

31 October 2023

Company Announcements Office  
ASX Limited

**QUARTERLY ACTIVITIES REPORT**  
**FOR THE PERIOD ENDED 30 SEPTEMBER 2023**

During the quarter, Santa Fe Minerals Ltd (“**Santa Fe**”, “**SFM**” or “**the Company**”) continued exploration at its Mt Murray base metals project and Watson’s Well Vanadium project.

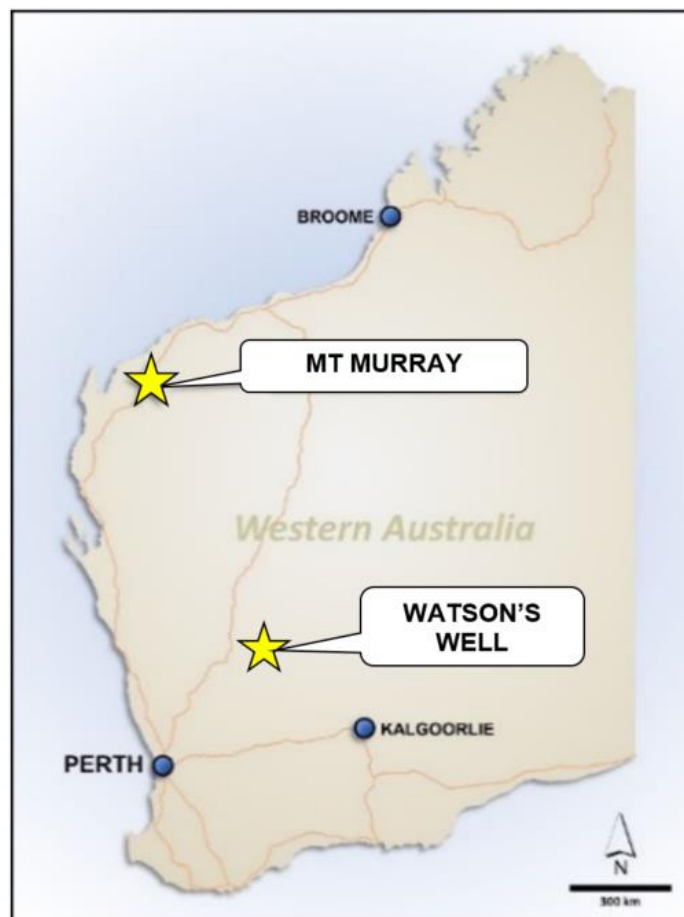


Figure 1: Project locations.

**Mt Murray Base Metal Project (SFM was earning 80%)**

SFM was exploring the Mt Murray Project for both nickel-copper-palladium-platinum mineralisation and base metal copper-lead-zinc-silver-gold mineralisation where previous SFM Ultra-Fine Fraction (UFF) soil geochemistry defined 3 target areas for follow up exploration.

A Moving Loop Electromagnetic survey was undertaken to define mid to late time conductive responses at the Highway, El Paso and Ridgeback prospects in the project area.

