



**IPB**  
IPB PETROLEUM

**ANNUAL REPORT 2022**  
ACN 137 387 350

# COMPANY PROFILE

IPB Petroleum Limited (ACN 137 387 350) is an Australian oil and gas exploration company. IPB Petroleum holds a large exploration permit in what it believes to be in the oil prone southern margin of the Browse Basin offshore northwest Australia.

Our aim is to achieve superior returns for our shareholders, through successful exploration, appraisal, and if successful development and production from oil and gas assets.

# ANNUAL GENERAL MEETING

The Annual General Meeting of IPB Petroleum is proposed to be held on:

Monday 28 November 2022 at 11 am AEDST in Melbourne VIC 3000 at a venue to be advised.

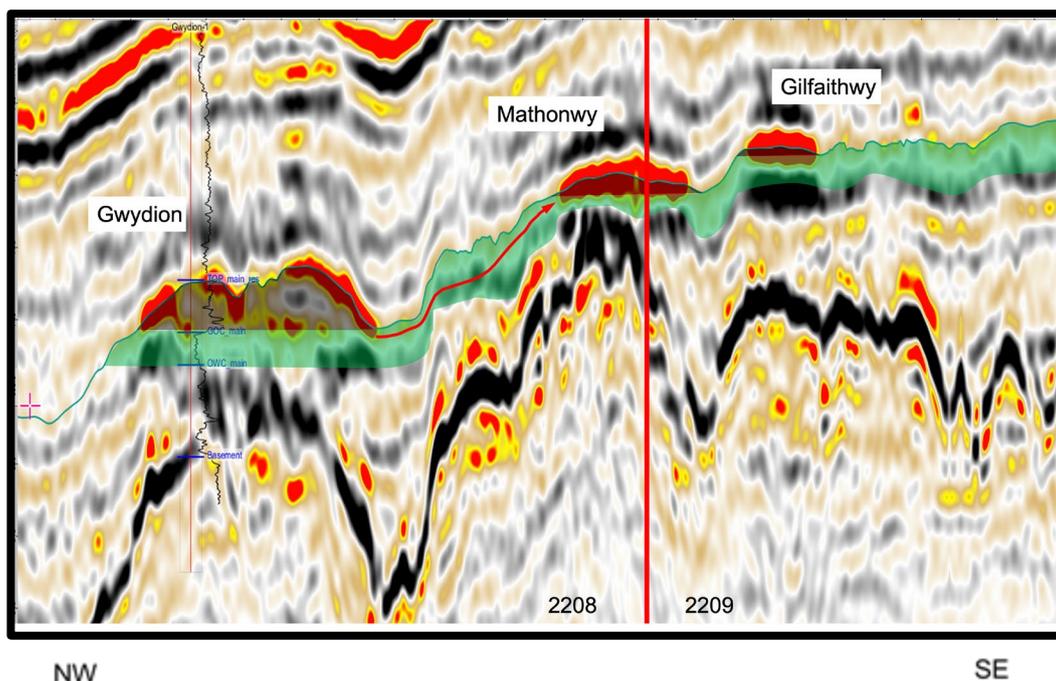
This report meets our compliance and governance requirements and is designed to provide easy to read information for shareholders on IPB Petroleum's performance for the year to 30 June 2022.

**Front Cover:**

*Image of top deck of semi-submersible drill rig Stena Clyde during 2013 operations in WA-424-P*

**Below:**

*3D Seismic line in depth through Gwydion oil discovery and up-dip Mathonwy and Gilfaithwy structures (WA-424-P). Revealing at Gwydion marked gas and oil column as measured by well logs.*



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*Image of Stacked drill casing*

A large, complex industrial structure, likely a semi-submersible drill rig, is shown in a blue-tinted, semi-transparent style. The rig features a prominent derrick structure with multiple levels of platforms, ladders, and various mechanical components. The overall appearance is that of a massive piece of engineering designed for offshore operations.

*Image of a semi-submersible drill rig*

# Letter from the Chair

30 September 2022

Dear fellow shareholders,

IPB Petroleum (“IPB” or “the Company”) remains committed to optimising the potential value of its primary asset, WA-424P with the Gwydion discovery and Idris prospect. However, with lack of confirmed funding, the drilling of Idris -1 within the existing permit tenure appears to be uncertain. While it has appropriate strategies to retain sufficient tenure, the Company re-invigorated the farmout to industry participants having undertaken additional technical work to support the concept of the stratigraphic potential of the prospect. IPB has also reviewed a number of complementary exploration/development opportunities and several remain under active consideration.

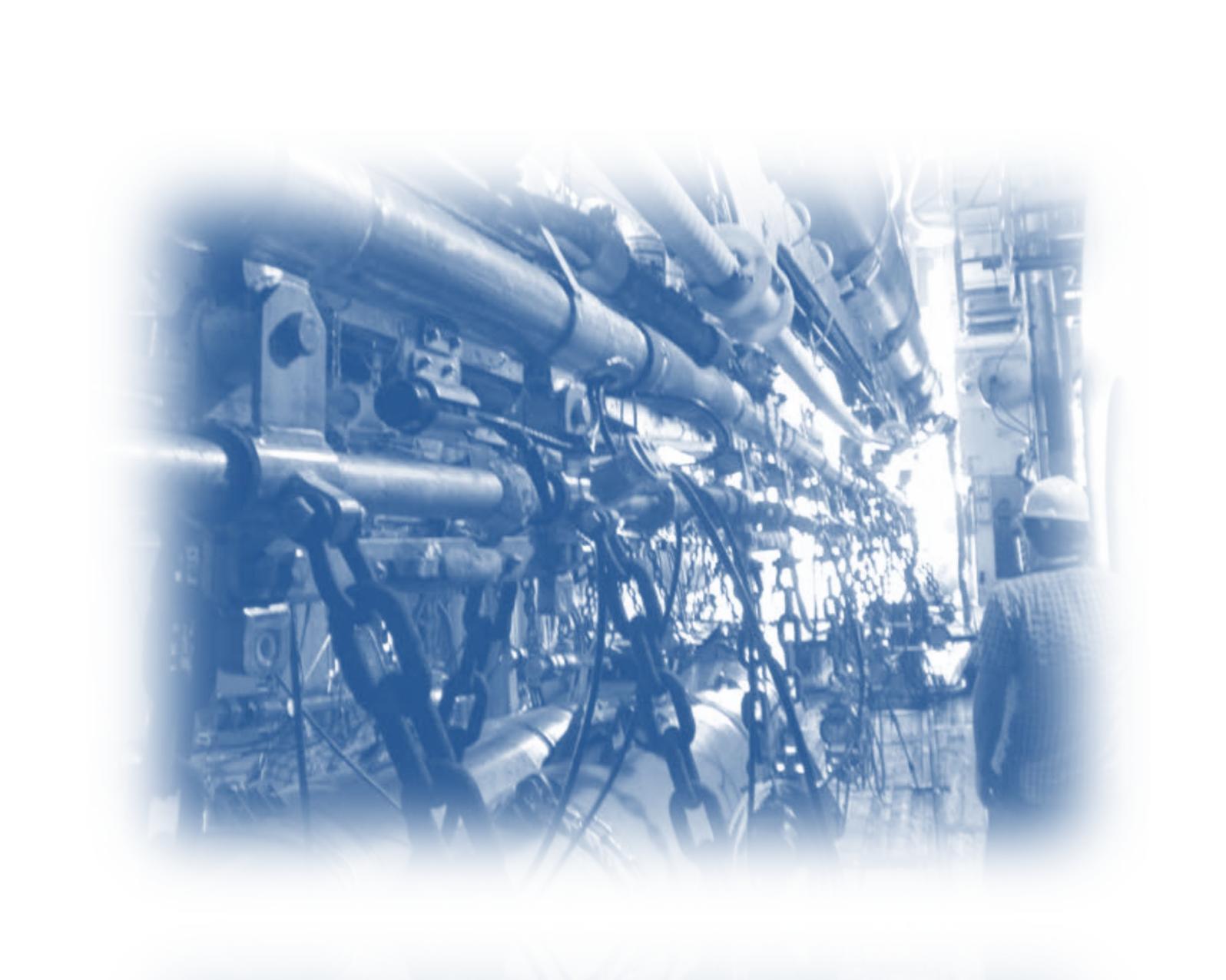
This has required ongoing diligent stewardship of the Company’s finances and cash outlays that have been kept to a sensible level. Nevertheless, it again became prudent to supplement the balance sheet and a placement and a rights issue were recently completed in July and September respectively to allow IPB to progress the permitting for the drilling of Idris and to pursue other potentially attractive opportunities. I thank existing shareholders for their support and welcome new investors in these capital raisings.

Existing shareholders will also be aware that IPB had negotiated a Farmout and Funding Agreement with Quay Resource Investments to fund the drilling of the Idris well and earn a 50% interest in the WA-424P permit however promised remittances have at the date of this report not been forthcoming.

It has been another challenging period, and I commend Managing Director Brendan Brown and my fellow directors, who have remained diligent and committed to the future of the Company and the interests of its shareholders.



**Bruce McKay**  
Non-Executive Chair



*Image of Source Deck of Pacific Explorer just before WA-424-P Gwydion MC3D Survey in April 2011. Courtesy of PGS.*

# Directors' Report

The Directors present their report of IPB Petroleum Limited ('IPB Petroleum') and subsidiaries ('Group') for the Financial Year ended 30 June 2022 and the independent auditor's report thereon.

## **Board of Directors**

The Board of Directors of IPB Petroleum Limited ('Board') as at the end of the Financial Year and to the date of this report are:

### **Bruce G McKay**

#### **Non-Executive Chairman**

#### **Qualifications**

BSc (Hons), FAICD, FIEAust

#### **Experience and Expertise**

Bruce McKay has over 50 years' experience in the oil and gas and resources industries. He commenced his career with Esso Australia where he worked for more than 23 years in exploration, operations and executive management in Australia and overseas. At the culmination of his career with Esso and Exxon affiliates, he held the positions of General Manager Production for Esso Australia and Chief Executive Officer of Delhi Petroleum. Subsequently he was Director of Personnel at Telstra and then was appointed Chief Executive and Head of School of the Australian Graduate School of Engineering Innovation in 1994. From 1996 to 2002 he was on the Board of Normandy Mining, then Australia's largest gold mining company. From 1997 to 2010 Bruce was Non-Executive Chairman of AWE Limited, which achieved considerable success with its growth from start-up to an ASX100 company. More recently he has been Non-executive Chairman of Epic Energy (gas pipelines), Digitalcore (technology services), KUTh Energy (geothermal) and the Advisory Board of Management for the Australian School of Petroleum at Adelaide University. He is currently chairman of ANU Enterprise. He is an Honorary Life Member of APPEA where he was Chairman between 1991-92. He is also a member of AAPG and PESA. Bruce is also a member of the Audit Committee.

#### **Directorships Held in Other Listed Entities**

Bruce McKay has not been a director of any other publicly listed companies in the past three (3) years.

### **Brendan Brown**

#### **Managing Director**

#### **Qualifications**

BSc, BE (Hons), MBA (Melb), F.Fin

#### **Experience and Expertise**

Brendan Brown has over 30 years' experience in the oil and gas and finance industries. He commenced his career as an engineer with BHP Petroleum, where he was involved in various projects and operations including the Jabiru, Challis, Skua and Griffin oil field developments. He has also been an analyst and corporate adviser with ANZ Investment Bank. Prior to establishing IPB Petroleum in 2009, Mr Brown was General Manager Finance and Business Development at Nexus Energy where he was responsible for managing the group's corporate activities and financing functions and the negotiation and maintenance of its key commercial arrangements. Mr Brown is also a Life Member of The Society of Petroleum Engineers.

#### **Directorships Held in Other Listed Entities**

Brendan Brown was also the Non-Executive Chairman of TEK Ocean Group Limited until 18 August 2022.

## Philip Smith

### Technical Director

#### Qualifications

BSc Physics (Hons), MSc Geophysics, Grad Dip App Fin & Inv

#### Experience and Expertise

Philip Smith was appointed as the Technical Director in October 2010. He has over 40 years' experience working as an Exploration Geoscientist and commenced his career in London with Phillips Petroleum and Kufpec before coming to Australia to join Woodside Petroleum and then BHP Petroleum. Mr Smith's positions in his 15 years with BHP Petroleum were in senior technical and managerial roles, mainly involved in offshore basins around Australia. He was involved in oil and gas discoveries in Elang, Laminaria, Maple and Argus. Later he joined Nexus Energy where he was responsible for building the exploration portfolio and was involved in the Longtom and Crux appraisal and development projects.

#### Directorships Held in Other Listed Entities

Philip Smith has not been a director of any other publicly listed companies in the past three (3) years.

## Geoffrey King

### Non-Executive Director

#### Qualifications

BSc (Hons), GAICD

#### Experience and Expertise

Geoffrey King was appointed to the Board in February 2013 as a Non-Executive Director and is also a member of the Audit Committee. He brings over 40 years' experience within the oil and gas industry, having commenced his career with Esso Australia. Mr King then joined BHP Petroleum where he held a number of management positions and was directly involved in oil and gas discoveries at Macedon, Pyrenees, Montara, Argus and Gwydion. He was the Vice President of Exploration Australia/Asia for four years with BHP Billiton and has experience in offshore basins around Australia. With his wealth of knowledge in the Australian market, Mr King also has experience in the oil and gas sector in the United States and South East Asia. He brings a particular insight into the area of exploration in the Browse Basin. Geoff is a member of the Audit Committee and since 12 July 2021 has been Chairman of the Audit Committee.

