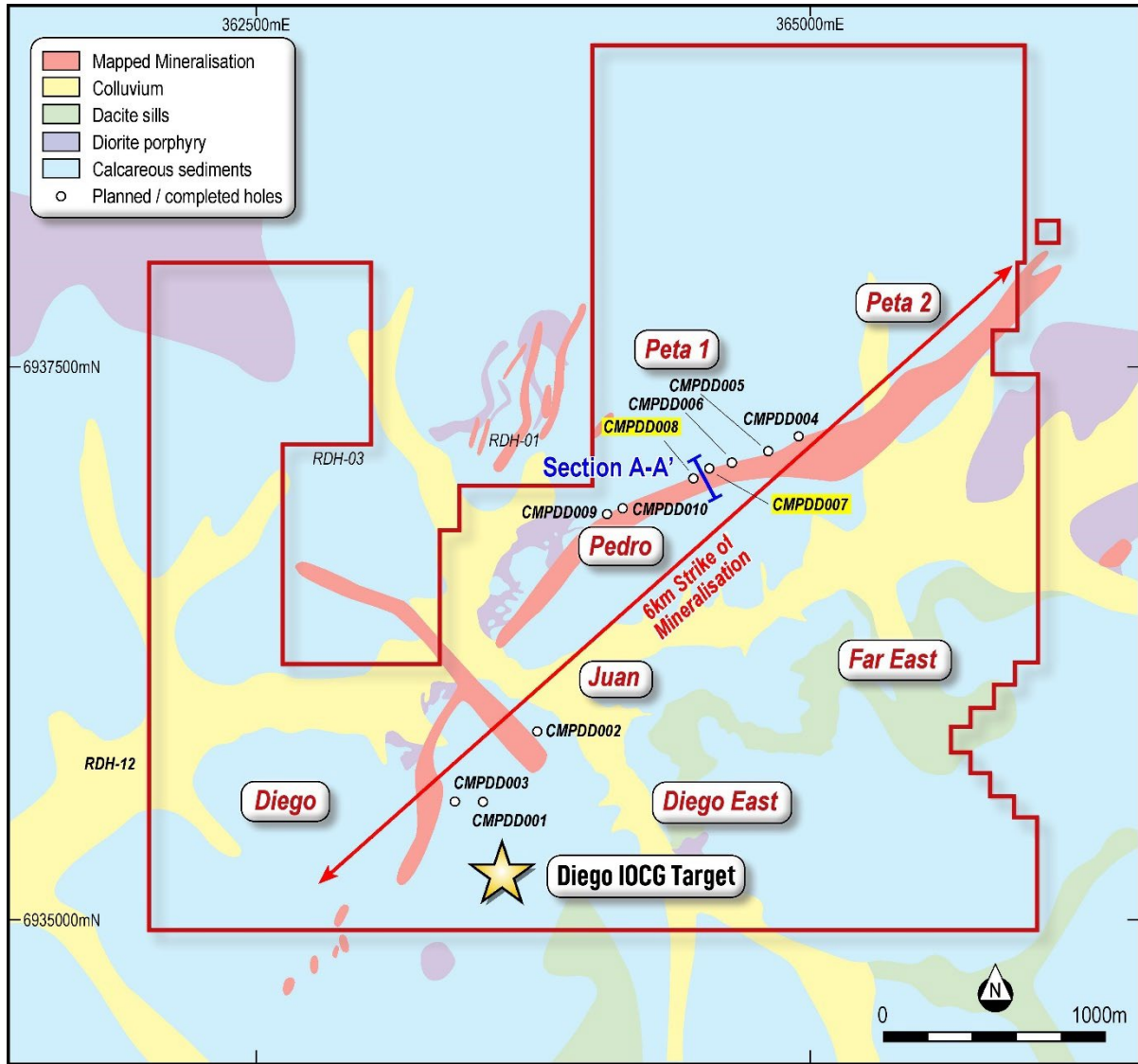


Figure 11 – Plan View of Las Petacas Project Showing Drillhole Locations.

Peta 1 Prospect Drilling

At Peta 1 all holes intercepted broad zones of visible copper mineralisation present as copper oxide and sulphide minerals with visual copper mineralisation identified over a strike length of 500m and up to 200m deep.

Mineralisation at Peta 1 occurs predominantly in skarn-style breccias with elevated copper grades consistently over the length of the drillhole. Dacite intrusive rocks are intimately associated with the skarn alteration and exhibit strong stock-work mineralisation with visible sulphides.

Diego Prospect Drilling

The drillhole CMPDD003 at the Diego Prospect intersected numerous skarn and breccia style mineralised intervals, associated with dacitic intrusive rocks. Geochemistry from the Diego drilling indicates proximity to a potentially larger IOCG style mineralised body which remains untested by drilling.

A ground magnetic survey covering 41 line km was completed at the Diego Prospect (Figure 12) identified two additional untested copper targets which have IOCG characteristics.

Planning is underway to test these new IOCG targets with final hole positioning subject to the completion of modelling of ground magnetic data and the integration of the induced polarisation survey data completed over the prospect.

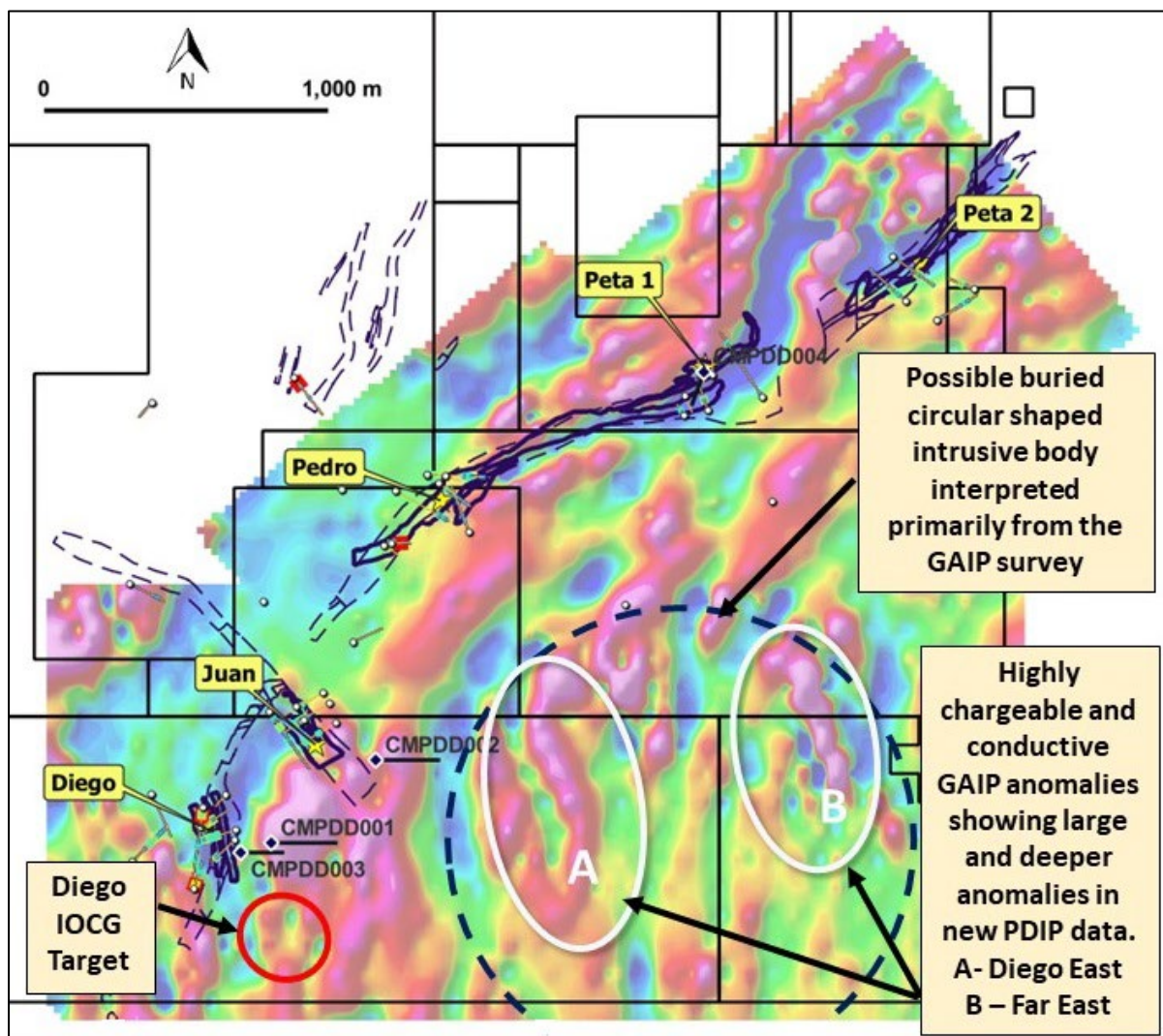


Figure 13: The results of the GAIP survey merged with the previous dataset, identified anomalies circled in white (Refer ASX announcement 20 October 2021).

During the period Culpeo increased its interest in the Las Petacas Project to 66% (Table 3), following the satisfaction of certain conditions of the earn-in -agreement (Refer to Culpeo Minerals Limited Prospectus 23 June 2021).

Table 3: Las Petacas Project earn-in schedule

Stage	Date for completion	Payment (US\$)	Condition precedent/ work commitment	% earn	Total owned by Culpeo
1	30/06/2021 (completed)	50,000	Carry out research through induced polarisation (IP) survey and GAIP grid in a minimum area of 2 km ²	8%	58%
2	31/12/2021 (completed)	100,000	Complete 2,741 m drilling or US\$1 M expenditure	8%	66%
3	31/12/2023	350,000	Complete 3,259 m of additional drilling	9%	75%
4	31/12/2024	500,000	Complete 5,000 m additional drilling or US\$1.5 M expenditure	10%	85%

San Sebastian Project

No exploration activities were undertaken at San Sebastian during the reporting period.

Competent Persons Statement

The information in this report that relates to Exploration Results released to ASX subsequent to the Company's listing on ASX is based on information compiled by Mr Maxwell Donald Tuesley, BSc (Hons) Economic Geology, MAusIMM (No 111470). Mr Tuesley is a member of the Australian Institute of Mining and Metallurgy and is a shareholder and Director of the Company. Mr Tuesley has sufficient experience that is relevant to the style of mineralisation and type of deposit under consideration and to the activity which he is undertaking to qualify as a Competent Person as defined in the 2012 Edition of the Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves. Mr Tuesley consents to the inclusion in this report of the matters based on this information in the form and context in which it appears.

The information in this report that relates to historical Exploration Results is based on information compiled by Mr Jason Froud BSc (Hons), Grad Dip (Fin Mkts), MAIG) and was reviewed by Christine Standing BSc (Hons), MSc, MAusIMM, MAIG, who are both full time employees of Optiro Pty Ltd, acting as independent consultant to Culpeo Minerals Limited. Mr Froud and Ms Standing have sufficient experience which is relevant to the style of mineralisation and type of deposit under consideration and to the activity which they are undertaking to qualify as Competent Persons as defined in the 2012 edition of the Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves. The information is extracted from the Company's Prospectus dated 23 June 2021 which is available from the Company's website at www.culpeominerals.com.au or on the ASX website www.asx.com.au. The Company confirms that it is not aware of any new information or data that materially affects the Exploration Results information included in the Prospectus and confirms that the form and context in which the applicable Competent Persons' findings are presented have not been materially modified from the Prospectus.

The information in this disclosure that relates to Geophysical Results is based on information compiled by Nigel Cantwell. Mr Cantwell is a Member of the Australian Institute of Geoscientists (AIG) and the Australian Society of Exploration Geophysics (ASEG). Mr Cantwell is a consultant to Culpeo Minerals Limited. Mr Cantwell has sufficient experience which is relevant to the style of mineralization and type of deposit under consideration and to the activity which he is undertaking to qualify as a Competent Person as defined in the 2012 Edition of the Australasian Code for Reporting of Exploration Results, Mineral Resources & Ore Reserves. The Company confirms that it is not aware of any new information or data that materially affects the Geophysical Results and confirms that the form and context in which the applicable Competent Persons' findings are presented have not been materially modified from the original announcement.

References

¹Antofagasta PLC Annual Report for 2015

²Compañía Minera Carmen de Andacollo, Annual Report 2005

³López, G.; Hitzman, M.; Nelson, E. 2014. Alteration patterns and structural controls of the El Espino IOCG mining district, Chile. *Mineralium Deposita* 49 (2): 235

CORPORATE

During the year ended 30 June 2022, the Company issued a total of 36,212,531 fully paid ordinary shares as follows:

- 204,700 shares in lieu of Managing Director fees accrued
- 1,295,300 shares to the Managing Director as a Sign-on Bonus
- 1,866,392 shares for conversion of loan with Tanamera Resources Pte Ltd
- 30,000,000 shares in Initial Public Offering at \$0.20 per share raising \$6,000,000 before costs; and
- 2,846,139 shares to Lead Manager.

In addition, 5,200,000 Performance Rights were issued to Directors, employees and consultants of the Group under the Company's Incentive Performance Rights Plan.