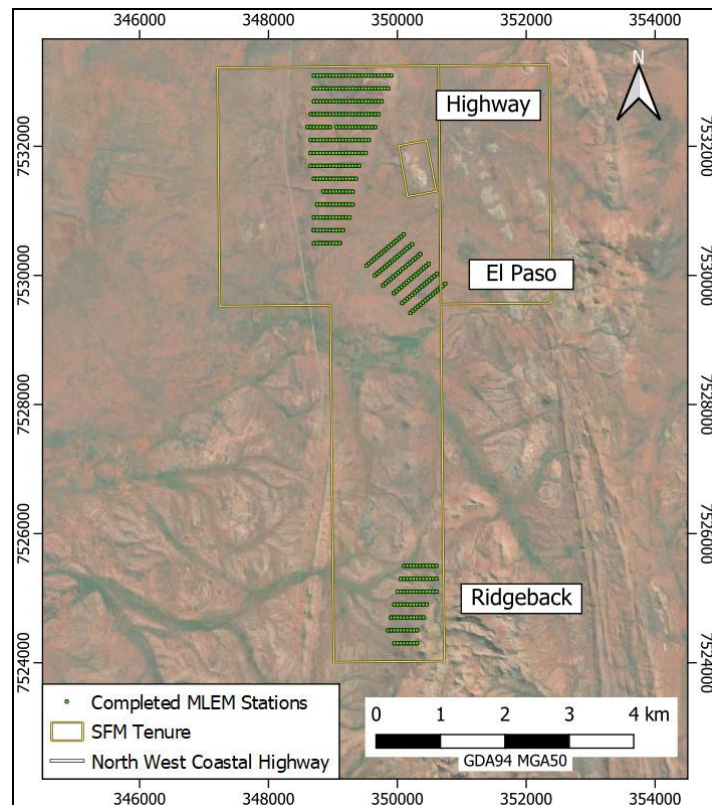


Figure 2: Mt Murray Project, Target Areas and MLEM Stations.

**MLEM Survey Results:** 27 lines of MLEM were completed on 200m line spacing and 50m stations spacings at the Highway, El Paso, and Ridgeback targets (Figure 2). The resulting data was of good quality with low noise levels. Mid to late time channels at the Ridgeback target show a conductive response increasing towards the northeast (Figure 2). Modelling of the response fits with 2 large low conductance plates. One plate is likely related to overburden whereas the second plate with a steeper north-west dip and higher conductance fits better with the known geology and surface geochemistry (Figures 3 & 4).

The top edge, or shallow side of the modelled plate corresponds with the UFF soil Cu anomaly shown in Figure 4. This area is also anomalous in other elements including As, Ag, Au, Ni, Zn (SFM December 2022 Quarterly - 31 January, 2023). Previously collected rock chip samples of iron-stained and gossanous quartz veins from the Ridgeback area returned up to 3,080ppm As, 450ppb Ag, 59ppb Au 629ppm Cu. At the northern end of the modelled MLEM plate were high copper rock chip samples of up to 11% Cu from quartz veins at the historic Kin prospects. (Exploration Update - 5 April 2022).

The MLEM plate also occurs along a northeast trending magnetic high zone that crosscuts the general north-south geological trend (Figure 5). This break in the magnetics is interpreted as a fault zone manifested as gossanous quartz veins in outcrop with weakly anomalous mineralization.

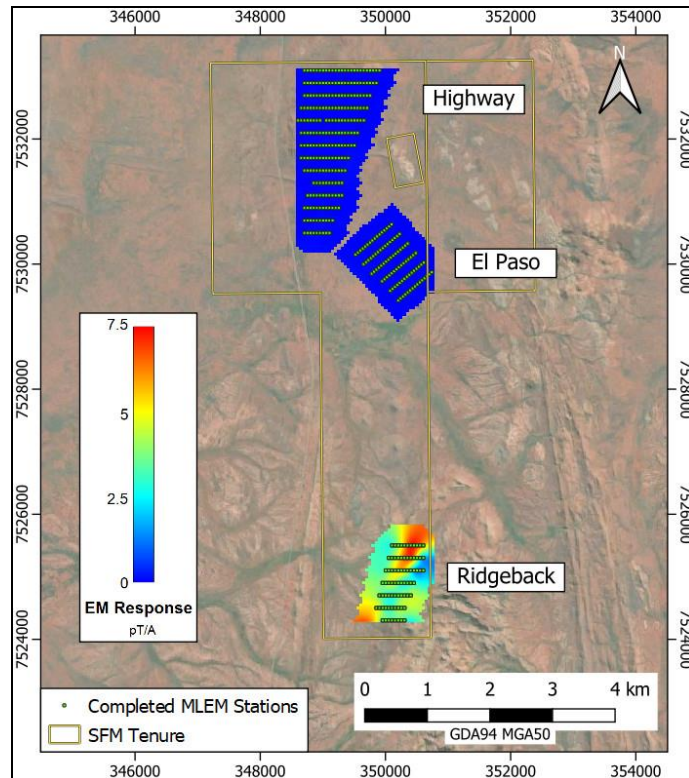


Figure 3: MLEM gridded channel 20 (5.3-6.8ms) showing conductive response at the Ridgeback target.