#### Directorships Held in Other Listed Entities

Mr King has not been a director of any other publicly listed companies in the past three (3) years.

Table 1 displays the appointment and cessation dates as applicable of all directors who held office during the Year.

Name	Role	Date of Appointment	Date of Cessation
<b>Bruce McKay</b>	Non-Executive Chairman	26 May 2014	-
<b>Brendan Brown</b>	Managing Director	28 May 2009	-
<b>Philip Smith</b>	Technical Director	5 October 2010	-
<b>Geoffrey King</b>	Non-Executive Director	5 February 2013	-
<b>Brodrick Wray</b>	Non-Executive Director	26 May 2014	12 July 2021

**Table 1 – Directors' dates of appointment and cessation**

## Company Secretary

Martin Warwick was appointed as Company Secretary on 29 January 2015. Martin is a professional Accountant and served as Company Secretary for Templeton Global Growth Fund Limited (ASX:TGG) for over 8 years until his appointment as Non-Executive Director of TGG in July 2014. Martin's credentials include being an Associate of the Governance Institute of Australia, and the Institute of Chartered Secretaries and Administrators and a Member of the Australian Institute of Company Directors.

## Directors' Meetings

Table 2 below sets out the Board members who held office during the year and the Committees of the Board ('Committees'), as well as the corresponding number of meetings of the Board and Audit Committee held during 2022 and the number of meetings attended during each Director's period of office.

Director	Board		Audit Committee	
	Number Eligible to Attend	Number Attended	Number Eligible to Attend	Number Attended
<b>Bruce McKay</b>	7	7	2	2
<b>Brendan Brown</b>	7	7	-	-
<b>Philip Smith</b>	7	7	-	-
<b>Geoffrey King</b>	7	7	2	2
<b>Brodrick Wray</b>	-	-	-	-

**Table 2 – Directors' attendance at Board and Committee Meetings**

## Principal Activities

During the year, the principal activities of the Group consisted of conventional hydrocarbon exploration and associated financing and farmout activities relating to its exploration permit along the southern margin or the Browse Basin offshore northwest Australia. The company also reviewed and continues review other potential complementary opportunities as part of its business as usual.

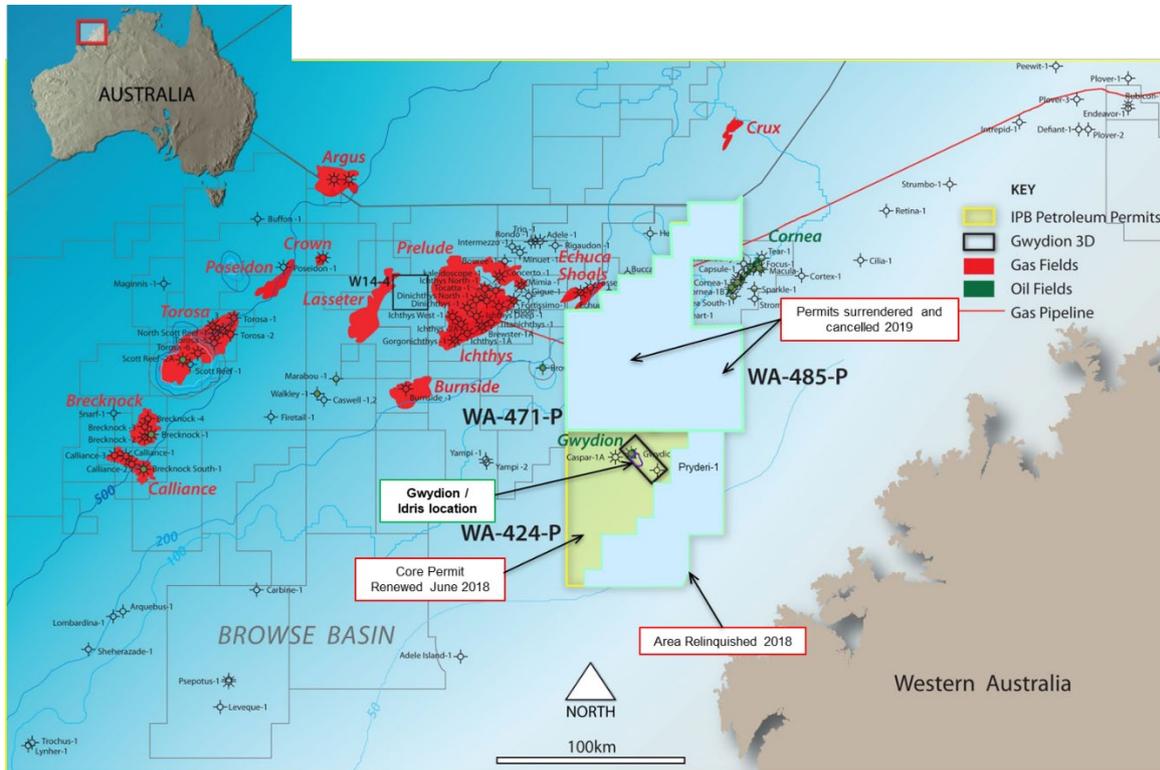


Figure 1 – Location Map IPB Petroleum’s WA-424-P Permit in the Browse Basin offshore North-Western Australia

Table 3 shows IPB Petroleum’s current working interest in its WA-424-P Permit.

Exploration Permit	IPB Petroleum’s Interest
WA-424-P	100% interest and Operator*

Table 3 – IPB Petroleum’s exploration permit and current working interest

\* Note under the Farmout and Funding agreement and variations thereof it is proposed that IPB will transfer 50 % non-operating interest in the WA-424-P Permit to Quay

## Significant Changes in State of Affairs

The significant changes in the state of affairs of IPB Petroleum that occurred during the year and to the date of this report are summarised as follows:

On 10 August 2021 the company issued 50,000,000 ordinary shares at an issue price of 1.75 cents each following the successful completion of the placement of such shares announced on 3 August 2021 raising a net \$819,500 after costs.

## Review of Operations

### Statement of Profit and Loss

As an exploration company, IPB Petroleum has no income generating assets, and accordingly the company's consolidated net (loss) after income tax for the Financial Year ended 30 June 2022 was (\$0.375 million), (2021: (\$0.450 million)). The 2022 net (loss) was less than 2021 primarily as a result of reduced employee benefits and directors' expenses. Refer remuneration report and Financial Statements and Notes for more details.

During the year, IPB Petroleum received other revenue of \$292 related to interest on bank deposits (2021 \$10,100). The 2021 result included \$10,000 of government related COVID-19 incentive payments.

IPB Petroleum incurs costs in performing its exploration, business development and company administration activities, which are either expensed or capitalised in accordance with the relevant Australian Accounting Standards.

Total Expenses decreased during the year to a total of \$0.375 million (2021: \$0.460 million) as a result of reduced overheads and expenses related to administration activities.

### Statement of Financial Position

As at 30 June 2022, IPB Petroleum's financial position and capital structure reflects the nature of its activities, that is, no bank debt and two major asset classes being cash of \$0.337 million (2021: \$0.167 million) and capitalised exploration and evaluation expenditure of \$3.965 million (2021: \$3.735 million).

The net assets of the company at 30 June 2022 were \$4.290 million (2021: \$3.845 million). The share placement completed successfully on 10 August 2021 raised approximately \$0.8195 million after costs which after subtracting the operating loss of \$0.375 million accounts for the net increase in net assets of approximately \$0.445 million. The net result being as at Balance Date Issued Capital stands at \$19.256 million (2021: \$18.437 million).

IPB Petroleum has accumulated losses of \$15.198 million plus capitalised exploration costs of \$4.35 million (largely expensed for taxation purposes) plus Petroleum Resource Rent Tax ('PRRT') credits of approximately \$12.066 million for which it has not recognised any future taxation benefits in its financial statements due to the company's early-stage exploration and appraisal status, with no booked commercial reserves.

### Permits

Under the terms of grant by government, exploration permit holders such as IPB Petroleum are committed to complete minimum work programmes during the tenure of the permit unless varied by agreement with the relevant government authority. If a permit holder does not fulfil the agreed permit work programme the penalty for the company is potential forfeiture of the permit. As there are no financial penalties, the work commitment programmes are not recognised in the company's Financial Statements as a liability in accordance with the relevant accounting standards.

### Operational Activities within IPB Petroleum's Exploration Permits

#### PERMIT WA-424-P (IPB 100%)

##### Farmout and Funding and Proposed Drilling of Idris Appraisal well.

During the prior Financial Year end 30 June 2021, IPB WA 424P Pty Ltd, (a wholly owned subsidiary of IPB Petroleum Limited) signed a Farmout and Funding Agreement and Joint Venture Operating Agreement in relation to its 100% held Permit WA-424-P with an Australian incorporated entity, Quay Resource Investments Pty Ltd (Quay). A summary of the key points of this transaction are provided Company's more comprehensive ASX release dated 30 November 2020.

In summary, Quay was to earn a 50% working interest in Permit WA-424-P by providing limited recourse debt finance to fund the estimated costs to drill the Idris appraisal well and certain back costs. Quay then had a success-based option to maintain its 50% working interest by providing further funds to the proposed Joint Venture an to be applied towards a success based estimated stage 1 field development.

## DIRECTORS' REPORT

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### FOR FINANCIAL YEAR ENDED 30 JUNE 2022

During the Financial Year end 30 June 2022, the company continued to work co-operatively with Quay to extend the time available for remittance of funding.

Due to delays to the above-mentioned funding, the company renewed its farmout process and commenced presentations and discussions with a number of alternative interested parties looking to potentially farm-in to WA-424-P by funding the Idris well. To-date no firm offers have been received.

#### Further Studies and Costing work

During the Year, studies and commercial activities continued on scoping, and scheduling for the proposed Idris appraisal well. The company commenced its environmental planning activities, given this is the critical path item and the longest lead time activity for drilling Idris.

Once sufficient financing is secured, as proposed Operator of the WA-424-P permit, IPB aims to award certain key contracts during the current permit year.

If sufficient funding cannot be secured to drill the Idris well within a suitable timeframe the Company intends to either apply to the government for an extension, or to preserve most of what it considers to be the most defined valuable part of the WA-424-P permit to "declare a location" given the existing oil and gas discovery at Gwydion and apply for a retention lease, subject to government approvals, with a view to progress towards a potential future development.

#### Other Activities

Through its membership of the NERA consortium the Company continued to progress work during the year on a future Seismic environmental plan (EP) application covering all of its WA-424-P acreage. Following Year end the seismic EP has been lodged with NOPSEMA.

During the Year and as at the date of this Report the company continues to review a number of complementary oil and gas exploration and development opportunities, in keeping with its core business.

WA-424-P Permit Work Programme:

The current minimum work programme for WA-424-P is detailed as follows:

Term	Period	Remaining Minimum Work Requirements*	Estimated Expenditure A\$
<b>Primary Years 1-3</b>	18/6/18 - 17/6/23	Geotechnical Studies including Seismic Re-interpretation of 75km <sup>2</sup> depth conversion around the Idris Prospect One Exploration Well	40,000 15,000,000
<b>Secondary Year 4</b>	18/6/23 - 17/6/24	Detailed assessment and re-interpretation of well and 3D seismic data following drilling of commitment well	100,000
<b>Secondary Year 5</b>	18/6/24 - 17/6/25	Technical studies to support a renewal and relinquishment strategy	100,000

**Table 4: Minimum work programme for WA-424-P (IPB Petroleum 100% and Operator)\***

\* Note under potential farmout agreements agreement it is likely that IPB will transfer or hold on trust a significant portion of the permit WA-424-P Permit to a farminee. The terms and conditions of any Permits held by IPB Petroleum from time to time require guaranteed annual work commitments to be completed. Whilst not a liability in terms of the relevant accounting standards and therefore not recordable in the company's Statement of Financial Position, a failure to meet a guaranteed work commitment may render a permit liable to be cancelled, unless an extension of time or waiver of the requirement is granted by government.

The current WA-424-P Permit requires a well (Idris) to be drilled by 17 June 2023. If the company cannot settle funding and commence operations to the satisfaction of the government, or cannot obtain a suitable extension to carry out the well activities at a later date, the company is at risk of losing its WA-424-P permit. A mitigating strategy which the company is considering, and has commenced work on, as an alternative strategy to preserve most of what it considers to be the defined valuable part of the WA-424-P permit will be to "declare a location" given the existing oil and gas discovery at Gwydion and apply for a retention lease with a view to progress towards a potential future development.

**Financing Activities**

Refer to "Significant Changes in the State of Affairs" above.

**Future Developments, Prospects and Business Strategies**

**Near Term Developments and Prospects**

Given IPB Petroleum's business model and limited internal financial resources, the company's nearer term objective is to achieve a successful drilling of the Idris well through a farmout of WA-424-P to appraise the interpreted updip extension of the Gwydion oil discovery. The farmout and funding activities (refer above) are aimed at achieving this objective.

If this funding is not forthcoming the company aims to pursue permit extension alternatives available to permit holders, and continue to work towards drilling idris or potential future commercialisation options relating to the existing oil discovered at Gwydion.

Over the longer term the company will continue to require funding of future commitments within its permit(s) and any future assets it may successfully acquire as well as fund any success case development into production.

If on the downside the company cannot secure sufficient funding to fund its current or future permit activities and or cannot agree an extension or variations to its permit work programmes or retention of acreage with authorities, the company may ultimately have to forfeit or relinquish acreage.