COVID-19 Impact

The Consolidated Entity has implemented procedures to ensure all staff and contractors remain safe and healthy during the COVID-19 pandemic, including regular testing, altered rosters and strict quarantining procedures. As at the date of this report, the Consolidated Entity's operations at their Chilean projects have not been directly affected by COVID-19 restrictions in Chile, however the Consolidated Entity continues to monitor this closely with the health and wellbeing of all staff and contractors a priority.

Meetings of Directors

The number of meetings of the Company's Board of Directors ('the Board') held during the year ended 30 June 2022 were:

	Board Meetings	
	Attended	Eligible to Attend
Geoffrey McNamara	7	7
Zeffron Reeves	7	7
Max Tuesley	7	7
Paul Schmiede	7	7

The Company has not established audit, risk, nomination or remuneration committees. The full Board currently undertakes all audit, risk, nomination and remuneration functions.

Shares

As at the date of this report, there are 59,641,688 fully paid ordinary shares on issue.

Options

At the date of this report, there are nil unissued ordinary shares under option.

During the year ended 30 June 2022, nil options were issued or exercised.

Performance Rights

As at the date of this report, there are 5,200,000 performance rights on issue which will vest subject to meeting applicable performance criteria.

During the year ended 30 June 2022, no other performance rights were issued, vested or expired.

Financial Position

The Group had a total issued capital of \$8,772,903 (2021: \$2,320,150) at the end of the reporting period.

During the financial year, the Group had a net increase in contributed equity of \$6,452,753 (2021: \$1,948,817) net of share issue costs as a result of the completion of initial public listing. The Group has used the cash and assets in a form readily convertible to cash that it had at the time of admission to the ASX in a way consistent with its business objectives up to 30 June 2022.

As at 30 June 2022, the total assets for the Group are \$4,982,231 (2021: \$1,212,029) and total liabilities amount to \$249,435 (2021: \$871,079).

As at the date of this report, the Directors believe the Group is in a positive financial position to pursue the current operations.

Significant Changes in the State of Affairs

On 6 January 2022, the Company announced increased interest in the Las Petacas Project to 66%.

There were no other significant changes in the state of affairs of the Group during the year.

Matters Subsequent to the End of the Reporting Period

On 6 July 2022, the Company announced it had entered into a At-the-Market ("ATM") Subscription Agreement with Acuity Capital. The ATM facility provides the Company with up to \$3,000,000 of standby equity capital over the coming 25 months.

On 13 July 2022, the Company announced an update to the Quelon Project mineralisation zone.

On 19 July 2022, the Company announced further significant high-grade copper drill intersections and the completion of its Phase 1 drill program at its Lana Corina Project.

On 17 August 2022, the Company announced further significant high-grade copper intersections from drilling at its Lana Corina Project and confirmation of near-surface targets for the Phase 2 program.

On 23 August 2022, the Company announced the findings of a detailed mapping program at its Lana Corina Project and the validation of four high priority drill targets proximal to the Lana Corina mineralised system.

On 31 August 2022, the Company announced the findings of a multi-element sampling program at its Lana Corina Project in Chile.

On 6 September 2022, the Company announced shallow high-grade copper intersections from drilling at its Lana Corina Project in Chile.

On 19 September 2022, the Company announced that it has utilised its ATM with Acuity Capital (see announcement on 6 July 2022) to raise \$275,000 (inclusive of costs) by issuing 1,650,000 Culpeo fully paid ordinary shares to Acuity Capital at an issue price of \$0.1667 per share.

Other than as discussed above, no other matter or circumstance has arisen since 30 June 2022 that has significantly affected, or may significantly affect the Consolidated Entity's operations, the results of those operations, or the Consolidated Entity's state of affairs in future financial years.

Future Developments, Prospects and Business Strategies

The Consolidated Entity intends to continue with the advancement of exploration at its current projects located in Chile and seek further exploration, acquisition and development opportunities.

REMUNERATION REPORT (AUDITED)

This report outlines the remuneration arrangements in place for the Key Management Personnel of the Company for the financial year ended 30 June 2022. The information provided in this remuneration report has been audited as required by Section 308(3C) of the *Corporations Act 2001*.

The Remuneration Report details the remuneration arrangements for Key Management Personnel who are defined as those persons having authority and responsibility for planning, directing and controlling the major activities of the Company and the Group, directly or indirectly, including any Director (whether executive or otherwise) of the parent company, and includes the executives in the Group.

Key Management Personnel

The following are classified as Key Management Personnel:

Directors

Mr Geoffrey McNamara	Non-Executive Chairman
Mr Maxwell Tuesley	Managing Director
Mr Zeffron Reeves	Non-Executive Director
Mr Paul Schmiede	Non-Executive Director

There are no other Key Management Personnel.

The Remuneration Report is set out under the following main headings:

- a) Principles used to determine the nature and amount of remuneration
- b) Details of remuneration
- c) Service agreements
- d) Equity-based remuneration
- e) Equity instruments issued on exercise of remuneration options
- f) Loans with Key Management Personnel
- g) Other transactions with Key Management Personnel

a) Principles used to Determine the Nature and Amount of Remuneration

The objective of the Group's executive reward framework is to ensure reward for performance is competitive and appropriate for the results delivered. The framework aligns executive reward with the achievement of strategic objectives and the creation of value for shareholders, and it is considered to conform to the market best practice for the delivery of reward. The Board ensures that executive reward satisfies the following key criteria for good reward governance practices:

- competitiveness and reasonableness;
- acceptability to shareholders;
- performance linkage / alignment of executive compensation; and
- transparency.

The Board is responsible for determining and reviewing remuneration arrangements for its directors and executives. The performance of the Group depends on the quality of its directors and executives. The remuneration philosophy is to attract, motivate and retain high performance and high-quality personnel. The Board has structured an executive remuneration framework that is market competitive and complementary to the reward strategy of the Group. The remuneration framework is designed to align executive reward to shareholders' interests. The Board considers that it should seek to enhance shareholders' interests by:

REMUNERATION REPORT (AUDITED) (continued)

- implementing coherent remuneration policies and practices to attract, motivate and retain executives and directors who will create value for shareholders and who are appropriately skilled and diverse;
- observing those remuneration policies and practices;
- fairly and responsibly rewarding executives having regard to Group and individual performance; the performance of the executives and the general external pay environment; and
- integrating human capital and organisational issues into its overall business strategy.

Additionally, the remuneration framework must refer to the following principles when developing recommendations to the Board regarding executive remuneration:

- motivating management to pursue the Group's long-term growth and success;
- demonstrating a clear relationship between the Group's overall performance and the performance of individuals; and
- complying with all relevant legal and regulatory provisions.

In accordance with best practice corporate governance, the structure of non-executive director and executive director remuneration is separate.

The Company has an Incentive Performance Rights Plan ("IPRP") to provide incentive and reward for Eligible Participants and align the interests to participants more closely with the interests of the Shareholders. During the year, the Company issued 4,100,000 performance rights to Directors, employees under the IPRP which will vest subject to meeting applicable performance criteria.

The Board encourages directors to hold shares in the Company. During the year, the Company issued 1,866,392 fully paid ordinary shares as full settlement of the loan with Tanamera Pte Ltd, an entity, in which Mr McNamara is a director (Refer Note 7b). 204,700 fully paid ordinary shares were issued to the Managing Director as a settlement of salary accrued and 1,295,300 fully paid ordinary shares were issued as a bonus. In addition, Messrs McNamara and Schmiede increased their shareholdings in the Company through on-market purchases. No other shares or options were acquired by Key Management Personnel during the year other than as part of remuneration.

All remuneration paid to directors and executives is valued at the cost to the Company and expensed.

All performance rights are valued in accordance with AASB 2, which takes into account factors such as the underlying share price, the expected vesting date and vesting probability in achieving the specified vesting hurdles at the reporting date.

REMUNERATION REPORT (AUDITED) (continued)

Executive Remuneration

The Group aims to reward executives based on their position and responsibility, with a level and mix of remuneration which may have both fixed and variable components. In respect of executive remuneration, remuneration packages should include an appropriate balance of fixed and performance-based remuneration and may contain any or all of the following:

Fixed remuneration

Any fixed remuneration component should:

- be reasonable and fair;
- take into account the Group's legal and industrial obligations and labour market condition;
- be relative to the scale of the Group's business; and
- reflect core performance requirements and expectations.

Performance-based remuneration

Any performance-based remuneration should:

- take into account individual and corporate performance;
- be linked to clearly-specified performance targets, which should be;
- aligned to the Group's short and long-term performance objectives; and
- appropriate to its circumstances, goals and risk appetite.

Equity-based remuneration

Equity-based remuneration can include options or performance rights or shares and is especially effective when linked to hurdles that are aligned to the Group's longer-term performance objectives. However, they should be designed so that they do not lead to 'short-termism' on the part of senior executives or the taking of undue risks. The Board is of the opinion that the adoption of performance-based compensation for executives is necessary to reward executives consistent with increases in shareholder returns.

Termination payments

Termination payments should be agreed in advance, and any agreement should clearly address what will happen in the case of early termination. There should be no payment for removal for misconduct.

Non-Executive Directors' Remuneration

Fees and payments to Non-Executive Directors reflect the demands and responsibilities of their role. Non-Executive Directors' fees and payments are reviewed annually by the Board. The Board may, from time to time, receive advice from independent remuneration consultants to ensure Non-Executive Directors' fees and payments are appropriate and in line with the market.

REMUNERATION REPORT (AUDITED) (continued)

Remuneration packages could contain cash fees, superannuation contributions and non-cash benefits in lieu of fees (such as salary sacrifice into superannuation or equity) and may contain any or all of the following:

- fixed remuneration – this should reflect the time commitment and responsibilities of the role;
- performance-based remuneration – the Company acknowledges that the ASX Corporate Governance Council recommends that Non-Executive Directors should generally not receive performance-based remuneration as it may lead to bias in their decision-making and compromise their objectivity. However, the Board may from time to time form the view that an award of performance-based remuneration is appropriate in light of the Company's current position and strategic objectives;
- equity-based remuneration – Non-Executive Directors can receive equity-based remuneration if shareholders have approved such an allocation in accordance with the ASX Listing Rules; and
- termination payments – Non-Executive Directors should not be provided with retirement benefit other than superannuation.

ASX Listing Rules require the aggregate Non-Executive Directors' remuneration be determined periodically by a general meeting. The maximum aggregate remuneration payable to Non-Executive Directors currently stands at \$500,000 per annum.

Use of Remuneration Consultants

During the financial year ended 30 June 2022, there is no use of remuneration consultants by the Group.

b) Details of Remuneration

Remuneration of Key Management Personnel is set out below.

Director and other KMP	Year	Short-term employee benefits		Post-employment benefits	Share-based payments		Total	% of Remuneration linked to performance
		Cash salary and fees	Other	Superannuation	Shares	Performance Rights		
Non-Executive Chairman								
Mr Geoffrey McNamara	2022	45,000	-	-	-	4,317	49,317	8.75%
	2021	33,750	-	-	-	-	33,750	-
Managing Director								
Mr Maxwell Tuesley	2022	218,333	-	-	259,060	11,207	488,600	55.31%
	2021	41,940	-	-	-	-	41,940	-
Non-Executive Director								
Mr Zeffron Reeves	2022	45,000	-	-	-	4,317	49,317	8.75%
	2021	33,750	-	-	-	-	33,750	-
Non-Executive Director								
Mr Paul Schmiede	2022	45,000	-	-	-	4,317	49,317	8.75%
	2021	11,250	-	-	-	-	11,250	-
Total	2022	353,333	-	-	259,060	24,158	636,551	
	2021	120,690	-	-	-	-	120,690	

REMUNERATION REPORT (AUDITED) (continued)

Equity holdings

All equity dealings with Directors have been entered into with terms and conditions no more favourable than those that the Company would have adopted if dealing at arms' length. The relevant interests of each Director in share capital as at 30 June 2022 are as follows:

Fully Paid Ordinary Shares

Movement in shareholdings of Key Management Personnel

	Opening Balance	Granted as Remuneration	Other	Balance at 30 June 2022
Directors				
Mr Geoffrey McNamara ³	3,319,562	-	2,367,103 ¹	5,686,665
Mr Maxwell Tuesley	-	1,500,000 ²	-	1,500,000
Mr Zeffron Reeves ⁴	1,321,212	-	-	1,321,212
Mr Paul Schmiede ⁵	82,500	-	350,000 ⁵	432,500
Total	4,723,274	1,500,000	2,717,103	8,940,377

- 1,866,392 fully paid ordinary shares were issued to Tanamera Pte Ltd, an entity associated with Mr McNamara as full settlement of a loan with the Company. 500,711 fully paid ordinary shares were on-market purchase.
- Fully paid ordinary shares issued to Mr Tuesley as remuneration are in lieu of salary accrued and a Sign-on Bonus.
- 1,854,546 Fully Paid Ordinary shares are held by Linkwood Holdings Pte Ltd an entity that Mr McNamara is a Director and substantial shareholder. 3,832,119 shares are held by Tanamera Resources Pte Ltd an entity that Mr McNamara is a Director and sole shareholder.
- Held by Palin Trust and entity Mr Reeves is trustee and beneficiary.
- 432,500 fully paid ordinary shares are held by Vermiculite 987 Pty Ltd as trustee for the Mzungu Superannuation Fund an entity Mr Schmiede is a director and a beneficiary. 350,000 fully paid ordinary shares were on-market purchase.