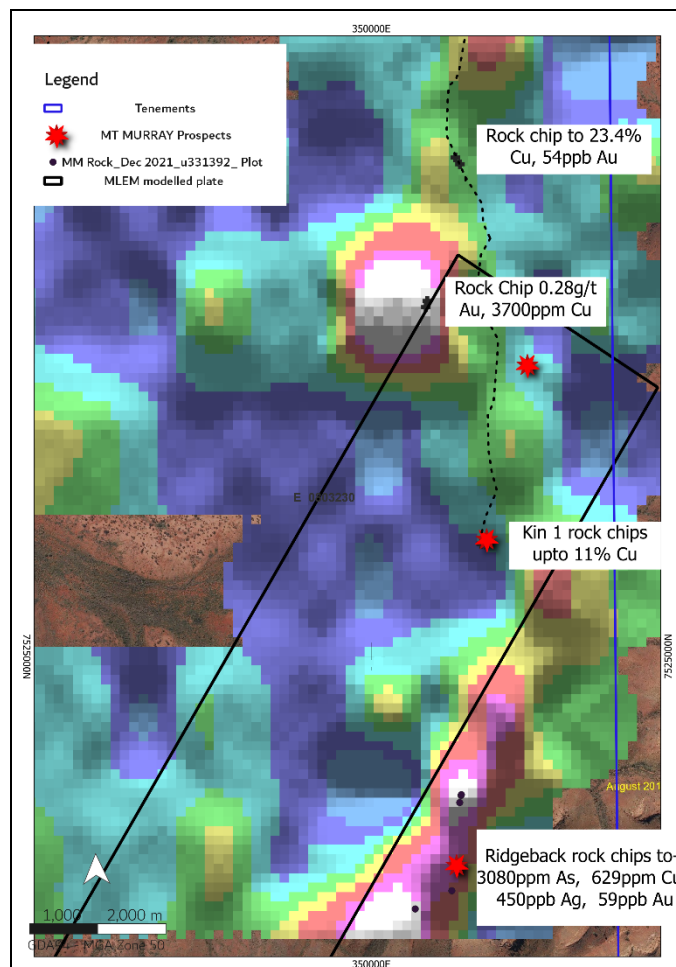


Figure 4: Ridgeback target area with MLEM plate, Cu in soils image and rock chip sample results. The images are coloured by Cu values from low to high.

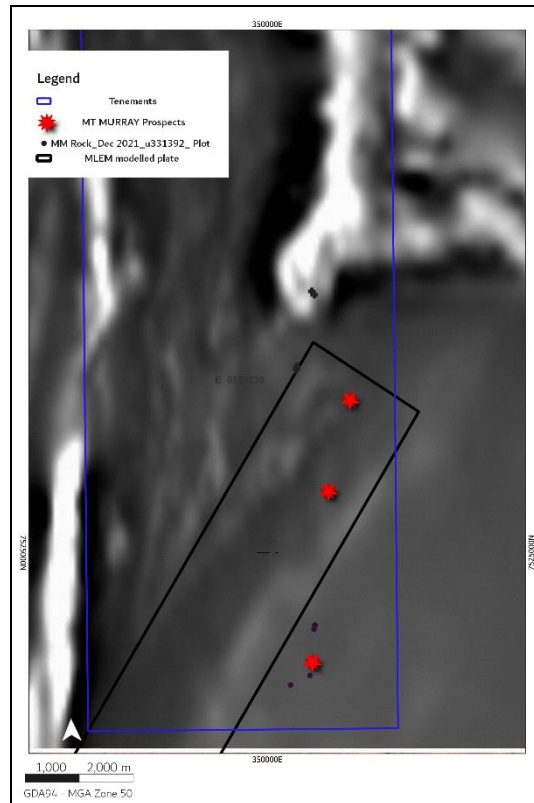


Figure 5: Ridgeback target MLEM modelled plate over tmi1vdrtp mag image. Note the plate crosscuts the general north south stratigraphy.