### Business Strategy

IPB's Petroleum's aim is to achieve superior returns for its shareholders through the early entry, exploration and appraisal, and if successful development and production from its hydrocarbon assets. The company has oil discovered at Gwydion (BHP 1995) within its core WA-424-P permit. IPB Petroleum's short to medium term aim is to achieve the drilling of the Idris appraisal well through farmout funding within its WA-424-P permit to ultimately increase and convert contingent and prospective resources to reserves, thereby increasing the commercial value of these assets.

As it relates to other initiatives, and as mentioned above, the company could alternatively "declare a location" at the appropriate time and subject to government approvals, work towards a retention lease for future potential development of the oil encountered at Gwydion.

As mentioned above the company intends to continue to review complementary oil and gas opportunities in accordance with its core business.

### Risks

The company has identified certain business risks associated with its strategy and business plans. These risks are summarised as follows:

#### Funding risks

As a small exploration and appraisal company, a key risk for IPB Petroleum is the funding of future activities. Until sufficient exploration, appraisal and development success is achieved and with-it likely access to alternate forms of funding and sources of positive cashflow, the company will continue to need to raise/or receive additional funding as and when it may be required from sources such as:

- (i) Farmouts;
- (ii) asset sales/divestments; or
- (iii) new share and other securities issues
- (iv) possible future secured asset acquisition related debt funding
- (v) possible high yield bond issue

IPB Petroleum will aim to utilize the most appropriate funding source at the most opportune time. It may also consider reducing certain commitments as another option in managing its overall working capital if funding is not available.

#### Key Person Retention Risks

There is a risk that given the company's limited financial resources and reduced remuneration arrangements for all Key Management Personnel that the company may not be able to continue to retain the requisite or most suitable personnel to be able to execute on its business plans. The ability of the company to retain Key Management Personnel will be dependent on amongst other things, the ability of the company to provide market competitive remuneration.

The company may in the future have to continue to consider supplemental ways of retaining and remunerating requisite Key Management Personnel in order to mitigate this ongoing risk further.

#### Exploration risks

As an exploration and appraisal company, IPB Petroleum may be unsuccessful with its exploration and appraisal activities. Strategies to manage this type of risk include;

- (i) completing as much technical work to de-risk exploration prospects as reasonably possible;
- (ii) farming out interests to cover costs; and
- (iii) achieving diversification through an exploration/ production /other asset portfolio approach.

IPB Petroleum intends to continue to apply some or all of these risk mitigation strategies as and when appropriate. It is important to highlight that there is a level of material risk in certain activities, such as exploration, appraisal drilling and development that cannot be reduced any further until that activity is undertaken.

#### Operational risks

Exploration activities carry numerous risks such as delays, interruptions, and potential changes to scale and scope that cannot always be fully mitigated. IPB Petroleum may experience operational delays in relation to any potential future seismic or drilling activity for example due to

## DIRECTORS' REPORT

### FOR THE FINANCIAL YEAR ENDED 30 JUNE 2022

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cyclonic weather-related event or equipment failure and/or lack of availability. These risks can cause schedule and cost increases to the company's budgeted activities.

Risks to operating schedules, such as delays to environmental approvals, could materially and adversely affect schedules and costs associated with the company's planned and future activities.

#### Environmental risks

IPB Petroleum intends to comply at all times with all requisite environmental laws and regulations. Despite this, there is always a possible risk that accidental environmental pollution could occur such that the company may be subject to substantial potential liability and the cost of any clean-up activities.

#### Future Government Policy Risks

Risks also exist in the area of future Government policy, for example possible future continued "Climate Change" linked responses or policies over which the Company has no control. Possible future changes to Government policy and laws could render the Company's key asset to be a stranded resource, or subject to an increase in taxes or delays to development or commercialisation. Whilst the Company is of the view that such possible developments, if they were to occur, are likely to be some way off, given current market and nearer term societal and strategic needs and dynamics, there are no guarantees that such threats or costs to the Company's business and assets may not become reality at some point in the future. Further limitations to strategic energy supplies could also render any future production subject to government price or volume or other marketing controls.

#### Pandemic related risks

Risks continue to present themselves in the area of COVID-19 and regulatory bodies and government response. For example, the restricted movement of people and goods and services to support the exploration, appraisal, financing, farminees financing, and other activities of the Company has and could continue to be adversely affected through State and other Government responses and travel restrictions. These risks are generally considered to be temporary in nature.

#### Counterparty and contractual risks

Contractual disputes with joint venture partners, operators and contractors can arise from time to time. When a venture partner does not act in the best commercial interests of the joint venture project or IPB Petroleum, it could have a material adverse effect on the company.

#### Permit commitments and tenure risks

The terms and conditions of any Permits held by IPB Petroleum from time to time require guaranteed annual work commitments to be completed. Whilst not a liability in terms of the relevant accounting standards and therefore not recordable in the company's Statement of Financial Position, a failure to meet a guaranteed work commitment may render a permit liable to be cancelled, unless an extension of time or waiver of the requirement is granted by government.

The current WA-424-P Permit requires a well (Igris) to be drilled by 17 June 2023. If the company cannot settle funding and commence operations to the satisfaction of the government, or cannot obtain a suitable extension to carry out the well activities, the company is at risk of losing its WA-424-P permit. A mitigating strategy which the company is considering, and has commenced work on, as an alternative strategy so as to preserve most of what it considers to be the defined valuable part of the WA-424-P permit will be to "declare a location" given the existing oil and gas discovery at Gwydion and apply for a retention lease with a view to progress towards a potential future development.

## Dividends

The Directors of the company do not recommend and have not declared or paid any dividend for the Financial Year ended 30 June 2022 (2021: Nil).

## After Balance Date - Subsequent Events

On 15 July 2022, 33,333,333 new shares placed to professional and sophisticated investors, were issued at a price of 0.9 cents per share. 16,666,667 free attaching unlisted options were also co-incidentally issued with an exercise price of 1.8 cents expiring 15 July 2023. This placement raised approximately \$282,000 after brokerage costs of approximately \$18,000.

On 7 September 2022 the Company closed a non-renounceable entitlement issue ("Offer") of one fully paid ordinary share for every share held by shareholders registered in Australia and New Zealand as at 17 August 2022. The Company raised approximately \$775,635 before costs of approximately \$60,000. Accordingly, 86,181,693 shares were issued on 15 September 2022 at a price of 0.9 cents per share and 43,090,842 free attaching unlisted options were also co-incidentally issued with an exercise price of 1.8 cents expiring 15 July 2023.

Under ASX rules the Company has the right but not the obligation for a period of up to three months from closing of the Offer to now place the shortfall shares totalling up to a maximum of 284,006,508 in accordance with the terms of the Offer dated 12 August 2022.

On 13 September 2022, 2,100,000 options exercisable at 20 cents lapsed unexercised.

Other than as disclosed above no other matters or circumstances have arisen since the end of the financial year which, significantly affect the operations of the Group, the results of those operations, or state of affairs of the Group in future financial years.

## Proceedings on behalf of the Group

No person or entity has applied for leave of Court to bring proceedings on behalf of the Group or intervene in any proceedings to which the Group is a party for the purpose of taking responsibility on behalf of the Group for all or any part of those proceedings. The Group was not a party to any such proceedings during the Financial Year.

## Environmental Regulation

IPB Petroleum seeks to fully comply with its environmental obligations. Under environmental legislation there is a requirement that the operations activities within the Group's permits obtain environmental approvals from NOPSEMA and any other agencies the government may appoint from time to time.

During the Financial Year, the Group was not aware of any material breach of any particular or significant Commonwealth, State, Territory or other regulation in respect to environmental management.

## Share Options

### Unissued shares under option

At the date of this report, the following options over unissued ordinary shares of IPB Petroleum Limited are detailed as follows:

Grant dates	Exercise price	Number of shares under option	Expiry Date
22 November 2018	4.65 cents	4,750,000 <sup>1</sup>	22 November 2022
7 December 2020	5.65 cents	4,750,000 <sup>1</sup>	7 December 2024
15 July 2022	1.8 cents	16,666,667 <sup>2</sup>	15 July 2023
15 September 2022	1.8 cents	43,090,842 <sup>2</sup>	15 July 2023

<sup>1</sup> These options were issued under IPB Petroleum Limited Employee Option Plan (IPBLEOP) following shareholder approval at the 2018 and 2020 Annual General Meetings and were issued to Directors and an Officer of the company.

<sup>2</sup> Subsequent to Year end event

Since the end of the reporting period no other options were granted or exercised over unissued shares or interests in IPB Petroleum Limited or any controlled entity within the Group.

## Indemnification of Directors and Officers

During the Financial Year, the company paid a premium in respect of a contract providing insurance to the Directors of IPB Petroleum and the Company Secretary and of any related body corporate against any liability incurred as a Director or Company Secretary to the extent permitted by the *Corporations Act 2001*. In accordance with commercial practice, the insurance policy underwriter restricts disclosure of the terms of the policy. IPB Petroleum has not otherwise, during or since the end of the Financial Year indemnified or agreed to indemnify an officer or auditor of the company or any related body corporate against a liability incurred as an officer or auditor. During the period the amount paid for Directors and Officers insurance was \$30,022 including fees and brokerage and stamp duties.

## Rounding

In accordance with ASIC Corporations (Rounding in Financial/Directors' Reports) Instrument 2016/191, the amounts in the Directors' Report and in the Financial Report have been rounded to the nearest dollar unless otherwise stated.

## Remuneration Report

The Directors of IPB Petroleum present this Remuneration Report for the Financial Year ended 30 June 2022 in accordance with Section 300A of the *Corporations Act 2001*. The information provided in this report has been audited as required by section 308 (3C) of the *Corporations Act 2001*. The Remuneration Report forms part of the Directors' Report.

IPB Petroleum is committed to delivering value for our shareholders. Ensuring we maintain a Director and Executive remuneration framework which aligns with this objective is a key priority for the Board.

The Remuneration Report sets out remuneration information pertaining to the company's Directors and Executives who are the key management personnel of the group for the purposes of the *Corporations Act 2001* and the Australian Accounting Standards.

The Directors and Executives, being the key management personnel of the company, disclosed in the Remuneration Report that held office during the 30 June 2022 Financial Year are shown in Table 5 below.

Director	Position
<b>Bruce McKay</b>	Non-Executive Director and Chair
<b>Brendan Brown</b>	Managing Director
<b>Philip Smith</b>	Technical Director
<b>Geoffrey King</b>	Non-Executive Director
<b>Brodrick Wray*</b>	Non-Executive Director

**Table 5 – IPB Petroleum Directors & Executives**

\* *Brodrick Wray retired on 12 July 2021*

The Remuneration Report is structured into the following sections:

1. Executive Remuneration Policy and Framework
2. Executive Directors' Remuneration and Employment Agreements
3. Executive Remuneration
4. Employee Option Plan
5. Remuneration and Performance
6. Remuneration for the Financial Year Ended 30 June 2022
7. Non-Executive Directors' Fees and other remuneration
8. Shareholdings

## 1. Executive Remuneration Policy and Framework

### Remuneration Policy

IPB Petroleum aims to remunerate Executives fairly, responsibly and competitively for their contribution to the business, and in accordance with the resources available to the company. In line with this objective, IPB Petroleum's policy is to review Executive remuneration packages against comparable companies. Executive pay levels are determined on a combination of

external benchmarks and an assessment of individual performance.

The key objective of the remuneration policy is to ensure IPB Petroleum:

- provides competitive remuneration and rewards which attract, retain and motivate Executives of the highest calibre within the resources of the company;
- aligns the interests of shareholders, employees and other stakeholders;
- establishes deliverables which are linked to an Executive's remuneration;
- benchmarks remuneration against appropriate industry groups and other listed entities; and
- complies with applicable legal and corporate governance requirements.

The remuneration policy is reviewed and approved annually by the Board and the company may use independent remuneration advisers for advice on Executive remuneration and Non-Executive Director fees. During the year, the company did not employ a remuneration consultant to provide recommendation in respect of the remuneration of the key management personnel.

### Relationship Between the Remuneration Policy and Company Performance

The Table below sets out summary information about the consolidated entity's earnings and movements in shareholder wealth for the five years to June 2021. As the table indicates, losses have varied materially over the past five financial years, due to the nature of exploration and associated activities the company has undertaken. It has been the aim of the Board of Directors to attract and retain management expertise essential to the company's activities, and in line with the resources available to the Group.