Performance Rights

Movement in performance rights of Key Management Personnel

	Opening Balance	Granted as Remuneration	Lapsed/cancelled	On issue at 30 June 2022	Vested at 30 June 2022
Directors					
Mr Geoffrey McNamara ⁶	-	700,000	-	700,000	-
Mr Maxwell Tuesley	-	2,000,000	-	2,000,000	-
Mr Zeffron Reeves ⁷	-	700,000	-	700,000	-
Mr Paul Schmiede ⁸	-	700,000	-	700,000	-
Total	-	4,100,000	-	4,100,000	-

- Held by Tanamera Resources Pte Ltd an entity that Mr McNamara is a Director and sole Shareholder.
- Held by Palin Trust and entity Mr Reeves is trustee and beneficiary.
- Held by Turquoise 987 Pty Ltd as trustee for the Obsidian 987 Trust, an entity Mr Schmiede is a director and a beneficiary.

REMUNERATION REPORT (AUDITED) (continued)

c) Service Agreements

Key Management Personnel employment terms are formalised in a service agreement, a summary of which is set out below.

Name	Base Salary/Fees	Terms of Agreement	Termination Notice Period
Mr Maxwell Tuesley (Managing Director)	\$250,000 per annum	Until terminated	3 months written notice

Non-Executive Directors

All non-executive directors were appointed by a letter of appointment. Directors can retire in writing as set out in the Constitution.

d) Equity-Based Remuneration

The Company rewards Directors for their performance and aligns their remuneration with the creation of shareholder wealth by issuing share options and/or performance rights. Equity-based remuneration is at the discretion of the Board and no individual has a contractual right to receive any guaranteed benefits.

During the year, the Company issued 204,700 and 1,295,300 fully paid ordinary shares to the Managing Director, Mr Maxwell Tuesley, in lieu of accrued salary and a Sign-on Bonus, respectively.

On 12 September 2021, the Company issued 4,100,000 Performance Rights to Directors of the Company under the Company's IPRP which will vest subject to meeting applicable performance criteria. Details are as follows:

Class	Number Issued	Vesting Conditions	Expiry date
Class A	550,000	Vesting upon twelve (12) months continuous service to the Company and on the Company announcing a JORC compliant Inferred Resource of ≥ 10 million tonnes @ 0.6% copper or copper equivalent.	31/08/2024
Class B	1,100,000	Vesting upon twenty-four (24) months continuous service to the Company and on the Company announcing a JORC compliant Inferred Resource of ≥ 30 million tonnes @ 0.6% copper or copper equivalent.	31/08/2024
Class C	1,350,000	Vesting upon thirty-six (36) months continuous service to the Company and on the Company announcing a JORC compliant Inferred Resource of ≥ 50 million tonnes @ 0.6% copper or copper equivalent.	31/08/2026
Class D	1,100,000	Vesting upon twenty-four (24) months continuous service to the Company and on the Company announcing completion of a positive Scoping and/or Feasibility Study at any one of the Company's projects.	31/08/2026

REMUNERATION REPORT (AUDITED) (continued)

d) Equity-Based Remuneration (continued)

The terms and conditions of each grant of performance rights affecting remuneration of directors in this financial year or future reporting years are as follow:

Name	Class of Performance Right	Number of Performance Rights Granted	Grant Date	Vesting Date and Exercisable Date	Expiry Date	Fair Value per Performance Right at Grant Date
Mr Geoffrey McNamara	Class A	100,000	26/08/2021	31/08/2024	31/08/2024	\$0.06
	Class B	200,000	26/08/2021	31/08/2024	31/08/2024	\$0.03
	Class C	200,000	26/08/2021	31/08/2026	31/08/2026	\$0.01
	Class D	200,000	26/08/2021	31/08/2026	31/08/2026	\$0.02
Mr Maxwell Tuesley	Class A	250,000	26/08/2021	31/08/2024	31/08/2024	\$0.06
	Class B	500,000	26/08/2021	31/08/2024	31/08/2024	\$0.03
	Class C	750,000	26/08/2021	31/08/2026	31/08/2026	\$0.01
	Class D	500,000	26/08/2021	31/08/2026	31/08/2026	\$0.02
Mr Zeffron Reeves	Class A	100,000	26/08/2021	31/08/2024	31/08/2024	\$0.06
	Class B	200,000	26/08/2021	31/08/2024	31/08/2024	\$0.03
	Class C	200,000	26/08/2021	31/08/2026	31/08/2026	\$0.01
	Class D	200,000	26/08/2021	31/08/2026	31/08/2026	\$0.02
Mr Paul Schmiede	Class A	100,000	26/08/2021	31/08/2024	31/08/2024	\$0.06
	Class B	200,000	26/08/2021	31/08/2024	31/08/2024	\$0.03
	Class C	200,000	26/08/2021	31/08/2026	31/08/2026	\$0.01
	Class D	200,000	26/08/2021	31/08/2026	31/08/2026	\$0.02

All performance rights were granted over unissued fully paid ordinary shares in the Company. Performance rights vest based on the provision of service over the vesting period and meeting of the vesting conditions. Performance rights are exercisable by the holder as from the vesting date. There has not been any alteration to the terms or conditions of the grant since the grant date. There are no amounts paid or payable by the recipient in relation to the granting of such performance rights.

There were no other equity based issues to Key Management Personnel during the financial year.

Additional information

The loss of the Group for the one year to 30 June 2022 are summarised below:

	2022*
	\$
Sales revenue	-
EBITDA	(2,048,536)
EBIT	(2,049,795)
Loss before tax	(2,065,803)

* The Company commenced trading on the Australian Securities Exchange on 10 September 2021.

The factors that are considered to affect total shareholders return ('TSR') are summarised below:

	2022*
	\$
Share price at financial year end	0.22
Total dividends declared (cents per share)	-
Basic loss per share (cents per share)	(4.29)

* The Company commenced trading on the Australian Securities Exchange on 10 September 2021.

REMUNERATION REPORT (AUDITED) (continued)

e) Equity Instruments Issued on Exercise of Remuneration Options

No remuneration options were exercised during the financial year.

f) Loans to/from Key Management Personnel

On 4 November 2018, the Company entered into a Loan Agreement with Tanamera Resources Pte Ltd ("Tanamera"), an entity in which Mr Geoffrey McNamara is a director, by which Tanamera would make available up to \$500,000 by way of an unsecured loan for a period of 12 months and interest accrued at a rate of 10% per annum on total outstanding principal. On 8 September 2021, the Company issued 1,866,392 fully paid ordinary shares as full settlement of the loan outstanding including interest accrued. Interest expense for the period of \$5,864 (2021: \$13,506) has been included in profit or loss for the period.

There were no other loans with Key Management Personnel of the Company during the financial year.

g) Other transactions with Key Management Personnel

	2022 \$	2021 \$
The following transactions occurred with related parties for consulting services:		
Mr Zeffron Reeves	34,351	65,956
Mr Geoffrey McNamara	36,772	72,000
	71,123	137,956

Tesoro Gold Limited provided administrative support services and office space rental to Culpeo Minerals Limited, both companies associated with directors, Mr Geoffrey McNamara and Mr Zeffron Reeves, for \$17,563 (2021: \$2,538).

Outstanding balances arising from sales/purchases of goods and services, transactions

The following payments are owed to related parties:

	2022 \$	2021 \$
Mr Zeffron Reeves consulting fees	-	83,513
Mr Geoffrey McNamara consulting fees	-	72,000
director fees	12,500	91,839
Peter Donkin ¹ - director fees	-	24,863
	12,500	272,215

1. Mr Donkin resigned 22 May 2019

There were no other transactions with Key Management Personnel of the Company during the financial year.

Voting and Comments at the Company's 2021 Annual General Meeting

The adoption of the Remuneration Report for the financial year ended 30 June 2021 was put to voting by the shareholders of the Company at the Annual General Meeting held on 12 November 2021. Voting was 100% in favour of the adoption of the Remuneration Report for the 2021 financial year. The resolution was passed without amendment on a poll. The Company did not receive any specific feedback at the AGM or throughout the year on its remuneration policies.

END OF REMUNERATION REPORT

Environmental Regulation

The Consolidated Entity is aware of its environmental obligations with regards to its exploration activities and ensures that it complies with all regulations when carrying out any exploration work. The Directors of the Consolidated Entity are not aware of any breach of environmental regulations for the year under review.

Indemnity and Insurance of Officers

The Company has indemnified the Directors and Executives of the Company for costs incurred, in their capacity as a Director or Executive, for which they may be held personally liable, except where there is a lack of good faith.

Indemnity and Insurance of Auditor

The Company has not, during or since the end of the financial year, indemnified or agreed to indemnify the auditor of the Company or any related entity against a liability incurred by the auditor.

During the financial year, the Company has not paid a premium in respect of a contract to insure the auditor of the Company or any related entity.

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.

Non-Audit Services

The Company may decide to employ the auditor on assignments additional to their statutory audit duties where the auditor's expertise and experience with the Company and/or the Group are important.

Details of the amounts paid or payable to the auditor for non-audit services provided during the year by the auditor are outlined in Note 23 to the financial statements.

The Board of Directors has considered the position and is satisfied that the provision of the non-audit services is compatible with the general standard of independence for auditors imposed by the *Corporations Act 2001*. The Directors are satisfied that the provision of non-audit services by the auditors, as set out below, did not compromise the auditor independent requirements of the *Corporations Act 2001* for the following reasons:

- all non-audit services have been reviewed by the Board of Directors to ensure they do not impact the impartiality and objectivity of the auditor; and
- none of the services undermine the general principles relating to the auditor independence as set out in APES 110 Code of Ethics for Professional Accountants.

Auditor's Independence Declaration

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

Auditors

RSM Australia Partners continues in office in accordance with section 327 of the *Corporations Act 2001*.

This report is made in accordance with a resolution of Directors, pursuant to section 298(2)(a) of the *Corporations Act 2001*.

On behalf of the Board of Directors



Geoffrey McNamara
Non-Executive Chairman
30 September 2022

RSM Australia Partners

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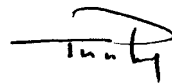
AUDITOR'S INDEPENDENCE DECLARATION

As lead auditor for the audit of the financial report of Culpeo Minerals Limited for the year ended 30 June 2022, I declare that, to the best of my knowledge and belief, there have been no contraventions of:

- (i) the auditor independence requirements of the *Corporations Act 2001* in relation to the audit; and
- (ii) any applicable code of professional conduct in relation to the audit.



RSM AUSTRALIA PARTNERS



TUTU PHONG
Partner

Perth, WA
Dated: 30 September 2022

	Note	Consolidated	
		Year Ended 30 June 2022 \$	Year Ended 30 June 2021 \$
Other revenue		2,713	6
Administration expenses		(229,215)	(50,425)
Consulting expenses		(109,568)	(189,362)
Corporate and compliance expenses		(299,686)	(277,493)
Depreciation		(1,259)	-
Employee related expenses		(315,191)	(279,625)
Equity based payments	11	(290,522)	-
Exploration expenses		(6,000)	-
Financial expenses		(16,008)	(15,520)
Legal and professional fees		(57,342)	(112,747)
Impairment of assets	17	(254,395)	(32,828)
Impairment of exploration assets	6	-	(227,096)
Foreign currency translation		(489,330)	2,821
Loss before income tax		(2,065,803)	(1,182,269)
Income tax expense	12	-	-
Loss after tax		(2,065,803)	(1,182,269)
Other comprehensive loss			
<i>Items that may be reclassified to profit or loss:</i>			
Exchange differences on translation of foreign operations		6,551	2,061
Other comprehensive loss for the year, net of tax		6,551	2,061
Total comprehensive loss for the year		(2,059,252)	(1,180,208)
Loss attributable to:			
Non-controlling interests		(28)	(7,925)
Members of the parent		(2,065,775)	(1,174,344)
		(2,065,803)	(1,182,269)
Total comprehensive loss attributable to:			
Non-controlling interests		(92,017)	4,778
Members of the parent		(1,967,235)	(1,184,986)
		(2,059,252)	(1,180,208)
Loss per share attributable to the owners of Culpeo Minerals Limited			
Basic and diluted loss per share (cents)	10	(4.29)	(2.04)