## Conclusion:

As announced by the Company on 30 October 2023, the modelled MLEM plate is thought to be related to stratigraphy and not massive sulphides. As such no further work is planned on this project. The board has elected to terminate the Mt Murray option agreement (originally entered into on 18 November 2021 and announced to ASX on 19 November 2021).

## Watsons Well Vanadium -Titanium-Iron Project (SFM 100%)

The Watsons Well Project is in the southern part of the Murchison district of Western Australia which hosts several large vanadium-titanium- iron deposits.

The most recent work at Watsons Well (SFM ASX June 2023 Quarterly report) was completion of 10 RC drillholes which tested a small central 400m long zone of the estimated 7km long Watsons Well high magnetic target. This maiden RC drilling program successfully located thick zones with robust grades of vanadium – titanium mineralisation associated with strong magnetite (iron) content in all 10 drillholes. One hole was drilled 400m further east than the rest of the drilling (Figure 6) to test a small outcrop of massive magnetite. This hole, WWRC005, intersected two zones of mineralisation, 6m @ 0.62% V<sub>2</sub>O<sub>5</sub>, 5.35% TiO<sub>2</sub>, 26.73% Fe and 3m @ 0.49 V<sub>2</sub>O<sub>5</sub>, 4.15% TiO<sub>2</sub>, 25.02% Fe indicating the mineralised magnetite rich gabbro may be up to 600m wide whereas the current drilling has tested only 300m width. High-grade outcrops of massive magnetite over about 5kms strike (*SFM Exploration Update 5<sup>th</sup> April 2022*) suggests that additional drilling will likely discover similar style vanadium titanium iron mineralisation over the entire length of the 7km long magnetic anomaly.

This is a large target and SFM will consider a range of exploration and drilling strategies to advance towards defining a resource. In parallel, the Company will also begin investigation of metallurgical and beneficiation options.