Financial Year End	30 June 2022	30 June 2021	30 June 2020	30 June 2019	30 June 2018
Revenue (\$)	nil	nil	nil	nil	nil
Net Loss Before Tax (\$)	375,087	449,579	512,819	753,951	470,373
Net Loss After Tax (\$)	375,087	449,579	512,819	753,951	470,373
Share Price at End of Year (cents)	0.9	2.2	1.5	3.4	2.0
Basic diluted loss per share (cents)	0.11	0.16	0.22	0.40	0.30
Dividends per share	nil	nil	nil	nil	nil

## 2. Executive Directors' Remuneration and Employment Agreements

### Managing Director – Brendan Brown

Brendan Brown was appointed as Managing Director effective 1 October 2010. On 1 June 2015, the company and Mr Brown mutually agreed to 6-months' notice of termination of this prior engagement. The company subsequently executed a new engagement securing the services of Mr Brown, on a month-to-month basis as required from 1 December 2015. This agreement was mutually varied in April 2016 such that Mr Brown will provide his services on an as required basis summarised as follows:

- Base Remuneration of \$1,675 per day plus GST for days worked
- Reimbursement for general expenses incurred in the performance of his duties
- No notice period;

**Technical Director – Philip Smith**

Philip Smith commenced as Technical Director effective 1 November 2010. On 1 June 2015, the company and Mr Smith mutually agreed to 6 months' notice of termination of this engagement. The company subsequently executed a new engagement securing the services of Mr Smith, on a month-to-month basis as required from 1 December 2015. This agreement was mutually varied in April 2016 such that Mr Smith will provide his services to the company as follows:

- Base Remuneration of \$1,000 per month plus GST – Directors Duties
- On an as required basis supplemental technical management services at \$1,500 per day plus GST
- No notice period;

**3. Executive Remuneration**

The Board may reward Executives through base salary increases, payment of cash bonuses, the issue of new shares or the issue of options under the IPB Petroleum Limited Employee Option Plan (IPBLEOP) as described below. Any new shares or options to be issued to Executives that are also Directors of the company require shareholder approval prior to issue. All remuneration paid to Executives is valued at the cost to the company and expensed. New shares given to Executives are expensed as the difference between the market price of those shares and the amount paid by the Executive. Options are valued as prescribed by Australian Accounting Standard AASB 2.

The Board expects that the remuneration structure will result in the company being able to attract and retain the best Executives to run the company within the resources available to the company. It will also provide Executives with the necessary incentives to work to grow long-term shareholder value.

The payment of bonuses, granting of options and other incentive payments are reviewed by the Board as part of the review of Executive remuneration. All bonuses, options and incentives will be linked to retention and/ or performance.

The Board can exercise its discretion in relation to approving incentives, bonuses and options. Any changes must be justified by reference to prescribed outcomes and objectives.

There has been no performance linked component of remuneration paid to Key Management Personnel in the Financial Year ending 30 June 2022.

The company makes superannuation contributions for its employees and Directors as required by law.

**4. Employee Option Plan**

IPB Petroleum has an Employee Option Plan (IPBLEOP) for qualifying persons in order to motivate and reward them. The plan is open to qualifying employees and officers of IPB Petroleum.

Under the IPBLEOP, the Board may offer options to full or part-time employees or officers, including Directors of the company (subject to shareholder approval), which the Board determines should be entitled to participate in the IPBLEOP. Any options granted to eligible employees or officers will be free, unless the Board determines otherwise. The company will not apply for ASX quotation of any options issued under the IPBLEOP.

Any exercise price and life of the options will be set by the Board at its discretion. The Board may determine and specify at the time of grant of options:

- i. the time periods or other conditions that must be satisfied before options are vested; and/or
- ii. any exercise conditions that must be satisfied before options can be exercised.

Subject to the satisfaction of any applicable vesting and/or exercise conditions before options can be exercised, options are exercisable during the specified exercise period, or within six months of certain prescribed events such as retirement, death and permanent disability, by giving notice of the exercise to the IPB Petroleum and by paying the exercise price for the options exercised. Each option entitles the holder to subscribe for one share. The shares allotted upon exercise of the options will rank equally in all respects with all other issued ordinary shares of the company. The company will apply for official quotation on ASX of those shares after they are issued.

During the Financial Year end June 2021, following approval at the Annual General Meeting held on 30 November 2020, the company issued 4,750,000 Employee Options expiring 17 December, 2024 with an Exercise Price of 5.65 cents per option to various Directors and Officers of the

**DIRECTORS' REPORT**  
**FOR THE FINANCIAL YEAR ENDED 30 JUNE 2022**

company. These options were issued under the IPB Petroleum Limited Employee Option Plan (IPBLEOP) in consideration of reduced income and fees over the preceding period and as an increased loyalty and bonus/retention mechanism for recipients. During the Financial Year ending June 2022 no options were issued under the IPBLEOP.

**5. Remuneration and Performance**

No performance linked components were included in the remuneration paid to key management personnel in the Financial Year ending 30 June 2022.

**6. Remuneration for the Financial Year ended 30 June 2022**

Details of the remuneration of key management personal of IPB Petroleum are shown in Table 6 and 7 below.

		Short term benefits	Post-employment benefits	Long term benefits	Equity settled share based payments*	Total
<b>Executive Directors</b>		\$	\$	\$	\$	\$
Brendan Brown Managing Director	2021	200,506	-	-	31,375	231,881
	2022	157,523	-	-	-	157,523
Philip Smith Technical Director	2021	13,500	-	-	26,146	39,646
	2022	18,500	-	-	-	18,500
Totals	2021	214,006	-	-	57,521	271,527
	2022	176,023	-	-	-	176,023

\* Equity Settled share Based Payments relates to grant of Options on 17 December 2020 under IPBLEOP as approved at the 2020 Annual General Meeting

**Table 6 – Executive Director Remuneration**

		Short term benefits	Post-employment benefits	Long term benefits	Equity settled share based payments*	Total
<b>Non – Executive Directors</b>		\$	\$	\$	\$	\$
Bruce McKay Non-Executive Chairman	2021	18,000	-	-	16,734	34,734
	2022	18,000	-	-	-	18,000
Brodrick Wray** Non-Executive Director	2021	12,000	-	-	10,458	22,458
	2022	-	-	-	-	-
Geoffrey King Non-Executive Director	2021	12,000	1,140	-	10,458	23,598
	2022	12,000	1,200	-	-	13,200
Totals	2021	42,000	1,140	-	37,650	80,790
	2022	30,000	1,200	-	-	31,200

\* Equity Settled share Based Payments relates to grant of Options on 17 December 2020 under IPBLEOP as approved at the 2020 Annual General Meeting

\*\* Brodrick Wray retired on 12 July 2021

**Table 7 – Non – Executive Director Remuneration**

**7. Non-Executive Directors' Fees and other remuneration**

The amount of aggregate remuneration approved by shareholders and the fee structure is reviewed periodically by the Board against fees paid to Non-Executive Directors of comparable companies. Where appropriate the Board may secure independent advice regarding Non-Executive Directors remuneration when reviewing fees.

Each Director other than the Managing Director and the Technical Director has entered into an agreement as to the terms of their appointment as a Director of IPB Petroleum and except for Geoffrey King who receives remuneration as a Director, by way of a fee plus superannuation the other Non-Executive Directors invoice their fees from their respective consulting entities. Under such agreements current at the date of this report, there are no annual, long service leave, other termination entitlements or retirement benefits other than statutory superannuation. The Constitution and ASX Listing Rules specify that the aggregate remuneration of Non-Executive Directors shall be determined from time to time by members in a general

## DIRECTORS' REPORT

### FOR FINANCIAL YEAR ENDED 30 JUNE 2022

meeting. An amount not exceeding the amount determined is then divided between the Non- Executive Directors as agreed. The company's Constitution stipulates the aggregate annual remuneration to \$500,000 per year and IPB Petroleum has not sought to increase that amount.

Non-Executive Directors are encouraged by the Board to hold shares in the company. No additional remuneration is paid to Directors for service on Board committees or on the Boards of wholly owned subsidiaries.

In 2016 all Non-Executive Directors severally and mutually agreed with the company to reduce their monthly Director's Fees to \$1,000 per month for each Non- Executive Director, and \$1,500 per month for the Non-Executive Chairman. These fees remained unchanged during the 2022 year. In addition, the Directors are entitled to be paid all travelling and other expenses they incur in attending to the company's affairs, including attending and returning from general meetings of the company or meetings of the Directors or of committees of the Directors.

The aggregate remuneration of Directors, other than salaries paid to Executive Directors, was \$31,200 in the year to 30 June 2022 (2021: 80,790). The remuneration of Non-Executive Directors for the Financial Year ended 30 June 2022 is detailed in Table 7 of this report.

## 8. Shareholdings

### KMP Shareholdings

The number of ordinary shares in IPB Petroleum held by each KMP of the Group during the Financial Year ending 30 June 2022, is as follows:

	Direct Balance at Beginning of Year	Indirect Balance at Beginning of Year	Options Exercise	On market purchase (sale) of direct during the Year	On market purchase (sale) of indirect during the Year	Direct Balance at end of Year	Indirect Balance at End of Year
Bruce McKay	972,592	600,000	-	-	-	972,592	600,000
Brendan Brown	1,500,000	30,527,667	-	-	-	1,500,000	30,527,667
Philip Smith	27,644,737	2,050,000	-	-	-	27,644,737	2,050,000
Geoffrey King	500,000	200,000	-	-	-	500,000	200,000
Brodrick Wray	70,000	1,040,000	-	-	-	n/a	n/a
<b>Totals</b>	<b>30,687,319</b>	<b>34,417,667</b>	-	-	-	<b>30,617,329</b>	<b>33,377,667</b>

Table 8 – Ordinary Shares held by KMP

### KMP Options and Rights Holdings

	Balance at Beginning of Year*	Granted during the Year as part Remuneration	Exercised During the Year*	Lapsed during the Year	Balance at End of Year
Bruce McKay	1,600,000	-	-	-	1,600,000
Brendan Brown	3,000,000	-	-	-	3,000,000
Philip Smith	2,500,000	-	-	-	2,500,000
Geoffrey King	1,000,000	-	-	-	1,000,000
Brodrick Wray	1,000,000	-	-	-	n/a
<b>Totals</b>	<b>9,100,000</b>	-	-	-	<b>8,100,000</b>

Table 9 – Options held by KMP

## DIRECTORS' REPORT

### FOR THE FINANCIAL YEAR ENDED 30 JUNE 2022

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\* Following approval at the Annual General Meeting held on 22 November 2018, the company issued 4,750,000 Employee Options expiring 22 November 2022 with an Exercise Price of 4.65 cents per option to various Directors and Officers of the company. Following approval at the Annual General Meeting held on 30 November 2020, the company issued 4,750,000 Employee Options expiring 7 December 2024 with an Exercise Price of 5.65 cents per option to various Directors and Officers of the company.

A total of 9,500,000 outstanding Options had been issued to Directors and Officers of the company, 9,100,000 to Directors and 400,000 to the Company Secretary. These Options were issued under the IPB Petroleum Limited Employee Option Plan (IPBLEOP) in consideration of reduced income and fees over the relevant periods and as an increased loyalty and bonus/retention mechanism for recipients.

#### **Other KMP Transactions**

There have been no other transactions with KMP other than those described in the tables above.

**- End of Remuneration Report -**

## Auditor

In accordance with the provisions of the *Corporations Act 2001* the company's auditor, William Buck Audit (Vic) Pty Ltd, who was appointed following approval at the 30 November 2020 Annual General Meeting, continues in office.

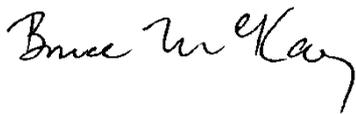
## Non-audit services – detail and schedule

The company may decide to employ the auditor on assignments additional to its statutory audit duties where the auditor's expertise and experience with the company are important. The Board 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*.

No non-audit services were provided by the auditor during the Financial Year end 30 June 2022.

## Auditor's independence statement

A copy of the auditor's independence declaration for the Financial Year ended 30 June 2022 has been received as required under Section 307C of the *Corporations Act 2001* and is included on page 26. The Directors' Report is made in accordance with a resolution of the Board. On behalf of the Board.



**Bruce McKay**

Non-Executive Chairman

Dated at Melbourne this 30<sup>th</sup> day of September 2022



*Image of Pacific Explorer, taken at Darwin Harbour 2011 before despatch to WA-424-P for Gwydion MC3D seismic survey, courtesy of PGS*

# **Auditor's Independence Declaration**

# William Buck

ACCOUNTANTS & ADVISORS

## AUDITOR'S INDEPENDENCE DECLARATION UNDER SECTION 307C OF THE CORPORATIONS ACT 2001 TO THE DIRECTORS OF IPB PETROLEUM LIMITED

I declare that, to the best of my knowledge and belief, during the year ended 30 June 2022 there have been:

no contraventions of the auditor independence requirements as set out in the *Corporations Act 2001* in relation to the audit; and

no contraventions of any applicable code of professional conduct in relation to the audit.