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

	Note	Consolidated	
		As at 30 June 2022 \$	As at 30 June 2021 \$
ASSETS			
CURRENT ASSETS			
Cash and cash equivalents	3	1,838,929	442,761
Trade and other receivables	4	197,813	90,300
TOTAL CURRENT ASSETS		2,036,742	533,061
NON-CURRENT ASSETS			
Plant and equipment	5	4,451	-
Exploration and evaluation expenditure	6	2,941,038	678,968
TOTAL NON-CURRENT ASSETS		2,945,489	678,968
TOTAL ASSETS		4,982,231	1,212,029
LIABILITIES			
CURRENT LIABILITIES			
Trade and other payables	7(a)	249,435	678,422
Borrowings	7(b)	-	192,657
TOTAL CURRENT LIABILITIES		249,435	871,079
TOTAL LIABILITIES		249,435	871,079
NET ASSETS		4,732,796	340,950
EQUITY			
Issued capital	8	8,772,903	2,320,150
Reserves	9	113,173	(16,829)
Accumulated losses		(4,206,789)	(2,141,014)
Equity attributable to owners of the Company		4,679,287	162,307
Non-controlling interest		53,509	178,643
TOTAL EQUITY		4,732,796	340,950

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

	Issued Capital	Accumulated Losses	Equity Based Payment Reserve	Foreign Currency Reserve	Non- Controlling Interest	Total Equity
Consolidated	\$	\$	\$	\$	\$	\$
Balance at 1 July 2021	2,320,150	(2,141,014)	-	(16,829)	178,643	340,950
Loss for the year	-	(2,065,775)	-	-	(28)	(2,065,803)
Exchange differences arising on translation of foreign currency	-	-	-	98,540	(91,989)	6,551
Total comprehensive loss for the year	-	(2,065,775)	-	98,540	(92,017)	(2,059,252)
Change in ownership interest	-	-	-	-	(33,117)	(33,117)
Shares issued at Initial Public Offering (Note 8)	6,000,000	-	-	-	-	6,000,000
Shares issued to Managing Director as bonus (Note 8, 11)	259,060	-	-	-	-	259,060
Shares issued to Managing Director in lieu of accrued salary (Note 8, 11)	40,940	-	-	-	-	40,940
Shares issued to Lead Manager (Note 8, 11)	569,228	-	-	-	-	569,228
Shares issued on loan conversion (Note 8, 11)	190,372	-	-	-	-	190,372
Performance rights issued, vesting expense for period (Note 9, 11)	-	-	31,462	-	-	31,462
Costs of share issues	(606,847)	-	-	-	-	(606,847)
Balance at 30 June 2022	8,772,903	(4,206,789)	31,462	81,711	53,509	4,732,796
Consolidated Balance at 1 July 2020	371,333	(966,670)	-	(6,187)	-	(601,524)
Loss for the year	-	(1,174,344)	-	-	(7,925)	(1,182,269)
Exchange differences arising on translation of foreign currency	-	-	-	(10,642)	12,703	2,061
Total comprehensive loss for the year	-	(1,174,344)	-	(10,642)	4,778	(1,180,208)
Non-controlling interest at acquisition date	-	-	-	-	206,982	206,982
Change in ownership interest	-	-	-	-	(33,117)	(33,117)
Shares issued in lieu of salaries (Note 8, 11)	200,000	-	-	-	-	200,000
Share issue in lieu of services (Note 8, 11)	46,200	-	-	-	-	46,200
Acquisition of Minera Panga SpA (Note 8, 11)	125,000	-	-	-	-	125,000
Shares issued on partial loan Conversions (Note 8, 11)	176,184	-	-	-	-	176,184
Shares issued as capital raisings	1,576,000	-	-	-	-	1,576,000
Costs of share issues (Note 8)	(174,567)	-	-	-	-	(174,567)
Balance at 30 June 2021	2,320,150	(2,141,014)	-	(16,829)	178,643	340,950

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

	Note	Consolidated	
		Year Ended 30 June 2022 \$	Year Ended 30 June 2021 \$
Cash flows from operating activities			
Interest income		429	-
Payments to suppliers and employees (inclusive of GST)		(1,479,673)	(549,839)
Net cash flows used in operating activities	22	(1,479,244)	(549,839)
Cash flows from investing activities			
Payments for purchase of plant and equipment		(5,710)	-
Payments for exploration and evaluation		(2,736,122)	(92,544)
Payments for acquisition of Petacas project		(145,472)	(479,815)
Payments for acquisition of Quelon project		(68,286)	-
Option payment of Lana Corina project		(135,647)	-
Cash received on acquisition of Petacas and Panga Project		-	105,045
Net cash flows used in investing activities		(3,091,237)	(467,314)
Cash flows from financing activities			
Proceeds from share issue		6,000,000	1,576,000
Costs of share issues		(37,619)	(128,367)
Net cash flows from financing activities		5,962,381	1,447,633
Net increase in cash and cash equivalents		1,391,900	430,480
Cash and cash equivalents at beginning of the financial year		442,761	10,222
Effect of exchange rate changes on cash and cash equivalents		4,268	2,059
Cash and cash equivalents at end of the financial year	3	1,838,929	442,761

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

Note 1. Statement Of Significant Accounting Policies

This financial report includes the financial statements and notes of Culpeo Minerals Limited and controlled entities ("Consolidated Entity" or the "Group"). The separate financial statements and notes of Culpeo Minerals Limited as an individual parent entity ("Company") have not been presented within this financial report as permitted by the *Corporations Act 2001*.

Basis of Preparation

The financial report is a general purpose financial report, which has been prepared in accordance with the requirements of the *Corporations Act 2001*, Accounting Standards and Interpretations and complies with other requirements of the law.

The financial report has also been prepared on an accrual basis and is based on historical costs, modified, where applicable, by the measurement at fair value of selected non-current assets, financial assets and financial liabilities.

The Company is an ASX listed public company, incorporated in Australia and operating in Australia and Chile.

The Group's principal activities are mineral exploration.

The financial report is presented in Australian dollars.

Statement of Compliance

The financial report was authorised for issue on 30 September 2022.

The financial report complies with Australian Accounting Standards, which include Australian equivalents to International Financial Reporting Standards ("AIFRS"). Compliance with AIFRS ensures that the financial report, comprising the financial statements and notes thereto, complies with International Financial Reporting Standards ("IFRS").

New or Amended Accounting Standards and Interpretations Adopted

The Group has adopted all of the new or amended Accounting Standards and Interpretations issued by the Australian Accounting Standards Board ("AASB") that are mandatory for the current reporting period.

Any new or amended Accounting Standards or Interpretations that are not yet mandatory have not been early adopted. The Group has not yet assessed the impact of these new or amended Accounting Standards and Interpretations.

Historical Cost Convention

The financial statements have been prepared under the historical cost convention, except for, where applicable, the revaluation of financial assets and liabilities at fair value through profit or loss, certain classes of property, plant and equipment and derivative financial instruments.

Principles of Consolidation

The consolidated financial statements incorporate the assets and liabilities of all subsidiaries of Culpeo Minerals Limited ("Company" or "parent entity") as at 30 June 2022 and the results of all subsidiaries for the period then ended. Culpeo Minerals Limited and its subsidiaries together are referred to in these financial statements as the "Consolidated Entity" or "Group".

Subsidiaries are all those entities over which the Company has control. The Company controls an entity when the Company is exposed to, or has rights to, variable returns from its involvement with the entity and has the ability to affect those returns through its power to direct the activities of the entity. Subsidiaries are fully consolidated from the date on which control is transferred to the Company. They are de-consolidated from the date that control ceases.

Note 1. Statement Of Significant Accounting Policies (continued)

Principles of Consolidation (continued)

Intercompany transactions, balances and unrealised gains on transactions between entities in the Group are eliminated. Unrealised losses are also eliminated unless the transaction provides evidence of the impairment of the asset transferred. Accounting policies of subsidiaries have been changed where necessary to ensure consistency with the policies adopted by the Group.

The acquisition of subsidiaries has been accounted for using the purchase method of accounting. The purchase method of accounting involves allocating the cost of the business combination to the fair value of the assets acquired and the liabilities and contingent liabilities assumed at the date of acquisition. Accordingly, the consolidated financial statements include the results of subsidiaries for the period from their acquisition.

Foreign Currency Translation

The financial statements are presented in Australian dollars, which is the Group's functional and presentation currency.

Foreign currency transactions

Foreign currency transactions are translated into Australian dollars using the exchange rates prevailing at the dates of the transactions. Foreign exchange gains and losses resulting from the settlement of such transactions and from the translation at financial period-end exchange rates of monetary assets and liabilities denominated in foreign currencies are recognised in statement of profit or loss and other comprehensive income.

Foreign Operations

The assets and liabilities of foreign operations are translated into Australian dollars using the exchange rates at the reporting date. The revenues and expenses of foreign operations are translated into Australian dollars using the average exchange rates, which approximate the rates at the dates of the transactions, for the period. All resulting foreign exchange differences are recognised in other comprehensive income through the foreign currency reserve in equity.

The foreign currency reserve is recognised in statement of profit or loss and other comprehensive income when the foreign operation or net investment is disposed of.

Goods and Services Tax ('GST') and other similar taxes

Revenues, expenses and assets are recognised net of the amount of associated GST, unless the GST incurred is not recoverable from the tax authority. In this case it is recognised as part of the cost of the acquisition of the asset or as part of the expense.

Receivables and payables are stated inclusive of the amount of GST receivable or payable. The net amount of GST recoverable from, or payable to, the tax authority is included in other receivables or other payables in the statement of financial position.

Cash flows are presented on a gross basis. The GST components of cash flows arising from investing or financing activities which are recoverable from, or payable to the tax authority, are presented as operating cash flows.

Commitments and contingencies are disclosed net of the amount of GST recoverable from, or payable to, the tax authority.

Note 2. Significant Accounting Estimates and Judgements

The application of accounting policies requires the use of judgements, estimates and assumptions about carrying values of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates.

Exploration and evaluation expenditure:

The Directors have conducted a review of the Group's capitalised exploration expenditure to determine the existence of any indicators of impairment. Based upon this review, the Directors have determined that no further impairment exists other than as stated in the statement of profit or loss and other comprehensive income.

Share-based payment transactions:

The Group measures the cost of equity-settled transactions with employees by reference to the fair value of the equity instruments at the date at which they are granted. The fair value is determined by using an appropriate valuation model.

The fair value is expensed over the vesting period.

Consolidated	
30 June 2022 \$	30 June 2021 \$

Note 3. Cash and Cash Equivalents

Cash at bank	1,838,929	442,761
	1,838,929	442,761

Cash comprises cash at bank and in hand. Cash equivalents are short term, highly liquid investments that are readily convertible to known amounts of cash and which are subject to an insignificant risk of changes in value. For the purposes of the Statement of Cash Flows, cash and cash equivalents consist of cash and cash equivalents as defined above. Cash at bank earns interest at floating rates based on daily bank deposit rates.

Consolidated	
30 June 2022 \$	30 June 2021 \$

Note 4. Trade and Other Receivables

GST	11,624	24,742
Prepayments	43,734	12,000
Other receivables	142,455	53,558
	197,813	90,300

Current trade receivables are non-interest bearing and are normally settled on 60-day terms. This balance is current receivables incurred on a day-to-day operational basis and considered unimpaired.

Expected credit losses

The Group applies the AASB 9 simplified model of recognising lifetime expected credit losses for all trade receivables as these items do not have a significant financing component.

Where applicable, in measuring the expected credit losses, the trade receivables are assessed on a collective basis as they possess shared credit risk characteristics. They are grouped based on the days past due and also according to the geographical location of customers.

Trade receivables are written off when there is no reasonable expectation of recovery. Failure to make payments within 180 days from the invoice date and failure to engage with the Group on alternative payment arrangement amongst other is considered indicators of no reasonable expectation of recovery.

The Group operates in the mineral exploration sector; it therefore does not supply products and have trade receivables and is not exposed to credit risk in relation to trade receivables. The Group does not have any significant credit risk exposure to any single counterparty or any Company of counterparties having similar characteristics.

	Consolidated	
	30 June 2022 \$	30 June 2021 \$
Note 5. Plant and equipment		
<i>Plant and equipment</i>		
At cost	3,271	-
Accumulated depreciation	(1,077)	-
Total Plant and equipment	2,194	-
<i>Computer equipment</i>		
At cost	2,431	-
Accumulated depreciation	(174)	-
Total Plant and equipment	2,257	-
Movements in plant and equipment		
Beginning of the year	-	-
Additions	3,271	-
Depreciation	(1,077)	-
Balance at end of the year	2,194	-
Movements in computer equipment		
Beginning of the year	-	-
Additions	2,431	-
Depreciation	(182)	-
Foreign current translation	8	-
Balance at end of the year	2,257	-
Total plant and equipment	4,451	-

Plant and equipment are stated at cost less accumulated depreciation and any accumulated impairment losses.

Depreciation is calculated over the estimated useful life of the assets as follows:

Plant and equipment – 3 years (diminishing value)

Computer equipment – 3 years (diminishing value)

The assets' residual values, useful lives and amortisation methods are reviewed, and adjusted if appropriate, at each financial year end.

For an asset that does not generate largely independent cash inflows, recoverable amount is determined for the cash-generating unit to which the asset belongs, unless the asset's value in use can be estimated to be close to its fair value.

An impairment exists when the carrying value of an asset or cash-generating units exceeds its estimated recoverable amount. The asset or cash-generating unit is then written down to its recoverable amount with the impairment loss recognised in statement of profit or loss and other comprehensive income.