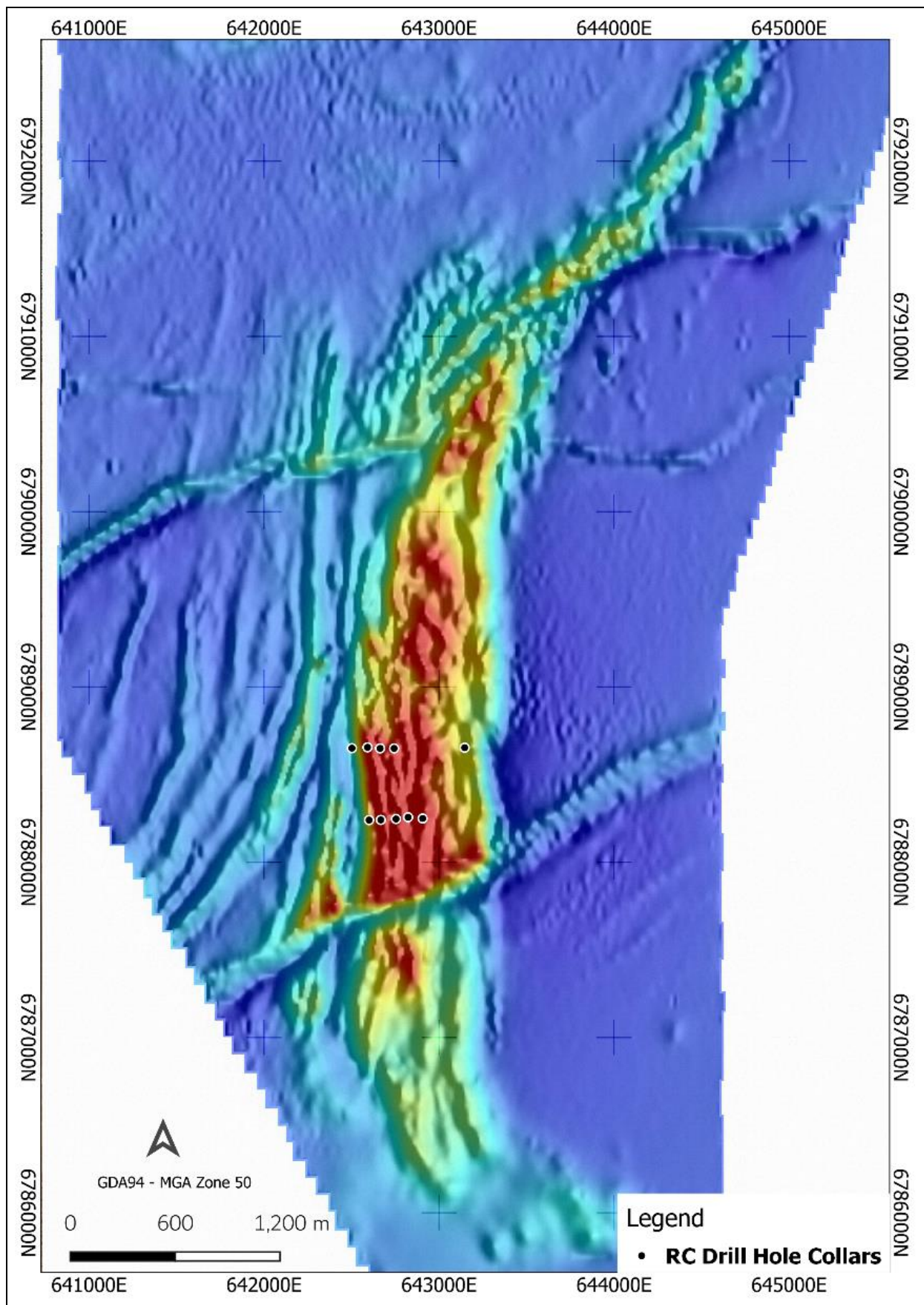


Figure 6 – Watsons Well airborne magnetics showing the middle of the 7km long magnetic anomaly, and the location of the completed RC drill hole collars highlighted with thick mineralised zones.

**Challa North - Gold Project (SFM 100%)**

During the quarter, work was limited to desk top studies.

**Corporate**

At the end of the Quarter, the Company held a balance of \$2,299,348 in liquid assets comprising of \$2,265,906 in cash and shares held in listed entities with a market value of \$33,442. Current shareholdings are as follows:

Oakajee Limited (ASX: OKJ)	1,286,250 fully paid ordinary shares
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The Company continues to assess a number of opportunities in the resources sector.

This ASX announcement has been authorised for release by the Board.

**- ENDS -**

For further information, please contact:

**Doug Rose**  
**Managing Director**  
+61 409 465 511

**COMPLIANCE STATEMENT**

*The information in this report that relates to Exploration Results is based on information compiled by Mr. Reginald Beaton who is a Member of the Australian Institute of Geoscientists. Mr. Beaton is an employee of Santa Fe Minerals Limited and has sufficient experience which is relevant to the style of mineralisation under consideration to qualify as a Competent Person as defined in the 2012 Edition of the 'Australian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves'. Mr. Beaton consents to the inclusion in the report of the matters based on the information compiled by him, in the form and context in which it appears.*

*The Company is not aware of any new information or data that materially affects the information included in the above. All exploration results included in this report have been previously announced to ASX by the Company.*

## Appendix 1: Disclosures in accordance with ASX Listing Rule 5.3

### Tenements held at the end of the quarter

Tenement	Holder <sup>1</sup>	Interest	Location	Status
E58/485	Challa Resources Pty Ltd	100%	Western Australia	Granted
E58/500	Challa Resources Pty Ltd	100%	Western Australia	Granted
E58/501	Challa Resources Pty Ltd	100%	Western Australia	Granted
E58/502	Challa Resources Pty Ltd	100%	Western Australia	Granted
E58/503	Challa Resources Pty Ltd	100%	Western Australia	Granted
E58/511	Challa Resources Pty Ltd	100%	Western Australia	Note A
E59/2257	Challa Minerals Pty Ltd	100%	Western Australia	Granted
E08/3461*	Challa Resources Pty Ltd	100%	Western Australia	Granted

<sup>1</sup>Challa Resources Pty Ltd and Challa Minerals Pty Ltd are wholly owned subsidiaries of Santa Fe Minerals Limited.