*William Buck*

**William Buck Audit (Vic) Pty Ltd**

ABN 59 116 151 136

*Alan Finnis*

**A. A. Finnis**

Director

Melbourne, 30 September 2022



*Image of metering equipment*

# Financial Report

**IPB Petroleum Limited Consolidated**  
**ACN 137 387 350**  
**Statement of Profit or Loss and Other comprehensive income**  
**FOR the YEAR ENDED 30 June 2022**

	Note	2022	2021
		\$	\$
Other income	Note 3	292	10,100
Employee benefits and directors' fees		(146,895)	(272,657)
Consulting & contractors		(54,309)	(36,472)
Legal, audit & accounting		(68,610)	(63,017)
Shareholder relations		(25,431)	(25,919)
Listing & filing fees		(30,732)	(29,345)
Occupancy		(544)	(517)
Other expenses		(48,858)	(31,752)
<b>Loss before income tax</b>		<u>(375,087)</u>	<u>(449,579)</u>
Income Tax expense	Note 5	-	-
<b>Net Loss for the year</b>		<u>(375,087)</u>	<u>(449,579)</u>
<b>Other comprehensive income for the year</b>		<u>-</u>	<u>-</u>
<b>Total comprehensive loss for the year</b>		<u><u>(375,087)</u></u>	<u><u>(449,579)</u></u>
 <b>Earnings per share:</b>			
Basic loss per share (cents)	Note 8	(0.113)	(0.158)
Diluted loss per share (cents)	Note 8	(0.113)	(0.158)

*The above Statement of Profit & Loss and other Comprehensive Income should be read in conjunction with the accompanying Notes*

**IPB Petroleum Limited Consolidated**  
**ACN 137 387 350**  
**Statement of Financial Position**  
**As at 30 June 2022**

	Note	2022	2021
		\$	\$
<b>Current Assets</b>			
Cash and Cash Equivalents	Note 9	337,169	167,440
Trade and Other Receivables	Note 11	20,514	59,210
Other Current Assets		25,018	23,908
<b>Total Current Assets</b>		<u>382,701</u>	<u>250,558</u>
<b>Non-Current Assets</b>			
Exploration & Evaluation Assets	Note 12	3,965,491	3,734,549
<b>Total Non-Current Assets</b>		<u>3,965,491</u>	<u>3,734,549</u>
<b>Total Assets</b>		<u>4,348,192</u>	<u>3,985,107</u>
<b>Current Liabilities</b>			
Trade and Other Payables	Note 13	58,135	139,463
<b>Total Current Liabilities</b>		<u>58,135</u>	<u>139,463</u>
<b>Total Liabilities</b>		<u>58,135</u>	<u>139,463</u>
<b>Net Assets</b>		<u>4,290,057</u>	<u>3,845,644</u>
<b>Equity</b>			
Issued Capital	Note 14	19,256,238	18,436,738
Reserves	Note 16	231,879	231,879
Accumulated Losses	Note 18	(15,198,060)	(14,822,973)
<b>Total Equity</b>		<u>4,290,057</u>	<u>3,845,644</u>

*The above Statement of Financial Position should be read in conjunction with the accompanying Notes*

**IPB Petroleum Limited Consolidated**  
**ACN 137 387 350**  
**Statement of Changes in Equity**  
**For the Year ended 30 June 2022**

	Issued Capital \$	Reserves \$	Accumulated Losses \$	Total Equity \$
<b>Balance at 1 July 2020</b>	17,789,842	135,824	(14,376,695)	3,548,971
<b>Comprehensive loss</b> for Year	-	-	(449,579)	(449,579)
<b>Total Comprehensive Income for year</b>	-	-	(449,579)	(449,579)
<b>Transactions with owners, in their capacity as owners, and other transfers</b>				
Proceeds from issues of shares (less transaction costs)	646,896	-	-	646,896
Share Based Payments	-	99,356	-	99,356
Lapsed Options	-	(3,301)	3,301	-
<b>Total Transactions with owners and other transfers</b>	646,896	96,055	3,301	746,252
<b>Balance at 30 June 2021</b>	18,436,738	231,879	(14,822,973)	3,845,644
<b>Balance at 1 July 2021</b>	18,436,738	231,879	(14,822,973)	3,845,644
<b>Comprehensive loss</b> Loss for Year	-	-	(375,087)	(375,087)
<b>Total Comprehensive Income for year</b>	-	-	(375,087)	(375,087)
<b>Transactions with owners, in their capacity as owners, and other transfers</b>				
Proceeds from issues of shares (less transaction costs)*	819,500	-	-	819,500
<b>Total Transactions with owners and other transfers</b>	819,500	-	-	819,500
<b>Balance at 30 June 2022</b>	19,256,238	231,879	(15,198,060)	4,290,057

\* On 10 August 2021 the company issued 50,000,000 ordinary shares at an issue price of 1.75 cents per share.

*The above Statement of Changes in Equity should be read in conjunction with the accompanying Notes*

**IPB Petroleum Limited Consolidated**  
**ACN 137 387 350**  
**Statement of Cash Flows**  
**For the Year ended 30 June 2022**

	Note	2022	2021
		\$	\$
<b>Cash Flows from Operating Activities</b>			
Government grant income		-	10,000
Payments to suppliers and employees		(419,121)	(361,834)
Interest received		292	100
<b>Net Cash Outflow from Operating Activities</b>	Note 10	<u>(418,829)</u>	<u>(351,734)</u>
<b>Cash Flows from Investing Activities</b>			
Payments for exploration & evaluation expenditure		(230,942)	(271,700)
<b>Net Cash Outflow from Investing Activities</b>		<u>(230,942)</u>	<u>(271,700)</u>
<b>Cash Flows from Financing Activities</b>			
Proceeds from share issue		875,000	168,340
Costs of issue of shares		(55,500)	(34,738)
<b>Net Cash Inflow from Financing Activities</b>		<u>819,500</u>	<u>133,602</u>
Net (Decrease)/ Increase in Cash Held		169,729	(489,832)
Cash and Cash Equivalents as at beginning of Year		167,440	657,272
<b>Cash and Cash Equivalents as at end of Year</b>	Note 9	<u>337,169</u>	<u>167,440</u>

*The above Statement of Cash Flows should be read in conjunction with the accompanying Notes*

**IPB Petroleum Limited Consolidated**  
**ACN 137 387 350**  
**Notes to the Financial Statements**  
**For the Year ended 30 June 2022**

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These consolidated financial statements and notes represent those of IPB Petroleum Limited (the "Company") and Controlled Entities (the "consolidated Group" or "Group").

The separate financial statements of the parent entity, IPB Petroleum Limited, have not been presented within this financial report as permitted by *the Corporations Act 2001*.

The financial statements were authorised for issue on 30 September 2022 by the directors of the company.

## **1. Significant Accounting Policies**

### **a. Basis of Preparation**

These general-purpose financial statements have been prepared in accordance with the Corporations Act 2001, Australian Accounting Standards and Interpretations of the Australian Accounting Standards Board and International Financial Reporting Standards as issued by the International Accounting Standards Board. The Group is a for-profit entity for financial reporting purposes under Australian Accounting Standards. Material accounting policies adopted in the preparation of these financial statements are presented below and have been consistently applied unless stated otherwise.

Except for cash flow information, the financial statements have been prepared on an accruals basis and are based on historical costs.

### **b. Principles of Consolidation**

The consolidated financial statements incorporate all of the assets, liabilities and results of the parent (IPB Petroleum Limited) and all of the subsidiaries (including any structured entities). Subsidiaries are entities the parent controls. The parent controls an entity when it 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 over the entity. A list of the subsidiaries is provided in Note 19.

The assets, liabilities and results of all subsidiaries are fully consolidated into the financial statements of the Group from the date on which control is obtained by the Group. The consolidation of a subsidiary is discontinued from the date that control ceases. Intercompany transactions, balances and unrealised gains or losses on transactions between Group entities are fully eliminated on consolidation. Accounting policies of subsidiaries have been changed and adjustments made where necessary to ensure uniformity of the accounting policies adopted by the Group.

### **c. Income Tax**

The income tax expense/(income) for the year comprises current income tax expense/(income) and deferred tax expense/(income).

Current income tax expense charged to profit or loss is the tax payable on taxable income. Current tax liabilities/(assets) are measured at the amounts expected to be paid to/(recovered from) the relevant taxation authority.

Deferred income tax expense reflects movements in deferred tax asset and deferred tax liability balances during the year as well as unused tax losses.

Current and deferred income tax expense/(income) is charged or credited outside profit or loss when the tax relates to items that are recognised outside profit or loss.

**IPB Petroleum Limited Consolidated**  
**ACN 137 387 350**  
**Notes to the Financial Statements**  
**For the Year ended 30 June 2022**

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Except for business combinations, no deferred income tax is recognised from the initial recognition of an asset or liability, where there is no effect on accounting or taxable profit or loss.

Deferred tax assets and liabilities are calculated at the tax rates that are expected to apply to the period when the asset is realised or the liability is settled and their measurement also reflects the manner in which management expects to recover or settle the carrying amount of the related asset or liability. With respect to non-depreciable items of property, plant and equipment measured at fair value and items of investment property measured at fair value, the related deferred tax liability or deferred tax asset is measured on the basis that the carrying amount of the asset will be recovered entirely through sale.

Deferred tax assets relating to temporary differences and unused tax losses are recognised only to the extent that it is probable that future taxable profit will be available against which the benefits of the deferred tax asset can be utilised.

Where temporary differences exist in relation to investments in subsidiaries, branches, associates, and joint ventures, deferred tax assets and liabilities are not recognised where the timing of the reversal of the temporary difference can be controlled and it is not probable that the reversal will occur in the foreseeable future.

Current tax assets and liabilities are offset where a legally enforceable right of set-off exists and it is intended that net settlement or simultaneous realisation and settlement of the respective asset and liability will occur.

Deferred tax assets and liabilities are offset where: (a) a legally enforceable right of set-off exists; and (b) the deferred tax assets and liabilities relate to income taxes levied by the same taxation authority on either the same taxable entity or different taxable entities where it is intended that net settlement or simultaneous realisation and settlement of the respective asset and liability will occur in future periods in which significant amounts of deferred tax assets or liabilities are expected to be recovered or settled.

### **Tax Consolidation**

The Group has formed an income tax consolidated Group under the Tax Consolidation Regime from 3 October 2011. The tax consolidated Group has entered into a tax funding agreement whereby each company in the Group contributes to the income tax payable in proportion to their contribution to the net profit before tax of the tax consolidated Group. In addition, the agreement provides for the allocation of income tax liabilities between entities. In addition to its own current and deferred tax amounts, the Group also recognises the current tax liabilities (or assets) and the deferred tax assets arising from unused tax losses and unused tax credits assumed from controlled entities in the tax consolidated Group. Assets or liabilities arising under the tax funding agreements with the tax consolidated entities are recognised as amounts receivable from or payable to other entities the Group.

### **Petroleum Rent Resources Tax (PRRT)**

Petroleum Resource Rent Tax (PRRT) is recognised as an income tax under AASB112 - Income Taxes. From 1 July 2012, the PRRT regime was extended to all Australian onshore oil and gas projects. Accounting for PRRT involves judging the impact of the combination of production licences into PRRT projects, the taxing point of projects, the measurement of the starting base of projects, the impact of farm-ins, the deductibility of expenditure and the impact of legislative amendments.

A deferred tax asset is recognised in relation to the carry forward deductible PRRT expenditure of projects only to the extent that it is probable that future taxable profits will be available against which the asset can be utilised. At this stage the Group has no taxable profits and therefore does not recognise a deferred tax asset in the financial statements. The Group will determine the carry forward deductible PRRT expenditure of projects including augmentation on expenditure categories in the calculation of future taxable profit when assessing the extent to which a deferred tax asset should be recognised in the financial statements for future years. Deferred tax assets in respect of PRRT are reduced to the extent that it is no longer probable that the related tax benefit will be realised.

**IPB Petroleum Limited Consolidated**  
**ACN 137 387 350**  
**Notes to the Financial Statements**  
**For the Year ended 30 June 2022**

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**d. Exploration and Development Expenditures**

Exploration, evaluation and development expenditures incurred are capitalised in respect of each identifiable area of interest. These costs are only capitalised to the extent that they are expected to be recovered through the successful development of the area or where activities in the area have not yet reached a stage that permits reasonable assessment of the existence of economically recoverable reserves. Costs are also only capitalised where rights to tenure of the area of interest are current.

When production commences, the accumulated costs for the relevant area of interest are amortised over the life of the area according to the rate of depletion of the economically recoverable reserves.

A regular review is undertaken of each area of interest to determine the appropriateness of continuing to capitalise costs in relation to that area.

Expenditure settled by the farmee under the farm in arrangements is not recorded as expenditure (whether this would have been capitalised or expensed immediately) by the Group in its capacity as farmor.

**e. Impairment of Non-financial Assets**

At the end of each reporting period, the Group assesses whether there is any indication that an asset may be impaired. The assessment will include the consideration of external and internal sources of information. If such an indication exists, an impairment test is carried out on the asset by comparing the recoverable amount of the asset, being the higher of the asset's fair value less costs of disposal and value in use, to the asset's carrying amount. Any excess of the asset's carrying amount over its recoverable amount is recognised immediately in profit or loss, unless the asset is carried at a revalued amount in accordance with another Standard (e.g. in accordance with the revaluation model in AASB 116: *Property, Plant and Equipment*). Any impairment loss of a revalued asset is treated as a revaluation decrease in accordance with that other Standard.

Where it is not possible to estimate the recoverable amount of an individual asset, the Group estimates the recoverable amount of the cash-generating unit to which the asset belongs.

Impairment testing is performed annually for goodwill, intangible assets with indefinite lives and intangible assets not yet available for use.

**f. Employee Benefits**

**Equity-settled compensation**

The Group operates an employee share and option plan. Share-based payments to employees are measured at the fair value of the instruments issued and amortised over the vesting periods. Share-based payments to non-employees are measured at the fair value of goods or services received or the fair value of the equity instruments issued, if it is determined the fair value of the goods or services cannot be reliably measured, and are recorded at the date the goods or services are received. The corresponding amount is recorded to the option reserve. The fair value of options is determined using the Black-Scholes pricing model. The number of shares and options expected to vest is reviewed and adjusted at the end of each reporting period such that the amount recognised for services received as consideration for the equity instruments granted is based on the number of equity instruments that eventually vest.

**g. Reserves**

**Options Reserve**

The options reserve is used to recognise the fair value of shares and other equity instruments issued to employees under the employee share and options plans.

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**h. Cash and Cash Equivalents**

Cash and cash equivalents include cash on hand, deposits available on demand with banks, other short-term highly liquid investments with original maturities of 12 months or less, and bank overdrafts. Bank overdrafts are reported within short-term borrowings in current liabilities in the statement of financial position.