Note 5. Plant and Equipment (continued)

Derecognition and disposal

An item of plant and equipment is derecognised upon disposal or when no further future economic benefits are expected from its use or disposal.

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 asset) is included in statement of profit or loss and other comprehensive income in the year the asset is derecognised.

Consolidated	
30 June 2022	30 June 2021
\$	\$

Note 6. Exploration and Evaluation Expenditure

Costs carried forward in respect of areas of interests:

Opening balance	678,968	-
Acquisition of Petacas project ¹	145,472	307,957
Acquisition of Quelon project ²	68,286	-
Option payment of Lana Corina project ³	135,647	-
Acquisition of Minera Panga SpA ⁴	-	225,180
Exploration and evaluation expenditure	2,417,441	372,927
Impairment of exploration and evaluation	-	(227,096)
Foreign currency translation	(504,776)	-
	2,941,038	678,968

1. Las Petacas Project

On 11 September 2020, the Company acquired 50% of the issued capital of Las Petacas SpA, a Chilean entity which holds the concessions comprising the Las Petacas Project. On 26 March 2021, the Company further acquired 8% of the issued capital of Las Petacas SpA with consideration of CLP36,541,000 equivalent to AUD65,851. On 6 January 2022, the Company announced increased interest in the Las Petacas Project to 66% with consideration of CLP85,594,000 equivalent to AUD145,472.

2. Earn-in option agreement of Quelon SCM

On 16 March 2021, the Company entered into an earn-in option agreement to acquire 85% issued capital of Quelon SCM, a Chilean entity which holds the concessions comprising the Quelon Project. On 16 March 2022, the Company exercised the First Option increasing their holdings in Quelon SCM to 10% with consideration of AUD68,286 (USD50,000).

3. Unilateral Share Purchase Option Agreement of Lana Corina Project

On 23 March 2022, the Company entered into a Unilateral Share Purchase Option Agreement to earn up to 80% of the property rights over each of the Mining Concessions held in the Lana Corina Project with the consideration of USD100,000 equivalent to AUD135,647.

Note 6. Exploration and Evaluation Expenditure (continued)

Key terms of the agreement are as detailed below:

Stage	Time (Months from Signing)	Consideration (US\$)	Stage Acquisition Interest	Aggregate Culpeo Interest
1	At signing	100,000	0%	0%
2	12	150,000	20%	20%
3	24	250,000	30%	50%
4	36	1,550,000	15%	65%
5	60	2,650,000	15%	80%

4. Acquisition of Minera Panga SpA

On 30 November 2020, the Company acquired 100% of the issued capital of Atacama Holdings Pty Ltd, an Australian entity which owns 100% of the Chilean entity, Minera Panga SpA, holder of the San Sebastian Project, for the consideration of 5,000,000 fully paid ordinary shares (pre-consolidation) at a deemed value of \$0.025 per share.

<i>Purchase consideration:</i>	\$
5,000,000 fully paid ordinary shares (pre-consolidation) issued at \$0.025 per share	125,000
Total consideration	<u>125,000</u>

Identifiable assets/(liabilities) acquired:

Cash	131
Exploration tenements carrying value	225,180
Trade and other payables	<u>(100,311)</u>
Net asset acquired	<u>125,000</u>

The recoupment of costs carried forward in relation to areas of interest in the exploration and evaluation phases are dependent on the successful development and commercial exploitation or sale of the respective areas.

Exploration and evaluation expenditures in relation to each separate area of interest are recognised as an exploration and evaluation asset in the year in which they are incurred where the following conditions are satisfied:

- the rights to tenure of the area of interest are current; and
- at least one of the following conditions is also met:
 - (i) the exploration and evaluation expenditures are expected to be recouped through successful development and exploitation of the area of interest, or alternatively, by its sale; or
 - (ii) exploration and evaluation activities in the area of interest have not at the balance date reached a stage which permits a reasonable assessment of the existence or otherwise of economically recoverable reserves, and active and significant operations in, or in relation to, the area of interest are continuing.

Exploration and evaluation assets are initially measured at cost and include acquisition of rights to explore, studies, exploratory drilling, trenching, assaying, sampling and associated activities and an allocation of depreciation and amortised of assets used in exploration and evaluation activities. General and administrative costs are only included in the measurement of exploration and evaluation costs where they are related directly to operational activities in a particular area of interest.

Note 6. Exploration and Evaluation Expenditure (continued)

Exploration and evaluation assets are assessed for impairment when facts and circumstances suggest that the carrying amount of an exploration and evaluation asset may exceed its recoverable amount. The recoverable amount of the exploration and evaluation asset (for the cash generating unit(s) to which it has been allocated being no larger than the relevant area of interest) is estimated to determine the extent of the impairment loss (if any). Where an impairment loss subsequently reverses, the carrying amount of the asset is increased to the revised estimate of its recoverable amount, but only to the extent that the increased carrying amount does not exceed the carrying amount that would have been determined had no impairment loss been recognised for the asset in previous years.

Where a decision has been made to proceed with development in respect of a particular area of interest, the relevant exploration and evaluation asset is tested for impairment and the balance is then reclassified to a mine development asset.

	Consolidated	
	30 June 2022	30 June 2021
	\$	\$

Note 7. Current Liabilities

a. Trade and other payables

Trade payables	162,777	410,230
Other payables	86,658	268,192
	<u>249,435</u>	<u>678,422</u>

(i) Trade payables are non-interest bearing and are normally settled on 30-day terms.

Trade payables and other payables are carried at amortised cost 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. Trade and other payables are presented as current liabilities unless payment is not due within 12 months.

b. Borrowings

	Consolidated	
	30 June 2022	30 June 2021
	\$	\$
Loan - Tanamera Resources Pte Ltd	-	192,657
	<u>-</u>	<u>192,657</u>

On 4 November 2018, the Company entered into a Loan Agreement with Tanamera Resources Pte Ltd ("Tanamera"), an entity in which Mr McNamara is a director, by which Tanamera would make available up to \$500,000 by way of an unsecured loan for a period of 12 months and interest accrued at a rate of 10% per annum on total outstanding principal. On 24 November 2020, the Company issued 4,790,920 fully paid ordinary shares (pre-consolidation) as a partial settlement of the loan outstanding including interest accrued.

On 10 September 2021, the Company issued 1,866,392 fully paid ordinary shares as full settlement of the loan outstanding including interest accrued.

Interest expense for the period of \$5,864 (2021: \$13,506) has been included in profit or loss for the period.

	Consolidated	
	30 June 2022 \$	30 June 2021 \$
Note 8. Issued Capital		
55,191,688 (2021: 18,979,157) fully paid ordinary shares on issue	8,772,903	2,320,150
	30 June 2021 Number	30 June 2021 \$
<i>Movement in ordinary shares on issue</i>		
Balance at 1 July 2020	20,000,000	371,333
Placement – Shares issued at 0.025 per Share	32,240,000	806,000
Shares issued at \$0.025 per share to Director for director's fee (Note 11)	4,000,000	100,000
Shares issued at \$0.025 per share to In-Country Manager for salary (Note 11)	4,000,000	100,000
Shares issued at \$0.025 per share as consideration for the acquisition of Atacama Holdings (Minera Panga SpA)	5,000,000	125,000
Shares issued at \$0.025 per share on conversion of borrowings	7,047,360	176,184
Pre-IPO Placement – Shares issued at \$0.0255 per share	30,250,001	770,000
Shares issued at \$0.025 per share in lieu of capital raising fees	1,848,000	46,200
Consolidation of issued capital ratio 11:2	(85,406,204)	-
Share issue costs	-	(174,567)
Balance as at 30 June 2021	18,979,157	2,320,150
	30 June 2022 Number	30 June 2022 \$
<i>Movement in ordinary shares on issue</i>		
Balance at 1 July 2021	18,979,157	2,320,150
Shares issued at \$0.20 per share on Initial Public Offering	30,000,000	6,000,000
Shares issued at \$0.20 per share to Lead Manager (Note 11)	2,846,139	569,228
Shares issued at \$0.20 per share to Managing Director as bonus (Note 11)	1,295,300	259,060
Shares issued at \$0.20 per share to Managing Director in lieu of accrued salary (Note 11)	204,700	40,940
Shares issued at \$0.102 per share on conversion of borrowings (Note 7b, 11)	1,866,392	190,372
Share issue costs	-	(606,847)
Balance as at 30 June 2022	55,191,688	8,772,903

Note 8. Issued Capital (continued)

Terms of Ordinary Shares

Voting Rights

Ordinary shares participate in dividends and the proceeds on winding up of the Company in proportion to the number of shares held and in proportion to the amount paid up on the shares held.

At shareholders meetings, each ordinary share is entitled to one vote in proportion to the paid-up amount of the share when a poll is called, otherwise each shareholder has one vote on a show of hands.

	Consolidated	
	30 June 2022	30 June 2021
	\$	\$
Note 9. Reserves		
Equity Based Payments Reserve	31,462	-
Foreign Currency Translation Reserve	81,711	(16,829)
Balance at end of the year	<u>113,173</u>	<u>(16,829)</u>
<i>Movements in Equity Based Payments Reserve</i>		
Opening balance	-	-
Performance rights issued, vesting expense for period (Note 11)	31,462	-
Balance at end of the year	<u>31,462</u>	<u>-</u>
<i>Movements in Foreign Currency Translation Reserve</i>		
Opening balance	(16,829)	(6,187)
Foreign currency translation	98,540	(10,642)
Balance at end of the year	<u>81,711</u>	<u>(16,829)</u>

Equity Based Payment Reserve:

This reserve is used to record the value of equity benefits provided to directors and employees as part of their remuneration. Refer to Note 11.

Foreign Currency Translation Reserve:

Foreign currency translation reserve records exchange differences arising on translation of the subsidiaries' functional currency (Chilean Peso) into presentation currency at balance date.

	Consolidated	
	30 June 2022 \$	30 June 2021 \$
Note 10. Loss Per Share		
Loss after income tax	(2,065,803)	(1,182,269)
Non-controlling interest	(28)	(7,925)
	(2,065,775)	(1,174,344)
	Number of Shares	Number of Shares
(a) Weighted average number of ordinary shares outstanding during the reporting period used in calculation of basic loss per share:	48,147,046	57,503,695
	(4.29)	(2.04)
Basic and diluted loss per share (cents per share)		

Basic earnings per share is calculated as net profit or loss attributable to members of the parent, adjusted to exclude any costs of servicing equity (other than dividends) and preference share dividends, divided by the weighted average number of ordinary shares, adjusted for any bonus element.

Diluted earnings per share is calculated as net profit or loss attributable to members of the parent, adjusted for:

- costs of servicing equity (other than dividends) and preference share 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.

	Consolidated 30 June 2022 \$	30 June 2021 \$
Note 11. Equity Based Payments		
Equity based payments included in the Statement of Financial Position for the year are as follows:		
Shares issued to Lead Manager – 2,846,139 fully paid shares @ \$0.20 per share as share issue cost	569,228	-
Shares issued to Tanamera Pte Lte, an entity related to Geoffrey McNamara as full settlement of borrowings – 1,866,392 fully paid shares at fair value of \$0.102 per share ¹	190,372	-
Shares issued to Managing Director in lieu of accrued salary – 204,700 fully paid shares @ \$0.20 per share	40,940	-
Shares issued to the vendor of the Minera Panga SpA included in exploration and evaluation expenditure at fair value of \$0.025 per share	-	125,000
Shares issued in lieu of accrued director's fee to a director at fair value of \$0.025 per share	-	100,000
Shares issued to Tanamera Resources Pte Ltd, an entity related to Geoffrey McNamara as partial settlement of borrowings at fair value of \$0.025 per share ¹	-	119,773
Shares issued to Walz Superannuation as settlement of borrowings at fair value of \$0.025 per share ²	-	56,411
Share issued as settlement of capital raising fees	-	46,200

- On 4 November 2018, the Company entered into a Loan Agreement with Tanamera Resources Pte Ltd ("Tanamera"), an entity in which Mr McNamara is a director, by which Tanamera would make available up to \$500,000 by way of an unsecured loan for a period of 12 months and interest accrued at a rate of 10% per annum on total outstanding principal. On 24 November 2020, the Company issued 4,790,920 fully paid ordinary shares as partial settlement of the loan outstanding including interest accrued.

On 10 September 2021, the Company issued 1,866,392 fully paid ordinary shares as full settlement of the loan outstanding including interest accrued. Interest expense for the period of \$5,864 (2021: \$13,506) has been included in profit or loss for the period.

- On 15 August 2019, the Company entered into a Loan Agreement with Walz Super Pty Ltd ("Walz"), by which Walz would make available up to \$50,000 by way of an unsecured loan for a period of 12 months and interest accrued at a rate of 10% per annum on total outstanding principal. On 26 November 2020, the Company issued 2,256,440 fully paid ordinary shares (pre-consolidation) as full settlement of the loan outstanding including interest accrued. Interest expense for the period of \$nil (2021: \$2,014) has been included in profit or loss for the period.