Note A - The Company relinquished Exploration Licence E58/511 during the quarter.

\*Following the end of the quarter, the company relinquished Exploration Licence 08/3461.

The option agreement to acquire the Mt Murray project (outlined below) was terminated by The Company on 27 October 2023.

### Acquisition of Mt Murray

On 19 November 2021, the Company announced that it has, via its wholly owned subsidiary Challa Resources Pty Ltd (ACN 619 903 196) (Challa), entered into a binding option agreement to acquire, subject to certain conditions precedent, 80% of the legal and beneficial interest in any or both of the Western Australian exploration tenements E 08/2978 and E 08/3230 and 80% of the metals rights on M 08/139 from North West Stone Pty Ltd (ACN 159 838 712) (NWS) (Option). The key terms of the agreement are detailed below.

#### Key Terms

The consideration for the grant of the Option was A\$50,000. The initial period of the Option will expire on 19 November 2023 (Initial Period) and will automatically be extended by three six month terms unless Challa provides written notice otherwise (Option Period). Challa must pay A\$30,000 for each additional term.

As a condition to the exercise of the Option, Challa must:

- incur at least A\$200,000 of exploration expenditure on the tenements in the Initial Period; and
- incur at least A\$300,000 of exploration expenditure on the tenements (in addition to the amount detailed in paragraph (a) above) in the Option Period.

If the condition is satisfied and the Option is exercised, the Company must issue to NWS the greater of:

- 5,000,000 fully paid ordinary shares in Santa Fe; or
- fully paid ordinary shares in Santa Fe to a value of A\$1,000,000 based on a 5 day VWAP share price prior to the date of exercise of the Option.

If the condition is satisfied, Challa may also elect to enter into a split commodity agreement with NWS for 80% of all metal rights in M 08/139 (Split Commodity Agreement). Upon election to enter into the Split Commodity Agreement, the Company must issue to NWS the greater of:

- (a) 500,000 fully paid ordinary shares in Santa Fe; or
- (b) fully paid ordinary shares in Santa Fe to a value of A\$100,000 based on a 5 day VWAP share price prior to the date of electing to enter into the Split Commodity Agreement.

Under the agreement, the total consideration shares that SFM will issue to exercise the option in its entirety is capped at 10,000,000. The Company intends to issue the above shares using its available placement capacity under listing rule 7.1.

If the Option is exercised, the parties shall commence good faith negotiations with a view to executing a joint venture agreement for the development of the tenements Challa has an interest in, with Challa as manager and operator of the joint venture. NWS will be free carried until a decision to mine.

The option agreement is otherwise on customary terms and conditions for a transaction of this nature, including pre-completion obligations, termination rights and warranties provided by the parties.

Santa Fe agreed to pay approximately \$2,600 of rates outstanding in respect of the exploration tenements.

#### **Related Party Payments**

During the quarter ended 30 June 2023, the Company made payments of \$60,775 to related parties and their associates. These payments relate to existing remuneration arrangements being director fees and superannuation.



## Appendix 5B

### Mining exploration entity or oil and gas exploration entity quarterly cash flow report

Name of entity

Santa Fe Minerals Limited

ABN

59 151 155 734

Quarter ended ("current quarter")

30 September 2023

<b>Consolidated statement of cash flows</b>	<b>Current quarter \$A'000</b>	<b>Year to date (3 months) \$A'000</b>
<b>1. Cash flows from operating activities</b>		
1.1 Receipts from customers	-	-
1.2 Payments for		
(a) exploration & evaluation	(108)	(108)
(b) development	-	-
(c) production	-	-
(d) staff costs	(61)	(61)
(e) administration and corporate costs	(99)	(99)
1.3 Dividends received (see note 3)	-	-
1.4 Interest received	10	10
1.5 Interest and other costs of finance paid	-	-
1.6 Income taxes paid	-	-
1.7 Government grants and tax incentives	-	-
1.8 Other (provide details if material)	-	-
<b>1.9 Net cash from / (used in) operating activities</b>	<b>(258)</b>	<b>(258)</b>
<b>2. Cash flows from investing activities</b>		
2.1 Payments to acquire or for:		
(a) entities	-	-
(b) tenements	-	-
(c) property, plant and equipment	-	-
(d) exploration & evaluation	-	-
(e) investments	-	-
(f) other non-current assets	-	-