**i. Government Grants**

Government grants are recognised at fair value where there is reasonable assurance that the grant will be received and all grant conditions will be met. Grants relating to expense items are recognised as income over the periods necessary to match the grant to the costs it is compensating. Grants relating to assets are credited to deferred income at fair value and are credited to income over the expected useful life of the asset on a straight-line basis.

**j. Trade and Other Receivables**

Trade and other receivables include amounts due from customers for goods sold and services performed in the ordinary course of business. Receivables expected to be collected within 12 months of the end of the reporting period are classified as current assets. All other receivables are classified as non-current assets.

Trade and other receivables are initially recognised at fair value and subsequently measured at amortised cost using the effective interest method, less any provision for impairment. Refer to Note 1(e) for further discussion on the determination of impairment losses.

**k. Trade and Other Payables**

Trade and other payables represent the liabilities for goods and services received by the entity that remain unpaid at the end of the reporting period. The balance is recognised as a current liability with the amounts normally paid within 30 days of recognition of the liability.

**l. Goods and Services Tax (GST)**

Revenues, expenses and assets are recognised net of the amount of GST, except where the amount of GST incurred is not recoverable from the Australian Taxation Office (ATO).

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 ATO is included with other receivables or 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 ATO are presented as operating cash flows included in receipts from customers or payments to suppliers.

**m. New and Amended Accounting Policies Adopted by the Group**

The impact of new accounting standards are not expected to have a material impact on the Group.

**n. Critical Accounting Estimates and Judgements**

The directors evaluate estimates and judgements incorporated into the financial statements based on historical knowledge and best available current information. Estimates assume a reasonable expectation of future events and are based on current trends and economic data, obtained both externally and within the Group.

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## **Key Estimates**

### *Impairment of non-financial assets*

The Group assesses impairment at the end of each reporting period by evaluating conditions and events specific to the Group that may be indicative of impairment triggers. Recoverable amounts of relevant assets are reassessed using value-in-use calculations which incorporate various key assumptions.

## **Key Judgements**

### *Exploration and Evaluation Expenditure*

The future recoverability of capitalised exploration and evaluation expenditure is dependent on a number of factors, including whether the Group decides to exploit the related exploration permit itself or, if not, whether it successfully recovers the related hydrocarbon exploration and evaluation asset through sale. Factors that could affect the future recoverability include the level of economically recoverable reserves, future technological changes which could impact the cost of development, future legal changes (including changes to environmental and restoration obligations) and changes to commodity prices. To the extent that capitalised hydrocarbon exploration and evaluation expenditure is determined not to be recoverable in the future, financial results and net assets will be reduced during the financial period in which this determination is made.

In addition, hydrocarbon exploration and evaluation expenditure is carried forward on the basis that activities in the areas of interest have not at the end of the reporting period reached a stage that allows a reasonable assessment of the existence or otherwise of economically recoverable reserves, and active and significant operations in, or in relation to, the areas of interest are continuing. To the extent it is determined in the future this capitalised expenditure should be written off in the statement of comprehensive income, financial results and net assets will be reduced during the financial period in which this determination is made. Information on the reasonable existence or otherwise of economically recoverable reserves is progressively gained through geological analysis and interpretation, drilling activity and prospect evaluation during a normal permit term. A reasonable assessment of the existence or otherwise of economically recoverable reserves can generally only be made, therefore, at conclusion of those exploration and evaluation activities. The Group's accounting policy for exploration and evaluation expenditure is set out in Note 1(d). The carrying amount of hydrocarbon exploration and evaluation assets is disclosed in Note 12.

## **Deferred tax assets**

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

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**2. Parent Information**

**2022**

**2021**

**\$**

**\$**

The following information has been extracted from the books and records of the parent and has been prepared in accordance with Australian Accounting Standards.

**Statement of Financial Position**

**Assets**

Current Assets	382,701	250,558
Non-Current Assets	3,965,491	3,734,549
<b>Total Assets</b>	4,348,192	3,985,107

**Liabilities**

Current Liabilities	58,135	139,463
<b>Total Liabilities</b>	58,135	139,463
<b>Net Assets</b>	4,290,057	3,845,644

**Equity**

Issued Capital	Note 16	19,256,238	18,436,738
Reserves	Note 18	231,879	231,879
Accumulated Losses	Note 20	(15,198,060)	(14,822,973)
<b>Total Equity</b>		4,290,057	3,845,644

**Statement of Profit or Loss and Other Comprehensive Income**

Total profit/(loss)	Note 4	(375,087)	(449,579)
Total Comprehensive Income		(375,087)	(449,579)

**Guarantees**

During the reporting period IPB Petroleum Limited did not enter into a deed of cross guarantee with any of its subsidiaries.

**Other contingent liabilities not bought to account**

Nil

**Contractual commitments**

At 30 June 2022, IPB Petroleum Limited had not entered into any contractual commitments for the acquisition of property, plant and equipment.

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<b>3. Revenue and Other Income</b>	<b>2022</b>	<b>2021</b>
	<b>\$</b>	<b>\$</b>
Interest Received	292	100
Other Government Incentive (Govt Covid-19 rebate)	-	10,000
	<u>292</u>	<u>10,100</u>

<b>4. Loss for the Year</b>	<b>2022</b>	<b>2021</b>
	<b>\$</b>	<b>\$</b>
Loss before income tax expense includes the following specific expenses:		
<b>Charging as Expense</b>		
Finance Costs	-	-
Remuneration of the Auditor		
Audit &/or review of financial statements – Pitcher Partners	-	4,981
Audit &/or review of financial statements – William Buck	32,500	32,218
	<u>32,500</u>	<u>37,199</u>

**5. Income Tax Expense**

a) The prima facie tax on profit from ordinary activities before income tax is reconciled to income tax as follows:

	<b>2022</b>	<b>2021</b>
	<b>\$</b>	<b>\$</b>
Prima Facie Tax on profit from ordinary activities at 25% (2021: 26%)	(93,772)	(116,891)
Add:		
Tax effect of:		
- Other Non-Allowable Items	-	-
- Share Options Expensed During Year	-	29,807
- Unused Income Tax Losses Not Taken Up as an Asset	93,772	87,084
Income tax attributable to entity	<u>Nil</u>	<u>Nil</u>
The applicable weighted average effective tax rates are as follows:	<u>0%</u>	<u>0%</u>

b) Deferred tax assets not recognised

Tax Losses	4,841,918	5,615,447
Temporary Differences	(959,694)	(1,085,954)
Total deferred tax assets not recognised	<u>3,882,224</u>	<u>4,529,493</u>

The above potential tax benefit, excluding deductible temporary differences has not been recognised in the statement of financial position as the recovery of this benefit is uncertain.

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The taxation benefits of tax losses and temporary difference not brought to account will only be obtained if:

- the company derives future assessable income of a nature and of an amount sufficient to enable the benefit from the deductions for the losses to be realised;
- the company continues to comply with the conditions for deductibility imposed by law; and
- no change in tax legislation adversely affects the company in realising the benefits from deducting the losses.

**6. Key Management Personnel Compensation**

	<b>2022</b>	<b>2021</b>
	\$	\$

Refer to the remuneration report contained in the directors' report for details of the remuneration paid or payable to each member of the Group's key management personnel (KMP) for the year ended 30 June 2022.

The totals of remuneration paid to KMP of the company and the Group during the year are as follows:

Short-term employee benefits	206,023	256,006
Post-employment benefits	1,200	1,140
Equity settled share based payments	-	95,171
Total KMP compensation	207,223	352,317

Total KMP compensation is larger than total employee benefits as it also includes directors' fees expense and also shows salaries and wages expenses that have been capitalised to the exploration and evaluation asset in accordance with AASB 6.

**Short-term employee benefits**

These amounts include fees and benefits paid to the non-executive Chair and non-executive directors as well as all salary, paid leave benefits, fringe benefits and cash bonuses awarded to executive directors and other KMP.

**Post-employment benefits**

These amounts are the superannuation contributions made during the year.

**Share-based payments**

These amounts represent the expense related to the participation of KMP in equity-settled benefit schemes as measured by the fair value of the options, rights and shares granted on grant date.

Further information in relation to KMP remuneration can be found in the directors' report.

**7. Dividends**

	<b>2022</b>	<b>2021</b>
	\$	\$

No dividends were paid or proposed for the year.

Balance of franking account at year end	Nil	Nil
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<b>8. Earnings per Share</b>	<b>2022</b>	<b>2021</b>
	<b>\$</b>	<b>\$</b>
(a) Reconciliation of earnings to profit or loss:		
Earnings used to calculate basic EPS	(375,087)	(449,579)
Earnings used in the calculation of dilutive EPS	(375,087)	(449,579)
	<b>No.</b>	<b>No.</b>
Weighted average number of ordinary shares outstanding during the year used in calculating basic EPS	331,375,416	285,012,498
Weighted average number of ordinary shares outstanding during the year used in calculating dilutive EPS	331,375,416	285,012,498
Antidilutive options on issue not used in dilutive EPS calculation	11,600,000	11,600,000

**Potential Ordinary Shares**

As the options were determined to be antidilutive the options have not been included in the determination of basic earnings/(loss) per share.

**Ordinary Shares**

During the year ended 30 June 2022 a capital raising was conducted resulting in the subsequent issuance on 10 August 2021 of 50,000,000 shares for a contribution of \$875,000 (less associated costs of \$55,500).

The basic earnings per share as at 30 June 2022 was (0.113), (2021: (0.158)).

The diluted earnings per share as at 30 June 2022 was (0.113), (2021: (0.158)).

<b>9. Cash and Cash Equivalents</b>	<b>2022</b>	<b>2021</b>
	<b>\$</b>	<b>\$</b>
Cash at bank and on hand	337,169	167,440
	<u>337,169</u>	<u>167,440</u>

The effective interest rate on short-term bank deposits was 0.11% (2021: 0.01%); these deposits are at call.

**Reconciliation of Cash**

Cash at the end of the financial year as shown in the statement of cash flows is reconciled to items in the statement of financial position as follows:

Cash and Cash Equivalents	<u>337,169</u>	<u>167,440</u>
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<b>10. Cash Flow Information</b>	<b>2022</b>	<b>2021</b>
	<b>\$</b>	<b>\$</b>

**Reconciliation of Cash Flow from Operations with Profit after Income Tax**

Loss after Income Tax	(375,087)	(449,579)
Non-Cash Flows in Profit:		
- Share based payment expense	-	99,356
- Lapsed share options	-	3,301
Changes in Assets and Liabilities:		
- (Increase)/Decrease in Trade and Other Receivables	38,696	(15,610)
- (Increase)/Decrease in Other Current Assets	(1,110)	(6,494)
- Increase/(Decrease) in Trade and Other Payables	(81,328)	17,292
Cash outflow from Operating Activities	(418,829)	(351,734)

<b>11. Trade and Other Receivables</b>	<b>2022</b>	<b>2021</b>
	<b>\$</b>	<b>\$</b>

**Current**

GST Refundable	20,514	26,484
Sundry Debtor	-	32,726
Total	20,514	59,210

**Collateral Held as Security**

No collateral is held as security.

<b>12. Evaluation &amp; Exploration Assets</b>	<b>2022</b>	<b>2021</b>
	<b>\$</b>	<b>\$</b>

Exploration Expenditure		
- Exploration & Evaluation Phase	7,104,261	6,873,319
Less Accumulated Impairment Losses	(3,138,770)	(3,138,770)
Total	3,965,491	3,734,549

**Exploration Expenditure**

Recoverability of the carrying amount of exploration assets is dependent on the successful exploration and sale of petroleum.

Capitalised costs amounting to \$230,942 (2021: \$271,700) have been included in cash flows from investing activities in the statement of cash flows.

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**Movements in Carrying Values**

Movements in the carrying amounts for exploration permit between the beginning and the end of the current financial year:

<b>Area of Interest</b>	<b>WA-424-P</b>
	<b>\$</b>
Balance as at 1 July 2020	3,462,849
Exploration and evaluation expenditure	271,700
Balance as at 30 June 2021	<u>3,734,549</u>
Balance as at 1 July 2021	3,734,549
Exploration and evaluation expenditure	230,942
Balance as at 30 June 2022	<u>3,965,491</u>
Cost	7,104,261
Less Accumulated Impairment Losses	<u>(3,138,770)</u>
Balance as at 30 June 2022	<u>3,965,491</u>

<b>13. Trade and Other Payables</b>	<b>2022</b>	<b>2021</b>
	<b>\$</b>	<b>\$</b>
<b>Current</b>		
Unsecured Liabilities:		
Trade Payables	14,810	98,088
Sundry Payables and Accrued Expenses	43,325	41,375
Total Trade and Other Payables	<u>58,135</u>	<u>139,463</u>

<b>14. Issued Capital</b>	<b>2022</b>	<b>2021</b>
	<b>\$</b>	<b>\$</b>
Fully paid ordinary shares	<u>19,256,238</u>	<u>18,436,738</u>

The company has authorised share capital amounting to 336,854,868 ordinary shares.

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<b>Movement in Ordinary Shares</b>	<b>2022</b>	<b>2021</b>	<b>2022</b>	<b>2021</b>
	<b>No.</b>	<b>No.</b>	<b>\$</b>	<b>\$</b>
At the beginning of the reporting period	286,854,868	230,639,752	18,436,738	17,789,842
Issue of share capital	50,000,000	51,965,116	819,500	510,896
Share options exercised	-	4,250,000	-	136,000
At the end of the reporting period	336,854,868	286,854,868	19,256,238	18,436,738

On 10 August 2021 the company issued 50,000,000 ordinary shares at an issue price of 1.75 cents each following the successful completion of the placement of such shares announced on 3 August 2021.