Note 11. Equity Based Payments (continued)

Equity based payments included in the Statement of Profit or Loss and Other Comprehensive Income for the year are detailed below:

	Consolidated	
	30 June 2022	30 June 2021
	\$	\$
Shares issued to Managing Director as bonus – 1,295,300 fully paid shares @ \$0.20 per share recognised as equity based payment expense	259,060	-
Performance rights on issue, vesting expense for period recognised as equity based payment expense ³	31,462	-
Shares issued in lieu of payment for salary to the In-Country Manager recognised as employee related expenses	-	100,000
Total included in profit or loss	290,522	100,000

3. Performance Rights

On 31 August 2021, the Company issued 5,200,000 Performance Rights to Directors, employees and consultants of the Group under the Company's Incentive Performance Rights Plan and as summarised below:

Class	Number Issued	Vesting Conditions	Expiry date
Class A	750,000	Vesting upon twelve (12) months continuous service to the Company and on the Company announcing a JORC compliant Inferred Resource of ≥10 million tonnes @ 0.6% copper or copper equivalent.	31/08/2024
Class B	1,400,000	Vesting upon twenty-four (24) months continuous service to the Company and on the Company announcing a JORC compliant Inferred Resource of ≥30 million tonnes @ 0.6% copper or copper equivalent.	31/08/2024
Class C	1,650,000	Vesting upon thirty-six (36) months continuous service to the Company and on the Company announcing a JORC compliant Inferred Resource of ≥50 million tonnes @ 0.6% copper or copper equivalent.	31/08/2026
Class D	1,400,000	Vesting upon twenty-four (24) months continuous service to the Company and on the Company announcing completion of a positive Scoping and/or Feasibility Study at any one of the Company's projects.	31/08/2026

Note 11. Equity Based Payments (continued)

The fair value of the Performance Rights on issue, and granted during the year, are estimated at the date of grant based on the assumptions set out below:

	Class A	Class B	Class C	Class D
Assumptions:				
Grant date	26/08/2021	26/08/2021	26/08/2021	26/08/2021
Issue date	31/08/2021	31/08/2021	31/08/2021	31/08/2021
Expiry date	31/08/2024	31/08/2024	31/08/2026	31/08/2026
Share price at grant date	\$0.20	\$0.20	\$0.20	\$0.20
Probability	30%	15%	5%	10%
Vesting period	36 months	36 months	60 months	60 months
Expected volatility	100%	100%	100%	100%
Dividend yield	-	-	-	-
Risk-free interest rate	0.16%	0.16%	0.59%	0.59%
Number of performance rights	750,000	1,400,000	1,650,000	1,400,000
Fair value per unit at grant date	\$0.20	\$0.20	\$0.20	\$0.20
Amount recognised as equity-based payment expense for the year ended 30 June 2022	12,452	11,622	2,739	4,649

As at 30 June 2022, management has provided the best estimate of the probability of performance rights expected to vest. The performance rights have been valued in accordance with AASB 2 Share Based Payments, and are bought to account over their vesting periods. Equity-based expenditure of \$31,462 (2021: nil) has been included in the profit or loss for the year.

Equity-settled compensation benefits are provided to Directors, employees and consultants.

Equity-settled transactions are awards of shares or performance rights over shares, that are provided to Directors, employees and consultants in exchange for the rendering of services.

The cost of equity-settled transactions are measured at fair value on grant date. Fair value is independently determined using trinomial lattice option pricing model that takes into account the exercise price, the term of the performance rights, the share price at grant date and expected price volatility of the underlying share, the expected dividend yield and the risk free interest rate for the term of the performance rights, together with any vesting conditions.

The cost of equity-settled transactions are recognised as an expense with a corresponding increase in equity over the vesting period. The cumulative charge to profit or loss is calculated based on the grant date fair value of the award, the best estimate of the number of awards that are likely to vest and the expired portion of the vesting period. The amount recognised in profit or loss for the period is the cumulative amount calculated at each reporting date less amounts already recognised in previous periods.

Note 11. Equity Based Payments (continued)

Market conditions are taken into consideration in determining fair value. Therefore any awards subject to market conditions are considered to vest irrespective of whether or not that market condition has been met, provided all other conditions are satisfied.

If equity-settled awards are modified, as a minimum an expense is recognised as if the modification has not been made. An additional expense is recognised, over the remaining vesting period, for any modification that increases the total fair value of the share-based compensation benefit as at the date of modification.

If the non-vesting condition is within the control of the consolidated entity or employee, the failure to satisfy the condition is treated as a cancellation. If the condition is not within the control of the consolidated entity or employee and is not satisfied during the vesting period, any remaining expense for the award is recognised over the remaining vesting period, unless the award is forfeited.

If equity-settled awards are cancelled, it is treated as if it has vested on the date of cancellation, and any remaining expense is recognised immediately. If a new replacement award is substituted for the cancelled award, the cancelled and new award is treated as if they were a modification.

	Consolidated	
	30 June 2022 \$	30 June 2021 \$
Note 12. Income Tax		
(a) The components of tax expense comprise:		
Current tax	-	-
Deferred tax	-	-
	-	-
(b) The prima facie tax on loss from ordinary activities before income tax is reconciled to the income tax as follows:		
Prima facie tax benefit on loss from ordinary activities before income tax at 30% (2021: 26%) from continued ordinary operations:	(619,741)	(307,390)
Add/(less) tax effect of:		
- Other non-allowable items	407,046	207,403
- Revenue losses not recognised	205,698	84,125
- Other deferred tax balances not recognised	6,997	15,862
Income tax expense/(benefit) reported in the consolidated statement of profit or loss and other comprehensive income from continued ordinary operations	-	-
(c) Deferred tax recognised at 30% (2021: 30%):		
Deferred tax liabilities:		
Foreign exchange differences	(9,010)	-
Deferred tax assets:		
Revenue losses	9,010	-
Net deferred tax	-	-
(d) Unrecognised deferred tax assets at 30% (2021: 30%):		
Carry forward revenue losses	372,746	171,096
Capital raising costs	90,379	41,510
Provisions and accruals	6,750	6,750
	469,875	219,356

The tax benefits of the above deferred tax assets will only be obtained if:

- a) the Consolidated Entity derives future assessable income of a nature and of an amount sufficient to enable the benefits to be utilised;
- b) the Consolidated Entity continues to comply with the conditions for deductibility imposed by law; and
- c) no changes in income tax legislation adversely affect the Consolidated Entity in utilising the benefits.

Note 13. Key Management Personnel Disclosures

Details of Key Management Personnel:

The following persons were *Key Management Personnel* of Culpeo Minerals Limited during the financial year ended 30 June 2022:

Mr Geoffrey McNamara	Non-Executive Chairman
Mr Maxwell Tuesley	Managing Director
Mr Zeffron Reeves	Non-Executive Director
Mr Paul Schmiede	Non-Executive Director

The aggregate compensation made to the Directors and other Key Management Personnel of the Consolidated entity is set out below:

	2022	2021
	\$	\$
Short-term benefits	353,333	120,690
Post-employment benefits	-	-
Share-based payments	283,218	-
	636,551	120,690

Note 14. Related Party Disclosures

Key Management Personnel and transactions with other related parties

Disclosures relating to Key Management Personnel are set out in Note 13.

a) Transactions with Key Management Personnel and their related parties

	30 June	30 June
	2022	2021
	\$	\$
The following transactions occurred with related parties for consulting services:		
Mr Zeffron Reeves	34,351	65,956
Mr Geoffrey McNamara	36,772	72,000
	71,123	137,956

Tesoro Gold Limited provided administrative support services and office space rental to Culpeo Minerals Limited, both companies associated with directors, Mr Geoffrey McNamara and Mr Zeffron Reeves, for \$17,563 (2021: \$2,538).

There were no other transactions with Key Management Personnel of the Company during the financial year.

Note 14. Related Party Disclosures (Continued)

b) Outstanding balances arising from sales/purchases of goods and services, transactions

The following payments are owed to related parties:

	2022 \$	2021 \$
Mr Zeffron Reeves		
- consulting fees	-	83,513
Mr Geoffrey McNamara		
- consulting fees	-	72,000
- director fees	12,500	91,839
Peter Donkin ¹ - director fees	-	24,863
	12,500	272,215

1. Mr Donkin resigned 22 May 2019

d) Loans with Key Management Personnel and their related parties

On 4 November 2018, the Company entered into a Loan Agreement with Tanamera Resources Pte Ltd ("Tanamera"), an entity in which Mr McNamara is a director, by which Tanamera would make available up to \$500,000 by way of an unsecured loan for a period of 12 months and interest accrued at a rate of 10% per annum on total outstanding principal. On 24 November 2020, the Company issued 4,790,920 fully paid ordinary shares as partial settlement of the loan outstanding including interest accrued.

On 10 September 2021, the Company issued 1,866,392 fully paid ordinary shares as full settlement of the loan outstanding including interest accrued. Interest expense for the period of \$5,864 (2021: \$13,506) has been included in profit or loss for the period.

There were no other loans with Key Management Personnel of the Company during the financial year.

Note 15. Financial Risk Management Objectives and Policies

The main risks arising from the Consolidated Entity's financial instruments are market risk, currency risk and interest rate risk.

This note presents information about the Consolidated Entity's exposure to each of the above risks, their objectives, policies and processes for measuring and managing risk, and the management of capital.

The Board has overall responsibility for the establishment and oversight of the risk management framework. The Board reviews and agrees policies for managing each of these risks and they are summarised below.

The Consolidated Entity's principal financial instruments comprise cash and short term deposits. The main purpose of the financial instruments is to earn the maximum amount of interest at a low risk to the Consolidated Entity. The Consolidated Entity also has other financial instruments such as trade debtors and creditors which arise directly from its operations.

(a) Market Risk

Market risk is the risk that changes in market prices such as foreign exchange rates and interest rates will affect the Consolidated Entity's income or the value of its holdings of financial instruments.

The Consolidated Entity is exposed to movements in market interest rates on short term deposits. The policy is to monitor the interest rate yield curve out to 120 days to ensure a balance is maintained between the liquidity of cash assets and the interest rate return. The risk is minimal to the Consolidated Entity.

Note 15. Financial Risk Management Objectives and Policies (continued)

(b) Currency Risk

Foreign exchange risk arises from future commitments, assets and liabilities that are denominated in a currency that is not the functional currency of the Group. The Group deposits are denominated in both Chilean Peso, US Dollar and Australian Dollars. At the year end the majority of deposits were held in Australian Dollars. Currently, there are no foreign exchange programs in place. Based upon the above, the impact of reasonably possible changes in foreign exchange rates for the Group is not material.

(c) Interest Rate Risk

The table below reflects the undiscounted contractual settlement terms for financial instruments of a fixed period of maturity, as well as management's expectations of the settlement period for all other financial instruments. As such, the amounts might not reconcile to the statement of financial position.

Consolidated 30 June 2022	Weighted Average Effective Interest Rate %	Less than 1 month \$	1 to 3 months \$	3 months to 1 year \$	1 to 5 years \$	Total \$
FINANCIAL ASSETS						
<i>Non-interest bearing</i>						
Cash and cash equivalent		1,838,929	-	-	-	1,838,929
		1,838,929	-	-	-	1,838,929
FINANCIAL LIABILITIES						
<i>Non-interest bearing</i>						
Trade and other payables		(249,435)	-	-	-	(249,435)
NET FINANCIAL ASSETS		1,589,494	-	-	-	1,589,494

Consolidated 30 June 2021	Weighted Average Effective Interest Rate %	Less than 1 month \$	1 to 3 months \$	3 months to 1 year \$	1 to 5 years \$	Total \$
FINANCIAL ASSETS						
<i>Non-interest bearing</i>						
Cash and cash equivalent		442,761	-	-	-	442,761
		442,761	-	-	-	442,761
FINANCIAL LIABILITIES						
<i>Non-interest bearing</i>						
Trade and other payables		(678,423)	-	-	-	(678,423)
<i>Interest bearing</i>						
Borrowings	10%	-	-	(192,657)	-	(192,657)
NET FINANCIAL LIABILITIES		(235,662)	-	(192,657)	-	(428,319)

Net fair value of financial assets and liabilities

The carrying amount of cash and cash equivalents approximates fair value because of their short-term maturity.

(d) Interest Rate Sensitivity Analysis

At 30 June 2022, the effect on loss and equity as a result of changes in the interest rate, with all other variable remaining constant would have an immaterial effect.

Note 15. Financial Risk Management Objectives and Policies (continued)

(e) Credit Risk

Credit risk refers to the risk that a counterparty will default on its contractual obligations resulting in financial loss to the Consolidated Entity. The Consolidated Entity has adopted the policy of only dealing with creditworthy counterparties and obtaining sufficient collateral or other security where appropriate, as a means of mitigating the risk of financial loss from defaults.

The Consolidated Entity operates in the mineral exploration sector; it therefore does not supply products and have trade receivables and is not exposed to credit risk in relation to trade receivables. The Consolidated Entity does not have any significant credit risk exposure to any single counterparty or any Company of counterparties having similar characteristics.