<b>Consolidated statement of cash flows</b>	<b>Current quarter \$A'000</b>	<b>Year to date (3 months) \$A'000</b>
2.2 Proceeds from the disposal of:	-	-
(a) entities	-	-
(b) tenements	-	-
(c) property, plant and equipment	-	-
(d) investments	-	-
(e) other non-current assets	-	-
2.3 Cash flows from loans to other entities	-	-
2.4 Dividends received (see note 3)	-	-
2.5 Other (provide details if material)	-	-
<b>2.6 Net cash from / (used in) investing activities</b>	<b>-</b>	<b>-</b>

<b>3. Cash flows from financing activities</b>		
3.1 Proceeds from issues of equity securities (excluding convertible debt securities)	-	-
3.2 Proceeds from issue of convertible debt securities	-	-
3.3 Proceeds from exercise of options	-	-
3.4 Transaction costs related to issues of equity securities or convertible debt securities	-	-
3.5 Proceeds from borrowings	-	-
3.6 Repayment of borrowings	-	-
3.7 Transaction costs related to loans and borrowings	-	-
3.8 Dividends paid	-	-
3.9 Other (provide details if material)	-	-
<b>3.10 Net cash from / (used in) financing activities</b>	<b>-</b>	<b>-</b>

<b>4. Net increase / (decrease) in cash and cash equivalents for the period</b>		
4.1 Cash and cash equivalents at beginning of period	2,524	2,524
4.2 Net cash from / (used in) operating activities (item 1.9 above)	(258)	(258)
4.3 Net cash from / (used in) investing activities (item 2.6 above)	-	-
4.4 Net cash from / (used in) financing activities (item 3.10 above)	-	-

## Mining exploration entity or oil and gas exploration entity quarterly cash flow report

<b>Consolidated statement of cash flows</b>		<b>Current quarter \$A'000</b>	<b>Year to date (3 months) \$A'000</b>
4.5	Effect of movement in exchange rates on cash held	-	-
<b>4.6</b>	<b>Cash and cash equivalents at end of period</b>	<b>2,266</b>	<b>2,266</b>

<b>5.</b>	<b>Reconciliation of cash and cash equivalents</b> at the end of the quarter (as shown in the consolidated statement of cash flows) to the related items in the accounts	<b>Current quarter \$A'000</b>	<b>Previous quarter \$A'000</b>
5.1	Bank balances	398	667
5.2	Call deposits	1,868	1,857
5.3	Bank overdrafts	-	-
5.4	Other (provide details)	-	-
<b>5.5</b>	<b>Cash and cash equivalents at end of quarter (should equal item 4.6 above)</b>	<b>2,266</b>	<b>2,524</b>

<b>6.</b>	<b>Payments to related parties of the entity and their associates</b>	<b>Current quarter \$A'000</b>
6.1	Aggregate amount of payments to related parties and their associates included in item 1	61
6.2	Aggregate amount of payments to related parties and their associates included in item 2	-
<p><i>Note: if any amounts are shown in items 6.1 or 6.2, your quarterly activity report must include a description of, and an explanation for, such payments.</i></p> <p>Director fees and superannuation in the quarter.</p>		

## Mining exploration entity or oil and gas exploration entity quarterly cash flow report

<b>7. Financing facilities</b>	<b>Total facility amount at quarter end \$A'000</b>	<b>Amount drawn at quarter end \$A'000</b>
<i>Note: the term "facility" includes all forms of financing arrangements available to the entity. Add notes as necessary for an understanding of the sources of finance available to the entity.</i>		
7.1 Loan facilities	-	-
7.2 Credit standby arrangements	-	-
7.3 Other (please specify)	-	-
7.4 <b>Total financing facilities</b>	-	-
7.5 <b>Unused financing facilities available at quarter end</b>		
7.6 Include in the box below a description of each facility above, including the lender, interest rate, maturity date and whether it is secured or unsecured. If any additional financing facilities have been entered into or are proposed to be entered into after quarter end, include a note providing details of those facilities as well.		
N/A		