Ordinary shares participate in dividends and the proceeds on winding-up of the parent entity in proportion to the number of shares held.

At the shareholders' meetings each ordinary share is entitled to one vote when a poll is called, otherwise each shareholder has one vote on a show of hands.

### **Options**

For information relating to the IPB Petroleum Limited employee option plan, including details of options issued, exercised and lapsed during the financial year and the options outstanding at year-end, refer to Note 17.

For information relating to share options issued to key management personnel during the financial year, refer to Note 17.

### **Capital Management**

Management controls the capital of the Group in order to maintain a sustainable debt to equity ratio, generate long-term shareholder value and ensure that the Group can fund its operations and continue as a going concern.

The Group's debt and capital include ordinary share capital and financial liabilities, supported by financial assets.

The Group is not subject to any externally imposed capital requirements.

Management effectively manages the Group's capital by assessing the Group's financial risks and adjusting its capital structure in response to changes in these risks and in the market. These responses include the management of debt levels and share issues.

### **15. Operating Segments**

Management has determined that the Group has one reportable segment, being Oil and Gas Exploration in Australia.

The Group's activities are therefore classified as one business segment.

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<b>16. Reserves</b>	<b>2022</b>	<b>2021</b>
	<b>\$</b>	<b>\$</b>
Options Reserve	231,879	231,879
	<u>231,879</u>	<u>231,879</u>
<b>Employee Share Options Reserve</b>		
Opening Balance for the year	231,879	135,824
Options Expired during the year	-	(3,301)
Expensed During Year	-	99,356
	<u>231,879</u>	<u>231,879</u>

The option reserve records items recognised as expenses on valuation of employee share options.

### **17. Share-based Payments**

The company established the IPB Petroleum Limited Employee Option Plan (IPBLEOP) on 20 February 2013 (subsequently renewed) as a long-term incentive scheme to recognise and attract valuable Executives and incentivise them for performance which results in long-term growth in shareholder value. Under the IPBLEOP options may be offered to full or part-time employees or officers of IPB Petroleum, including Directors of the company (subject to Shareholder approval), which the Board determines should be entitled to participate in the IPBLEOP. Any options granted to eligible employees or officers will be free, unless the Board determines otherwise.

Any vesting conditions, exercise price and life of the options will be set by the Board at its discretion. The Board may determine and specify at the time of grant of options:

- i. the time periods or other conditions that must be satisfied before options are vested; and/or
- ii. any exercise conditions that must be satisfied before options can be exercised.

Subject to the satisfaction of any applicable vesting and/or exercise conditions before options can be exercised, options are exercisable during the specified exercise period, or unless waived by the Board within 6 months of certain prescribed events such as retirement, death and permanent disability, by giving notice of the exercise to the company and by paying the exercise price for the options exercised. Each option entitles the holder to subscribe for one share. The Shares allotted upon exercise of the options will rank equally in all respects with all other issued ordinary shares of the company.

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At the date of this report, the following options over unissued ordinary shares of IPB Petroleum Limited are detailed as follows:

<b>Grant dates</b>	<b>Exercise price</b>	<b>Number of shares under option</b>	<b>Expiry Date</b>
22 November 2018	4.65 cents	4,750,000 <sup>1</sup>	22 November 2022
7 December 2020	5.65 cents	4,750,000 <sup>1</sup>	7 December 2024
15 July 2022	1.8 cents	16,666,667 <sup>2</sup>	15 July 2023
15 September 2022	1.8 cents	43,090,842 <sup>2</sup>	15 July 2023

- 1 *These options were issued under IPB Petroleum Limited Employee Option Plan (IPBLEOP) following shareholder approval at the 2018 and 2020 Annual General Meetings and were issued to Directors and an Officer of the company.*
- 2 *These options were granted subsequent to year end associated with subscriptions for new shares in capital raisings being a placement and subsequent rights issue*

Since the end of the reporting period no other options were granted or exercised over unissued shares or interests in IPB Petroleum Limited or any controlled entity within the Group.

A summary of the movements of company options issues during the reporting period is as follows:

	<b>Number</b>	<b>Weighted Average Exercise Price \$</b>
<b>Options outstanding as at 1 July 2020</b>	11,600,000	\$0.0077
Granted	4,750,000	\$0.0023
Exercised	(4,250,000)	\$0.0077
Expired	(500,000)	\$0.0077
<b>Options outstanding as at 30 June 2021</b>	<b>11,600,000</b>	<b>\$0.0055</b>
<b>Options outstanding as at 1 July 2021</b>	11,600,000	\$0.0055
Granted	-	-
Exercised	-	-
Expired	-	-
<b>Options outstanding as at 30 June 2022</b>	<b>11,600,000</b>	<b>\$0.0055</b>

Atoll Financial Limited were granted 2,100,000 options during the 2019 year for nil consideration. These have not been expensed but reported as a potential future liability in the accounts should they vest and become exercisable. The total expense has been estimated to be \$8,400 should this have occurred.

These options lapsed in September 2022.

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The fair value of employee options granted and expensed during the year was \$0 (2021: \$99,356). This is included under other expenses in the Consolidated Statement of Profit or Loss and Other Comprehensive Income.

<b>18. Accumulated Losses</b>	<b>2022</b>	<b>2021</b>
	<b>\$</b>	<b>\$</b>
Accumulated Losses at the Beginning of the Financial Year	(14,822,973)	(14,376,695)
Less		
Net loss attributable to members of the company	(375,087)	(449,579)
Lapsed Options	-	3,301
Accumulated Loss at the End of the Financial Year	<u>(15,198,060)</u>	<u>(14,822,973)</u>

**19. Interests in Subsidiaries**

**Information about Principal Subsidiaries**

The subsidiaries listed below have share capital consisting solely of ordinary shares which are held directly by the Group. The proportion of ownership interests held equals the voting rights held by the Group. Each subsidiary's principal place of business is also its country of incorporation.

<b>Name of Subsidiary</b>	<b>Principal Place of Business</b>	<b>Ownership Interest Held by the Group</b>	
		<b>2022</b>	<b>2021</b>
		<b>%</b>	<b>%</b>
IPB WA 424P Pty Ltd	Suite 307, 530 Little Collins Street Melbourne VIC 3000	100	100
IPB Exploration Pty Ltd	Suite 307, 530 Little Collins Street Melbourne VIC 3000	100	100

**20. Related Party Transactions**

There were no related party transactions other than as identified in the Remuneration Report.

The Remuneration report details additional remuneration issued to Directors by way of options.

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All Directors except Mr Geoffrey King have received their Base Remuneration as disclosed in the Remuneration Report through consulting entities that are deemed related parties of these Directors.

Note 6 and the Remuneration Report provide further details on Director Remuneration.

The number of ordinary shares in IPB Petroleum Limited held by each Director of the Group during the Financial Year is as follows:

	Direct Balance at Beginning of Year	Indirect Balance at Beginning of Year	Options Exercise	On market purchase (sale) of direct during the Year	On market purchase (sale) of indirect during the Year	Direct Balance at end of Year	Indirect Balance at End of Year
Bruce McKay	972,592	600,000	-	-	-	972,592	600,000
Brendan Brown	1,500,000	30,527,667	-	-	-	1,500,000	30,527,667
Philip Smith	27,644,737	2,050,000	-	-	-	27,644,737	2,050,000
Geoffrey King	500,000	200,000	-	-	-	500,000	200,000
Brodrick Wray*	70,000	1,040,000	-	-	-	n/a	n/a
<b>Totals</b>	<b>30,687,329</b>	<b>34,417,667</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>30,617,329</b>	<b>33,377,667</b>

**Ordinary Shares held by Directors**

\* Brodrick Wray retired on 12 July 2021

**a. The Group's related parties are as follows:**

*i. Key Management Personnel*

Any person(s) having authority and responsibility for planning, directing and controlling the activities of the entity, directly or indirectly, including any Director (whether Executive or otherwise) of that entity, are considered key management personnel.

For details of disclosures relating to key management personnel, refer to Note 6: Key Management Personnel Compensation.

*ii. Entities subject to significant influence by the Group*

An entity that has the power to participate in the financial and operating policy decisions of an entity, but does not have control over those policies, is an entity which holds significant influence. Significant influence may be gained by share ownership, statute or agreement.

The ultimate parent entity and its subsidiaries did not exert significant influence over any associate entities during the 2021 or 2022 years.

*iii. Joint Venture entities accounted for under the equity method*

The Group does not have any joint ventures which are accounted for under the equity method.

*iv. Joint Arrangements*

The Group does not have any joint arrangements which are accounted for under the proportional consolidation method.

**IPB Petroleum Limited Consolidated**  
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**Notes to the Financial Statements**  
**For the Year ended 30 June 2022**

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v. *Other related parties*

Other related parties include entities controlled by the ultimate parent entity and entities over which key management personnel have joint control.

**b. Transactions with related parties**

Other than those disclosed elsewhere in these financial statements, there were no transactions with related parties during the year.

**21. Financial Risk Management**

The Group's financial instruments consist mainly of deposits with banks, local money market instruments, short-term investments, accounts receivable, accounts payable and loans to and from subsidiaries.

The totals for each category of financial instruments, measured in accordance with AASB 9: *Financial Instruments*: as detailed in the accounting policies to these financial statements, are as follows:

<b>Financial assets</b>		<b>2022</b>	<b>2021</b>
		<b>\$</b>	<b>\$</b>
Cash and cash equivalents	Note 9	337,169	167,440
<b>Total financial assets</b>		<u>337,169</u>	<u>167,440</u>
<b>Financial liabilities</b>			
Trade and other payables at amortised cost	Note 13	58,135	139,463
<b>Total financial liabilities</b>		<u>58,135</u>	<u>139,463</u>

**Financial Risk Management Policies**

The Board is responsible for, among other issues, managing financial risk exposures of the Group. The Board monitors the Group's financial risk management policies and exposures and approves financial transactions within the scope of its authority. It also reviews the effectiveness of internal controls relating to commodity price risk, counterparty credit risk, currency risk, liquidity risk and interest rate risk.

The Board's overall risk management strategy seeks to assist the consolidated Group in meeting its financial targets, while minimising potential adverse effects on financial performance. Its functions include the review of the use of hedging derivative instruments, credit risk policies and future cash flow requirements.

**Specific Financial Risk Exposures and Management**

The main risks the Group is exposed to through its financial instruments are credit risk, liquidity risk and market risk consisting of interest rate risk.

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There have been no substantive changes in the types of risks the Group is exposed to, how these risks arise, or the Board's objectives, policies and processes for managing or measuring the risks from the previous period.

**(a) Credit risk**

Exposure to credit risk relating to financial assets arises from the potential non-performance by counterparties of contract obligations that could lead to a financial loss to the Group.

Credit risk related to balances with banks and other financial institutions is managed by the Board in accordance with company policy. Such policy requires that surplus funds are only invested with counterparties with a Standard & Poor's rating of at least AA—.

There is a risk that receivables may not be able to be collected for their book value, or may take longer than expected, or the company may incur additional costs in collecting receivables not currently accounted for.

**(b) Liquidity risk**

Liquidity risk arises from the possibility that the Group might encounter difficulty in settling its debts. The Group manages this risk through the maintenance of rolling cash flow forecasts.

All financial assets and liabilities of the Group are current and are able to be settled or realised within 12 months.

**(c) Market risk**

*Interest rate risk*

Exposure to interest rate risk arises on financial assets and financial liabilities recognised at the end of the reporting period whereby a future change in interest rates will affect future cash flows or the fair value of fixed rate financial instruments.

The financial instruments that primarily expose the Group to interest rate risk are cash and cash equivalents.

No reasonable change in interest rates would have a material effect on the profit and equity values reported in the financial statements.

**Fair Values**

*Fair value estimation*

The fair value of financial assets and financial liabilities approximates their carrying amounts as disclosed in statement of financial position and notes to financial statements.

**22. Events After the Reporting Period**

On 15 July 2022, 33,333,333 new shares placed to professional and sophisticated investors, were issued at a price of 0.9 cents per share. 16,666,667 free attaching unlisted options were also co-incidentally issued with an exercise price of 1.8 cents expiring 15 July 2023. This placement raised approximately \$282,000 after brokerage costs of approximately \$18,000.

On 7 September 2022 the Company closed a non-renounceable entitlement issue ("Offer") of one fully paid ordinary share for every share held by shareholders registered in Australia and New Zealand as at 17 August 2022. The Company raised approximately \$775,635 before costs of approximately \$60,000. Accordingly, 86,181,693 shares were issued on 15 September 2022 at a price of 0.9 cents per share and 43,090,842 free attaching unlisted options were also co-incidentally issued with an exercise price of 1.8 cents expiring 15 July 2023.

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Under ASX rules the Company has the right but not the obligation for a period of up to three months from closing of the Offer to now place the shortfall shares totalling up to a maximum of 284,006,508 in accordance with the terms of the Offer dated 12 August 2022.

On 13 September 2022, 2,100,000 options exercisable at 20 cents lapsed unexercised.

Other than as disclosed above no other matters or circumstances have arisen since the end of the financial year which, significantly affect the operations of the Group, the results of those operations, or state of affairs of the Group in future financial years.

### 23. Commitments

The company has the following work commitments related to its WA-424-P exploration Permit.

Note: The Company has completed all work associated with the Primary Term (firm commitment) except for the well (Idris) which has to be spudded no later than 17 June 2023 under current Permit Terms.