The Consolidated Entity's maximum exposure to credit risk at each balance date in relation to each class of recognised financial assets is the carrying amount, net of any allowance for doubtful debts, of those assets as indicated in the statement of financial position. The maximum credit risk exposure of the Consolidated Entity at 30 June 2022 is nil (2021: nil).

(f) Liquidity Risk

Liquidity risk is the risk that the Consolidated Entity will not be able to meet its financial obligations as they fall due. The Consolidated Entity'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 Consolidated Entity's reputation.

The Consolidated Entity manages liquidity risk by monitoring forecast cash flows on a rolling monthly basis and entering into supply contracts which can be cancelled within a short timeframe. The Consolidated Entity does not have any significant liquidity risk as the Consolidated Entity does not have any collateral debts.

(g) Capital Management

The Consolidated Entity's objectives when managing capital are to safeguard its ability to continue as a going concern, so it may continue to provide returns for shareholders and benefits for other stakeholders.

Due to the nature of the Consolidated Entity's activities, being mineral exploration, it does not have ready access to credit facilities and therefore is not subject to any externally imposed capital requirements, with the primary sources of project funding to date being raising funds from equity markets. Accordingly, the objective of the Consolidated Entity's capital risk management is to balance the current working capital position against the requirements to meet progressing exploration and evaluation work, project related costs and corporate overheads. Going forward, operations budget and cashflow forecasts are monitored to ensure sufficient funding to meet expenditure.

The Directors consider that the carrying value of the financial assets and financial liabilities recognised in the consolidated financial statements approximate their fair value.

Note 16. Segment Reporting

Culpeo Minerals Limited conducts mineral exploration and development activities in Chile, and a corporate function located in Australia.

Segment Information

Identification of reportable segments

The Company has identified its operating segments based on the internal reports that are reviewed and used by the chief operating decision maker (being the Board of Directors) in assessing performance and determining the allocation of resources.

The Company is managed primarily on the basis of evaluation of its gold and copper exploration tenements in Chile and its corporate activities. Operating segments are therefore determined on the same basis.

Reportable segments disclosed are based on aggregating operating segments where the segments are considered to have similar economic characteristics.

Types of reportable segments

(i) Exploration and evaluation

Segment assets, including acquisition cost of exploration licenses and all expenses related to the licenses in Chile are reported in this segment.

(ii) Corporate

Corporate, including treasury, corporate and regulatory expenses arising from operating an ASX listed entity. Segment assets, including cash and cash equivalents, and investments in financial assets are reported in this segment.

Basis of accounting for purposes of reporting by operating segments

Accounting policies adopted

Unless stated otherwise, all amounts reported to the Board of Directors as the chief operating decision maker with respect to operating segments are determined in accordance with accounting policies that are consistent to those adopted in the annual financial statements of the Company.

Segment assets

Where an asset is used across multiple segments, the asset is allocated to the segment that receives the majority of economic value from the asset. In the majority of instances, segment assets are clearly identifiable on the basis of their nature and physical location.

Segment liabilities

Liabilities are allocated to segments where there is direct nexus between the incurrance of the liability and the operations of the segment. Segment liabilities include trade and other payables.

Note 16. Segment Reporting (continued)

Consolidated 30 June 2022	Corporate	Exploration and Evaluation	Total
	\$	\$	\$
(i) Segment performance			
Segment income	2,713	-	2,713
Segment results	(1,057,078)	(1,008,725)	(2,065,803)
Included within segment results:			
• Interest expense	(16,008)	-	(16,008)
Segment assets	1,676,435	3,305,796	4,982,231
Segment liabilities	(103,602)	(145,833)	(249,435)

Consolidated 30 June 2021	Corporate	Exploration and Evaluation	Total
	\$	\$	\$
(i) Segment performance			
Segment revenue	-	6	6
Segment results	(522,486)	(659,783)	(1,182,269)
Included within segment results:			
• Interest expense	(15,520)	-	(15,520)
• Exploration impairment	-	(227,096)	(227,096)
Segment assets	337,112	874,917	1,212,029
Segment liabilities	(706,707)	(164,372)	(871,079)

(ii) Revenue by geographical region

There was no revenue attributable to external customers for the year ended 30 June 2022 (2021: Nil).

(iii) Assets by geographical region

Non-current assets by geographical region are as follows.

	30 June 2022	30 June 2021
	\$	\$
Australia	3,047	-
Chile	2,942,442	678,968

Note 17. Contingent Assets

All purchases in Chile are subject to the payment of the Impuesto al Valor Agregado ("IVA") which is a Value Added Tax. Culpeo Minerals is entitled to claim back the IVA tax it has paid on all Chilean purchases. As at 30 June 2022, the IVA tax receivable is approximately \$514,199 (2021: \$275,464). The contingent asset was not recognised as a receivable and impaired at 30 June 2022 as receipt of the amount is dependent upon the Company meeting the IVA refund conditions stipulated by the relevant taxation authorities in Chile. Accordingly, \$254,395 of IVA tax receivable has been impaired in the statement of profit or loss and other comprehensive income for the financial year ended 30 June 2022 (2021: \$32,828).

Note 18. Contingent Liabilities

There are no contingent liabilities as at 30 June 2022 (2021: nil).

Note 19. Interest in Subsidiaries

The consolidated financial statements incorporate the assets, liabilities and results of the following subsidiary in accordance with the accounting policies described in note 1:

Name	Country of Incorporation	Ownership %	
		2022	2021
Culpeo Mining Chile SpA	Chile	100	100
Las Petacas SpA	Chile	66	58
Atacama Holdings Pty Ltd	Australia	100	100
Minera Panga SpA	Chile	100	100

The above subsidiaries have share capital consisting solely of ordinary shares that are held directly by the Group, and the proportion of ownership interests held equals the voting rights held by the Group. The country of incorporation or registration is also their principal place of business.

Summarised financial information

Summarised financial information of the subsidiary with non-controlling interests that are material to the Consolidated Entity are set out below:

	Las Petacas SpA	
	Year ended 30 June 2022 \$	Year ended 30 June 2021 \$
Summarised statement of financial position		
Current assets	62,552	80,686
Non-current assets	1,308,488	1,520,948
Total Assets	1,371,040	1,601,634
Current liabilities	-	(2,944)
Non-current liabilities	-	-
Total Liabilities	-	(2,944)
Net assets	1,371,040	1,598,690

Note 19. Interest in Subsidiaries (continued)

Summarised financial information (continued)

Summarised financial information of the subsidiary with non-controlling interests that are material to the Consolidated Entity are set out below:

	Las Petacas SpA	
	Year ended 30 June 2022 \$	Period ended 30 June 2021 \$
Summarised statement of profit or loss and other comprehensive income		
Expenses	(497)	(18,868)
Loss before income tax expense	(497)	(18,868)
Income tax expense	-	-
Loss after income tax expense	(497)	(18,868)
Other comprehensive loss	(227,153)	30,246
Total comprehensive loss	(227,650)	11,378
Statement of cash flows		
Net cash from operating activities	(11,252)	(10,991)
Net cash used in investing activities	-	(19,394)
Net cash from financing activities	-	-
Net decrease in cash and cash equivalents	(11,252)	(30,385)
Other financial information		
Loss/(income) attributable to non-controlling interests	(92,017)	4,778
Accumulated non-controlling interests at the end of the year	53,509	178,643

Note 20. Commitments for Expenditure

	Consolidated	
	Year ended 30 June 2022 \$	Year ended 30 June 2021 \$
The exploration commitments are as follows:		
Not longer than 1 year	294,106	50,827
Longer than 1 but not longer than 5 years	-	-
Longer than 5 years	-	-
Total	<u>294,106</u>	<u>50,827</u>

Exploration commitments consist of annual rents payable on mineral concessions.

Note 21. Parent Entity Disclosures

	As at 30 June 2022 \$	As at 30 June 2021 \$
(a) Financial position		
Assets		
Current assets	1,661,764	337,112
Non-current assets	3,162,758	-
Total Assets	4,824,522	337,112
Liabilities		
Current liabilities	91,978	706,707
Total Liabilities	91,978	706,707
Equity		
Issued capital	8,772,903	2,320,150
Reserves	31,462	-
Accumulated losses	(4,071,823)	(2,689,745)
Total Equity	4,732,543	(369,595)
(b) Financial performance		
Loss for the year	(1,382,078)	(1,725,633)
Other comprehensive income	-	-
Total comprehensive loss	(1,382,078)	(1,725,633)

(c) Contingent liabilities

As at 30 June 2022 (2021: nil), the Company had no contingent liabilities.

(d) Contractual Commitments

As at 30 June 2022 (2021: nil), the Company had no contractual commitments.

(e) Guarantees entered into by parent entity

As at 30 June 2022 and 2021, the Company had not entered into any guarantees.

The financial information for the parent entity, Culpeo Minerals Limited, has been prepared on the same basis as the consolidated financial statements, except as set out below.

Investments in subsidiaries, associates and joint venture entities

Investments in subsidiaries, associates and joint venture entities are accounted for at cost, less any impairment, in the parent entity. Dividends received from subsidiaries are recognised as other income by the parent entity and its receipt may be an indicator of an impairment of the investment.

Note 22. Cashflow Information

	Consolidated 30 June 2022 \$	30 June 2021 \$
<i>Reconciliation of net loss after tax to the net cash outflows from operations:</i>		
Net loss	(2,065,803)	(1,182,269)
Non-cash items		
Depreciation	1,259	-
Interest expense	16,008	14,845
Equity based expense	290,522	100,000
Exploration expenses	6,000	-
Impairment of VAT receivable	254,395	32,828
Impairment of exploration assets	-	227,096
Exchange difference	504,776	(13,069)
Changes in assets and liabilities		
Trade and other receivables	54,949	92,243
Trade and other payables	(541,350)	178,487
Net cash flows used in operating activities	(1,479,244)	(549,839)
Reconciliation of cash:		
<i>Cash balances</i>	1,838,929	442,761
	1,838,929	442,761
Non-cash financing and investing activities		
Repayment of loan by share issuance	190,372	176,184
Repayment of share issue cost by share issuance	569,228	-
Consideration paid for acquisition of Minera Panga SpA	-	125,000
	759,600	301,184

Note 23. Remuneration of Auditors

During the financial year, the following fees were paid or payable for services provided by RSM Australia Partners, the auditor of the Company:

	30 June 2022 \$	30 June 2021 \$
Audit and review of financial statements	42,000	37,500
Independent Accountant's Report	-	15,000
	42,000	52,500

Note 24. Events after Reporting Period

On 6 July 2022, the Company announced it had entered into a At-the-Market ("ATM") Subscription Agreement with Acuity Capital. The ATM facility provides the Company with up to \$3,000,000 of standby equity capital over the coming 25 months.

On 13 July 2022, the Company announced an update to the Quelon Project mineralisation zone.

On 19 July 2022, the Company announced further significant high-grade copper drill intersections and the completion of its Phase 1 drill program at its Lana Corina Project.

On 17 August 2022, the Company announced further significant high-grade copper intersections from drilling at its Lana Corina Project and confirmation of near-surface targets for the Phase 2 program.

On 23 August 2022, the Company announced the findings of a detailed mapping program at its Lana Corina Project and the validation of four high priority drill targets proximal to the Lana Corina mineralised system.

On 31 August 2022, the Company announced the findings of a multi-element sampling program at its Lana Corina Project in Chile.

On 6 September 2022, the Company announced shallow high-grade copper intersections from drilling at its Lana Corina Project in Chile.

On 19 September 2022, the Company announced that it has utilised its At-the-Market Subscription Agreement (ATM) with Acuity Capital (see announcement on 6 July 2022) to raise \$275,000 (inclusive of costs) by issuing 1,650,000 Culpeo fully paid ordinary shares to Acuity Capital at an issue price of \$0.1667 per share.

The impact of the COVID-19 pandemic is ongoing and it is not practicable to estimate the potential impact, positive or negative, after the reporting date.

Other than as discussed above, no other matter or circumstance has arisen since 30 June 2022 that has significantly affected, or may significantly affect the Consolidated Entity's operations, the results of those operations, or the Consolidated Entity's state of affairs in future financial years.

In the opinion of the Directors of Culpeo Minerals Limited (the "Company"):

- a. the financial statements, notes and the additional disclosures are 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 performance for the year then ended; and
 - II. complying with Australian Accounting Standards (including the Australian Accounting Interpretations) and the *Corporations Regulations 2001*;
- b. there are reasonable grounds to believe that the Company will be able to pay its debts as and when they become due and payable; and
- c. the financial statements and notes thereto are in accordance with International Financial Reporting Standards issued by the International Accounting Standards Board.

This declaration has been made after receiving the declarations required to be made to the Directors in accordance with Section 295A of the *Corporations Act 2001* for the financial year ended 30 June 2022.

Signed in accordance with a resolution of the Board of Directors.



Geoff McNamara
Non-Executive Chairman
30 September 2022

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**INDEPENDENT AUDITOR'S REPORT
TO THE MEMBERS OF
CULPEO MINERALS LIMITED**

Opinion

We have audited the financial report of Culpeo Minerals 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 statements, 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 then ended; 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 auditor independence requirements of the *Corporations Act 2001* and the ethical requirements of the Accounting Professional and Ethical Standards Board's APES 110 *Code of Ethics for Professional Accountants* (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.