<b>8. Estimated cash available for future operating activities</b>	<b>\$A'000</b>
8.1 Net cash from / (used in) operating activities (item 1.9)	(258)
8.2 (Payments for exploration & evaluation classified as investing activities) (item 2.1(d))	-
8.3 Total relevant outgoings (item 8.1 + item 8.2)	(258)
8.4 Cash and cash equivalents at quarter end (item 4.6)	2,266
8.5 Unused finance facilities available at quarter end (item 7.5)	-
8.6 Total available funding (item 8.4 + item 8.5)	2,266
8.7 <b>Estimated quarters of funding available (item 8.6 divided by item 8.3)</b>	<b>8.78</b>
<i>Note: if the entity has reported positive relevant outgoings (ie a net cash inflow) in item 8.3, answer item 8.7 as "N/A". Otherwise, a figure for the estimated quarters of funding available must be included in item 8.7.</i>	
8.8 If item 8.7 is less than 2 quarters, please provide answers to the following questions:	
8.8.1 Does the entity expect that it will continue to have the current level of net operating cash flows for the time being and, if not, why not?	
Answer: Not applicable.	
8.8.2 Has the entity taken any steps, or does it propose to take any steps, to raise further cash to fund its operations and, if so, what are those steps and how likely does it believe that they will be successful?	
Answer: Not applicable.	

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**Mining exploration entity or oil and gas exploration entity quarterly cash flow report**


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8.8.3 Does the entity expect to be able to continue its operations and to meet its business objectives and, if so, on what basis?

Answer: Not applicable.

*Note: where item 8.7 is less than 2 quarters, all of questions 8.8.1, 8.8.2 and 8.8.3 above must be answered.*

## Compliance statement

- 1 This statement has been prepared in accordance with accounting standards and policies which comply with Listing Rule 19.11A.
- 2 This statement gives a true and fair view of the matters disclosed.

Date: 31 October 2023

Authorised by: By the Board of Santa Fe Minerals Limited  
(Name of body or officer authorising release – see note 4)

## Notes

1. This quarterly cash flow report and the accompanying activity report provide a basis for informing the market about the entity's activities for the past quarter, how they have been financed and the effect this has had on its cash position. An entity that wishes to disclose additional information over and above the minimum required under the Listing Rules is encouraged to do so.
2. If this quarterly cash flow report has been prepared in accordance with Australian Accounting Standards, the definitions in, and provisions of, *AASB 6: Exploration for and Evaluation of Mineral Resources* and *AASB 107: Statement of Cash Flows* apply to this report. If this quarterly cash flow report has been prepared in accordance with other accounting standards agreed by ASX pursuant to Listing Rule 19.11A, the corresponding equivalent standards apply to this report.
3. Dividends received may be classified either as cash flows from operating activities or cash flows from investing activities, depending on the accounting policy of the entity.
4. If this report has been authorised for release to the market by your board of directors, you can insert here: "By the board". If it has been authorised for release to the market by a committee of your board of directors, you can insert here: "By the [name of board committee – eg Audit and Risk Committee]". If it has been authorised for release to the market by a disclosure committee, you can insert here: "By the Disclosure Committee".
5. If this report has been authorised for release to the market by your board of directors and you wish to hold yourself out as complying with recommendation 4.2 of the ASX Corporate Governance Council's *Corporate Governance Principles and Recommendations*, the board should have received a declaration from its CEO and CFO that, in their opinion, the financial records of the entity have been properly maintained, that this report complies with the appropriate accounting standards and gives a true and fair view of the cash flows of the entity, and that their opinion has been formed on the basis of a sound system of risk management and internal control which is operating effectively.