The Secondary Term years of 4 and 5 are optional for the company and not firm commitments until these years are entered.

#### WA-424-P Permit Work Programme:

The current minimum work programme for WA-424-P is detailed as follows:

Term	Period	Remaining Minimum Work Requirements*	Estimated Expenditure A\$
<b>Primary Years 1-3</b>	18/6/18 - 17/6/23	Geotechnical Studies including Seismic Re-interpretation of 75km <sup>2</sup> depth conversion around the Idris Prospect One Exploration Well	40,000 15,000,000
<b>Secondary Year 4</b>	18/6/23 - 17/6/24	Detailed assessment and re-interpretation of well and 3D seismic data following drilling of commitment well	100,000
<b>Secondary Year 5</b>	18/6/24 - 17/6/25	Technical studies to support a renewal and relinquishment strategy	100,000

#### **Minimum work programme for WA-424-P (IPB Petroleum 100% and Operator)\***

*\* Note under potential farmout agreements agreement it is likely that IPB will transfer or hold on trust a significant portion of the permit WA-424-P Permit to a farminee.*

*The terms and conditions of any Permits held by IPB Petroleum from time to time require guaranteed annual work commitments to be completed. Whilst not a liability in terms of the relevant accounting standards and therefore not recordable in the company's Statement of Financial Position, a failure to meet a guaranteed work commitment may render a permit liable to be cancelled, unless an extension of time or waiver of the requirement is granted by government.*

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The current WA-424-P Permit requires a well (Ildris) to be drilled by 17 June 2023. If the company cannot settle funding and commence operations to the satisfaction of the government, or cannot obtain a suitable extension to carry out the well activities at a later date, the company is at risk of losing its WA-424-P permit. A mitigating strategy which the company is considering, and has commenced work on, as an alternative strategy to preserve most of what it considers to be the defined valuable part of the WA-424-P permit will be to "declare a location" given the existing oil and gas discovery at Gwydion and apply for a retention lease with a view to progress towards a potential future development.

<b>Current minimum work programme *</b>	<b>2022</b>	<b>2021</b>
	<b>\$</b>	<b>\$</b>
Less than one year	15,000,000	-
One to five years	200,000	15,200,000
More than five years	-	-
	<u>15,200,000</u>	<u>15,200,000</u>

\* Note: The terms and conditions of any Permits held by IPB Petroleum from time to time require guaranteed annual work commitments to be completed. Whilst not a liability in terms of the relevant accounting standards and therefore not recordable in the company's Statement of Financial Position, a failure to meet a guaranteed work commitment may render a permit liable to be cancelled, unless an extension of time or waiver or variation of the requirement is granted by government.

#### **24. Company Details**

The registered office of the company is:  
Suite 307, 530 Little Collins Street  
Melbourne VIC 3000.

The principal place of business is:  
Suite 307, 530 Little Collins Street  
Melbourne VIC 3000.

The principal activities of the business include:  
Oil & Gas Exploration

## DIRECTORS' DECLARATION

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In accordance with a resolution of the Directors of IPB Petroleum Limited (ACN 137 387 350), the directors of the Company declare that:

1. the consolidated financial statements and notes, as set out on pages 28 – 53 are in accordance with the *Corporations Act 2001* and:
  - a) comply with Australian Accounting Standards, which, as stated in accounting policy Note 1 to the financial statements, constitutes compliance with International Financial Reporting Standards (IFRS) and the *Corporations Regulations 2001*; and
  - b) give a true and fair view of the financial position as at 30 June 2022 and of the performance for the year ended on that date of the consolidated Group;
2. in the Directors' opinion there are reasonable grounds to believe that the Group will be able to pay its debts as and when they become due and payable; and
3. the Directors have been given the declarations required by S295A of the *Corporations Act 2001* from the Managing Director for the financial year ended 30 June 2022.



Bruce McKay

Non-Executive Chairman

Dated this 30<sup>th</sup> day of September 2022



*Image of semi-submersible drill rig Sedco 702. The Sedco 702 was used by BHP to drill the Gwydion oil discovery in 1995*

# Auditor's Report



## IPB Petroleum Limited

### Independent auditor's report to members

## REPORT ON THE AUDIT OF THE FINANCIAL REPORT

### Opinion

We have audited the financial report of IPB Petroleum Limited (the Company) and the entities it controlled from time to time throughout the financial year (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 other explanatory information, and the directors' declaration.

In our opinion, the annual financial report of the Group is in accordance with the *Corporations Act 2001*, including:

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

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 (including Independence Standards)* (the Code) that are relevant to our audit of the financial report in Australia. We have also fulfilled our other ethical responsibilities in accordance with the Code.

We 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

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## CARRYING VALUE OF EXPLORATION AND EVALUATION ASSETS

Area of focus Refer also to notes 1 and 12	How our audit addressed it
<p>The Group has incurred exploration costs for their Australian petroleum project over a number of years. There is a risk that the accounting criteria associated with the capitalisation of exploration and evaluation expenditure may no longer be appropriate.</p> <p>Due to the nature of the mining industry, indicators of impairment could include: Changes to exploration plans; Loss of rights to tenements; Changes to reserve estimates; or Costs of extraction and production.</p> <p>Based on management's assessment the Australian exploration area continues to meet the requirements for capitalisation at 30 June 2022.</p>	<p>Our audit procedures included: A review of the directors' assessment of the criteria for the capitalisation of exploration expenditure and their impairment assessment; Understanding and vouching the underlying contractual entitlement to explore and evaluate each area of interest, including an evaluation of the requirement to renew that tenement at its expiry; and Examining project spend to each area of interest to ensure that it is directly attributable to that area of interest.</p> <p>We also assessed the adequacy of the Group's disclosures in respect of exploration costs in the financial report.</p>

## 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 *Corporations Act 2001* and for such internal control as the directors determine is necessary to enable the preparation of the financial report that gives a true and fair view and is free from material misstatement, whether due to fraud or error.

In preparing the financial report, the directors are responsible for assessing the ability of the Company to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the directors either intend to liquidate the Company or to cease operations, or they 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 these financial statements is located at the Auditing and Assurance Standards Board website at:

[https://www.auasb.gov.au/admin/file/content102/c3/ar1\\_2020.pdf](https://www.auasb.gov.au/admin/file/content102/c3/ar1_2020.pdf)

This description forms part of our independent auditor's report.

## Report on the Remuneration Report

### **Opinion on the Remuneration Report**

We have audited the Remuneration Report included in the directors' report for the year ended 30 June 2022.

In our opinion, the Remuneration Report of IPB Petroleum 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.

*William Buck*

**William Buck Audit (Vic) Pty Ltd**  
ABN 59 116 151 136

*Alan Finnis*

**A. A. Finnis**  
Director  
Melbourne, 30 September 2022



*Image of oil rig helideck*

**ASX**

**Additional  
Information**

Additional information required by the Australian Securities Exchange Ltd and not shown elsewhere in this report is as follows. The information is current as at 20 September 2022.

**a) Distribution of Shareholders**

Analysis of numbers of shareholders by size of holding:

Ordinary Shares	Number of shareholders
1-1000	52
1,001-5,000	111
5,001-10,000	125
10,001-100,000	358
100,001 and over	303
<b>Total Shareholders</b>	<b>949</b>

The number of shareholders holding less than a marketable parcel of shares is 548

**b) Classes of Securities and Voting Rights**

IPB Petroleum has fully paid ordinary shares on issue. The voting rights attaching to ordinary shares are governed by the Constitution. On a show of hands every person present who is a member or representative of a member shall have one vote and on a poll, every member present in person or by proxy or by attorney or duly authorised representative shall have one vote for each share held.

ASX ADDITIONAL  
INFORMATION

c) Top 20 shareholders

The names of the 20 largest holders of ordinary shares are listed below as at 20 September 2022:

Name	Number of ordinary shares	% ordinary shares
MS SIHOL MARITO GULTOM	50,000,000	10.96
PHILIP SMITH	27,644,737	6.06
BTMB INVESTMENTS PTY LTD	26,250,000	5.75
MRS ANDREA COOTE & MR DAVID DOOLAN & MR JAMES JOSEPH SHEPHERSON	21,737,200	4.76
KALAN SEVEN PTY LTD	16,714,300	3.66
MRS SUZANNE JANE ROULENT	12,000,000	2.63
MRS LUYE LI	8,834,616	1.94
KRAKOUER CAPITAL PTY LTD	8,333,333	1.83
CPAC HOLDINGS PTY LIMITED	8,000,000	1.75
MR LIAM JARROD WHEATON	6,366,723	1.40
MR CRAIG COSTELLO	6,355,124	1.39
MR LUKE DANIEL FERGUSON	6,350,000	1.39
FIRST INVESTMENT PARTNERS PTY LTD	6,000,000	1.31
MR CRAIG COSTELLO & MRS LARISSA JANE COSTELLO	5,714,286	1.25
MUNCHA CRUNCHA PTY LTD	5,090,336	1.12
MR MICHAEL KENNETH CRON HALLIDAY	5,000,000	1.10
MR MICHAEL HALLIDAY	5,000,000	1.10
INJI INVESTMENTS PTY LTD	5,000,000	1.10
MISS AMBER JADE GIBSON	4,750,000	1.04
VICTORIAN MINING ASSOCIATES PTY LTD	4,500,000	0.99
<b>Top 20 Ordinary Shareholders Total</b>	<b>239,640,655</b>	<b>52.51%</b>
<b>Total Ordinary Shares as at 20 September 2022</b>	<b>456,369,894</b>	<b>100%</b>

**d) Substantial Shareholders**

Substantial holders in IPB Petroleum are set out below according to the most recent lodged Form 603 and 604 Notices to ASX.

Name	Date of Notice	Number of ordinary shares held	% calculated ordinary shares held
SIHOL MARITO GULTOM	15 September 2022	50,000,000	10.96%
B. BROWN	2 September 2021	32,027,667	7.02%
P. SMITH	27 September 2021	29,694,737	6.51%
P. A. K. NAYLOR	20 September 2021	49,481,500	10.94%

**e) Schedule of Petroleum Exploration Permits Held**

Permit	Basin/Country	Titleholders	Equity %	Operator
WA-424-P	Browse Basin / Australia	IPB WA 424P Pty Ltd	100%	IPB WA 424P Pty Ltd

Further detail on Permits and works can be found in the Review of Operations pages 11-14.

## GLOSSARY

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<b>\$, Aus. or Dollars, \$ AUD</b>	Australian dollars unless otherwise stated
<b>ASIC</b>	Australian Securities & Investment Commission
<b>ASX</b>	ASX Limited
<b>ASX Listing Rules</b>	The listing rules of ASX
<b>Board</b>	IPB Petroleum Board of Directors
<b>Constitution</b>	The Constitution of the company
<b>Corporations Act</b>	The <i>Corporations Act 2001</i> (Cth)
<b>Director</b>	A Director of IPB Petroleum Limited
<b>IPBLEOP</b>	The IPB Petroleum Limited Employee Option Plan
<b>IPB, IPB Petroleum or company</b>	IPB Petroleum Limited (ABN 52 137 387 350) or IPB Petroleum Consolidated Group or a wholly owned subsidiary
<b>Km</b>	Kilometres
<b>Km<sup>2</sup></b>	Squared Kilometres
<b>Permit</b>	The WA-424-P petroleum exploration permit
<b>Primary Term</b>	The first 3 years of the 6-year initial period or 5-year renewal period for which an exploration permit is awarded. The work activity for the first 3 years of the program are guaranteed work program commitments by the permit holders
<b>Prospect</b>	A ready-to-drill subsurface drilling target
<b>PRRT</b>	Petroleum Resources Rent Tax
<b>Secondary Term</b>	The second 3 years of the initial 6-year period or 2 years of a 5-year renewal period for which an exploration permit is awarded. On the commencement of the 4th year, the secondary work program becomes guaranteed on a year-by-year basis by the permit holders. Once a year has commenced the permit holders must complete all the specified work for that year. The work proposed in the secondary term can be varied prior to the commencement of the secondary term permit year.

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**DIRECTORS AND COMPANY SECRETARY**

**Bruce McKay**  
Non-Executive Director and Chair

**Brendan Brown**  
Managing Director

**Philip Smith**  
Technical Director

**Geoffrey King**  
Non-Executive Director

**Martin Warwick**  
Company Secretary

**SOLICITORS**

Steinepreis Paganin  
Level 6, 99 William Street  
Melbourne VIC 3000

**SHARE REGISTRY**

Link Market Services Limited  
Tower 4, 727 Collins Street  
Docklands VIC 3008

**Phone** 1300 554 474 (toll free)  
**Fax** +61 2 9287 0303  
**Email** [registrars@linkmarketservices.com.au](mailto:registrars@linkmarketservices.com.au)  
**Website** [www.linkmarketservices.com.au](http://www.linkmarketservices.com.au)

**REGISTERED OFFICE AND PRINCIPAL PLACE OF BUSINESS**

IPB Petroleum Limited  
Suite 307, 530 Little Collins Street  
Melbourne VIC 3000  
Australia

**Phone** +61 3 9598 0188  
**Fax** +61 3 9598 0199  
**Email** [admin@ipbp.com.au](mailto:admin@ipbp.com.au)  
**Website** [www.ipbp.com.au](http://www.ipbp.com.au)

**AUSTRALIAN BUSINESS NUMBER**

52 137 387 350

**AUDITOR**

William Buck Audit (Vic) Pty Ltd  
Level 20, 181 William Street  
Melbourne VIC 3000

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