Key Audit Matter	How our audit addressed this matter
Exploration and Evaluation Expenditure Refer to Note 6 in the financial statements	
<p>The Group has capitalised exploration and evaluation expenditure with a carrying value of \$2,941,038 as at 30 June 2022.</p> <p>We considered this to be a key audit matter due to the significant management judgments involved in assessing the carrying value of the asset including:</p> <ul style="list-style-type: none"> • Determination of whether the expenditure can be associated with finding specific mineral resources, and the basis on which that expenditure is allocated to an area of interest; • Determination of whether exploration activities have progressed to the stage at which the existence of an economically recoverable mineral reserve may be assessed; and • Assessing whether any indicators of impairment are present, and if so, judgments applied to determine and quantify any impairment loss. 	<p>Our audit procedures included:</p> <ul style="list-style-type: none"> • Assessing the Group's accounting policy for compliance with Australian Accounting Standards; • Assessing whether the Group's right to tenure of each relevant area of interest is current; • Agreeing, on a sample basis, additions of capitalised exploration and evaluation expenditure to supporting documentation, including assessing whether amounts are capitalised in accordance with the Group's accounting policy; • Assessing and evaluating management's assessment that no indicators of impairment existed at the reporting date; • Assessing management's determination that exploration and evaluation activities have not yet reached a stage where the existence or otherwise of economically recoverable reserves may be reasonably determined; • Enquiring with management and reading budgets and other supporting documentation to corroborate that active and significant operations in, or relation to, each relevant area of interest will be continued in the future; and • Assessing the appropriateness of the disclosures in financial report.

Other Information

The directors are responsible for the other information. The other information comprises the information included 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 accordingly we do not express any form of assurance conclusion thereon.

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

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

Responsibilities of the Directors for the Financial Report

The directors of the Company are responsible for the preparation of the financial report that gives a true and fair view in accordance with Australian Accounting Standards and the *Corporation 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 have no realistic alternative but to do so.

Auditor's Responsibilities for the Audit of the Financial Report

Our objectives are to obtain reasonable assurance about whether the financial report as a whole is free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance but is not a guarantee that an audit conducted in accordance with the Australian Auditing Standards will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of 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 at: <https://www.auasb.gov.au/auditors-responsibilities/ar2.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 within the directors' report for the year ended 30 June 2022.

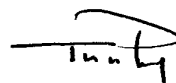
In our opinion, the Remuneration Report of Culpeo Minerals Limited, for the year ended 30 June 2022, complies with section 300A of the Corporations Act 2001.

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.



RSM AUSTRALIA PARTNERS



TUTU PHONG
Partner

Perth, WA
Dated: 30 September 2022

Additional information required by the Australian Securities Exchange Limited and not shown elsewhere in this report is as follows. The information is current as at 31 August 2022.

Issued Equity Capital

	Ordinary Shares	Performance Rights
Number of holders	832	6
Number on issue	57,991,688	5,200,000

Voting Rights

Voting rights, on a show of hands, are one vote for every registered holder of Ordinary Shares and on a poll, are one vote for each share held by registered holders of Ordinary Shares. Performance Rights do not carry any voting rights.

Distribution of Holdings of Equity Securities

Fully Paid Ordinary Shares

Holding ranges	Number of Equity Security Holders	
	Holders	Units
1 – 1,000	21	5,420
1,001 – 5,000	188	618,221
5,001 – 10,000	139	1,194,727
10,001 – 100,000	403	15,497,252
100,001 and over	81	40,676,068
Total	832	57,991,688

Class A Performance Rights

Holding ranges	Number of Equity Security Holders	
	Holders	Units
1 – 1,000	0	0
1,001 – 5,000	0	0
5,001 – 10,000	0	0
10,001 – 100,000	5	500,000
100,001 and over	1 ¹	250,000
Total	6	750,000

Class B Performance Rights

Holding ranges	Number of Equity Security Holders	
	Holders	Units
1 – 1,000	0	0
1,001 – 5,000	0	0
5,001 – 10,000	0	0
10,001 – 100,000	1	100,000
100,001 and over	5 ¹	1,300,000
Total	6	1,400,000

Class C Performance Rights

Holding ranges	Number of Equity Security Holders	
	Holders	Units
1 – 1,000	0	0
1,001 – 5,000	0	0
5,001 – 10,000	0	0
10,001 – 100,000	1	100,000
100,001 and over	5 ¹	1,550,000
Total	6	1,650,000

Class D Performance Rights

Holding ranges	Number of Equity Security Holders	
	Holders	Units
1 – 1,000	0	0
1,001 – 5,000	0	0
5,001 – 10,000	0	0
10,001 – 100,000	1	100,000
100,001 and over	5 ¹	1,300,000
Total	6	1,400,000

Unmarketable Parcels

	Number of Shares	Number of Holders
	201,506	109

As at 31 August 2022 there were 109 shareholders holding less than a marketable parcel of shares (being 3,031 shares based on a share price of \$0.1650 at 31 August 2022).

Substantial Shareholders

	Number of Securities	% Held of Issued Ordinary Capital
Geoffrey William McNamara and associated entities ¹	5,686,665	10.3%

1. As released on ASX on 16 September 2021.

On Market Buy Back

There is no current on-market buy-back.

Restricted Securities

The Company has the following restricted securities on issue.

Class	Number of Securities	Escrow Period
Fully Paid Ordinary Shares	11,194,551	Until 10 September 2023
Performance Rights	5,200,000	Until 10 September 2023

Top 20 Shareholders

Rank	Name	Number of Ordinary Shares	Percentage (%)
1	TANAMERA RESOURCES PTE LTD	3,331,408	5.74
2	ACUITY CAPITAL INVESTMENT MANAGEMENT PTY LTD <ACUITY CAPITAL HOLDINGS A/C>	2,293,290	3.95
3	J P MORGAN NOMINEES AUSTRALIA PTY LIMITED	2,093,325	3.61
4	BNP PARIBAS NOMINEES PTY LTD <IB AU NOMS RETAILCLIENT DRP>	2,047,219	3.53
5	LINKWOOD HOLDINGS PTE LTD	1,854,546	3.20
6	WALZ SUPER PTY LIMITED	1,620,000	2.79
7	MR MAXWELL DONALD TUESLEY	1,500,000	2.59
8	HSBC CUSTODY NOMINEES (AUSTRALIA) LIMITED	1,344,634	2.32
9	MR ZEFFRON CHARLES REEVES <PALIN A/C>	1,321,212	2.28
10	MR SERGIO URIBE	1,321,212	2.28
11	MR ANDREW DOUGLAS GLASS	1,091,250	1.88
12	MR DANIEL JAKE MONTIL	1,000,000	1.72
13	PAC PARTNERS SECURITIES PTY LTD	981,243	1.69
14	MR KENNETH JOSEPH HALL <HALL PARK A/C>	928,776	1.60
15	MASTSAIL HOLDINGS LIMITED	857,142	1.48
16	PAC PARTNERS SECURITIES PTY LTD	769,995	1.33
17	MARGARET CLARK	764,115	1.32
18	MR ANTHONY FRANK BAKER	631,836	1.09
19	DR ROSAMUND JULIEN BANYARD	530,000	0.91
20	TANAMERA RESOURCES PTE LTD	500,711	0.86
	TOTAL	26,781,914	46.18

Corporate Governance

The Company's 2022 Corporate Governance Statement is available for in the Corporate Governance section of the Company's website: <https://www.culpeominerals.com.au/about/corporate-governance/>

Use of Funds

The Company confirms that since admission to the ASX on 8 September 2021, it has used its cash and assets in a form convertible to cash that it had at the time of admission in a way consistent with its business objectives.

Project	Licence	Company	Area (Ha)	Grant	Expiry	
Lana - Corina	San Agustin	SCM Antares	1	1951	None	
	Socavon	SCM Antares	1	1951	None	
	Lana Segunda	SCM Antares	1	1951	None	
	Corina	SCM Antares	1	1951	None	
	Laco 1 1 – 10	SCM Antares	10	2015	None	
	Sara 1 – 20	Antofagasta Minerals S.A.	90	2006	None	
	Patty 2 1 – 75	SCM Antares	75	2019	None	
	Patty 3 1 – 260	SCM Antares	260	2019	None	
	Patty 4 1 – 111	SCM Antares	111	2019	None	
		Total – Lana Corina		550 Ha		
Petacas	Peta 31/55	EM DOS	120	11-Nov-89	None	
	Peta 91/96	EM DOS	10	11-Nov-89	None	
	Peta 15/28	EM DOS	70	06-Nov-89	None	
	La Rosa 27/28	EM DOS	6	26-Dec-89	None	
	La Rosa 31/46	EM DOS	80	28-Jun-11	None	
	La Rosa 1/30	EM DOS	300	25-Nov-91	None	
	Corredor 2, 1/12	EM DOS	12	18-Feb-15	None	
	Corredor 3, 1/6	EM DOS	6	18-Feb-15	None	
	Cachorro 1/20	EM DOS	20	11-Nov-14	None	
	Cachorro 1,1/160	EM DOS	160	28-Jul-15	None	
	Cachorro 2, 1/95	EM DOS	95	18-Feb-15	None	
	Cachorro 3, 1/24	EM DOS	242	18-Feb-15	None	
	Cachorro 4, 1/173	EM DOS	173	18-Feb-15	None	
	Cachorro 5, 1/87	EM DOS	87	18-Feb-15	None	
	Almudena 1,1	EM DOS	1	22-May-15	None	
	Amudena 2, 1/3	EM DOS	3	22-May-15	None	
	Almudena 3, 1/2	EM DOS	2	22-May-15	None	
	Almudena 4, 1/7	EM DOS	7	22-May-15	None	
	Almudena 5, 1/6	EM DOS	6	22-May-15	None	
	Almudena 6,1	EM DOS	1	22-May-15	None	
	Almudena 7,1	EM DOS	1	22-May-15	None	
	Almudena 8,1/4	EM DOS	4	22-May-15	None	
		Total – Las Petacas		1,406 Ha		
	Quelon	Angela 10 1/20	Vasco Minera	191	19-Aug-13	None
		Angela 1 1/15	Vasco Minera	150	19-Aug-13	None
Angela 11 1/10		Vasco Minera	63	22-Dec-15	None	
Angela 12 1/10		Vasco Minera	66	20-Jan-16	None	
Angela 13 1/30		Vasco Minera	255	28-Dec-15	None	
Angela 14 1/20		Vasco Minera	200	08-Jan-13	None	
Angela 15 1/14		Vasco Minera	70	08-Jan-13	None	
Angela 3 1/30		Vasco Minera	170	30-Nov-15	None	
Angela 4 1/29		Vasco Minera	205	13-Feb-14	None	
Angela 5 1/18		Vasco Minera	108	13-Jan-14	None	
Angela 6 1/30		Vasco Minera	236	13-Feb-14	None	
Angela 7 1/30		Vasco Minera	236	02-Dec-14	None	
Angela 8 1/20		Vasco Minera	131	02-Dec-14	None	
Angela 9 ½		Vasco Minera	17	13-Feb-14	None	
San Andres 10 1/24		Vasco Minera	216	13-Jun-17	None	
San Andres 1 1/15		Vasco Minera	114	03-Jun-17	None	
San Andres 11 1/24		Vasco Minera	216	03-Jun-17	None	
San Andres 13 1/19		Vasco Minera	102	03-Jun-17	None	
San Andres 14 1/15		Vasco Minera	102	03-Jun-17	None	
San Andres 15, 1-30		Vasco Minera	290	01-Feb-19	None	
San Andres 16, 1-30		Vasco Minera	330	06-Jul-19	None	
San Andres 17 1-30		Vasco Minera	324	01-Feb-19	None	
San Andres 18, 1-10		Vasco Minera	100	14-May-19	None	
San Andres 2, 1-10		Vasco Minera	57	12-Nov-17	None	
San Andres 4 1/5		Vasco Minera	23	13-Jun-17	None	
San Andres 5 ¼		Vasco Minera	36	03-Jun-17	None	
San Andres 6 1/20		Vasco Minera	200	03-Jun-17	None	
San Andres 7 1/20		Vasco Minera	200	03-Jun-17	None	
San Andres 8 1/20		Vasco Minera	200	03-Jun-17	None	
San Andres 9 1/20		Vasco Minera	161	03-Jun-17	None	
Teresa 1 1/30		Vasco Minera	279	21-Oct-13	None	
Teresa 2 1/15		Vasco Minera	150	21-Oct-13	None	
Teresa 3 1/20		Vasco Minera	200	21-Oct-13	None	
Teresa 4 1/20		Vasco Minera	155	21-Oct-13	None	
		Total – Quelon		5,553 Ha		
San Sebastian	San Sebastian 1/16 (2/16)	Minera Panga SpA	45	1998	None	
	San Sebastian 1/16 (1)	Minera Panga SpA	5	1998	None	
		Total – San Sebastian		50 Ha		