



ABN 59 151 155 734

Interim Financial Report

For the half-year ended 31 December 2023

Santa Fe Minerals Limited
Interim Financial Report - 31 December 2023
Contents

	Page
Corporate Information	2
Directors' Report	3
Auditor's Independence Declaration	11
Condensed Consolidated Statement of Comprehensive Income	12
Condensed Consolidated Statement of Financial Position	13
Condensed Consolidated Statement of Changes in Equity	14
Condensed Consolidated Statement of Cash Flows	15
Notes to the Condensed Consolidated Financial Statements	16
Directors' Declaration	19
Independent Auditor's Review Report	20

Santa Fe Minerals Limited
Interim Financial Report - 31 December 2023
Corporate Information

Directors	Mark Jones (Non-Executive Chairman) Douglas Rose (Managing Director) Terence Brown (Non-Executive Director)
Company Secretary	Henko Vos
ABN	59 151 155 734
Registered and Principal Office	Suite 1/9 Hampden Road Nedlands WA 6009 Tel: +61 8 9386 8382 Fax: +61 8 6183 4892
Postal Address	Suite 1/9 Hampden Road Nedlands WA 6009
Website	www.santafeminerals.com.au
Auditors	HLB Mann Judd (WA Partnership) Chartered Accountants Level 4, 130 Stirling Street Perth WA 6000
Share Register	Automic Group Level 5, 191 St Georges Terrace Perth WA 6000 Tel: 1300 288 664
Securities Exchange Listing	Australian Securities Exchange (ASX: SFM) Level 40, Central Park 152-158 St Georges Terrace Perth WA 6000

DIRECTORS' REPORT

Your Directors present their report together with the condensed consolidated financial statements of the Group comprising of Santa Fe Minerals Limited and its subsidiaries for the half-year ended 31 December 2023.

In order to comply with the provisions of the Corporations Act 2001, the Directors report as follows:

Directors

The names of the Directors who held office during or since the end of the interim period and until the date of this report are noted below. Directors were in office for the entire period unless otherwise stated:

Mark Jones (Non-Executive Chairman)
Doug Rose (Managing Director)
Terence Brown (Non-Executive Director)

Review of operations

The loss for the Group entity after providing for income tax amounted to \$581,383 (31 December 2022: \$620,967).

Exploration Operations

During the period, Santa Fe Minerals Limited ("**Santa Fe**", "**SFM**" or "**the Company**") continued exploration at its Mt Murray base metals project and Challa projects (Gold and Vanadium).

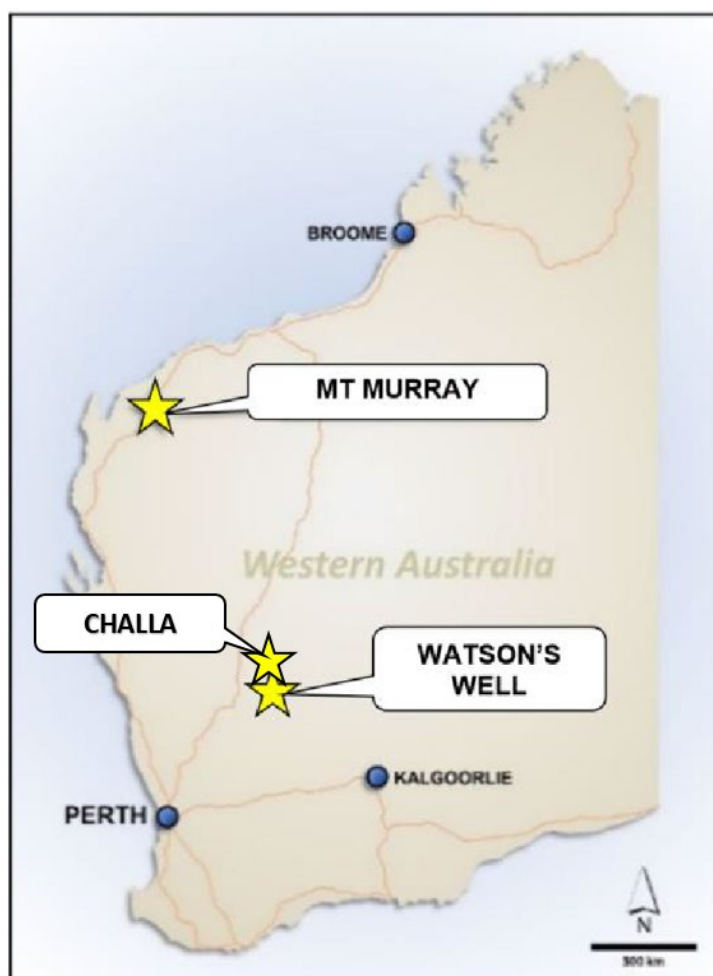


Figure 1: Project locations.

DIRECTORS' REPORT

Mt Murray Base Metal Project (SFM earning 80%)

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.

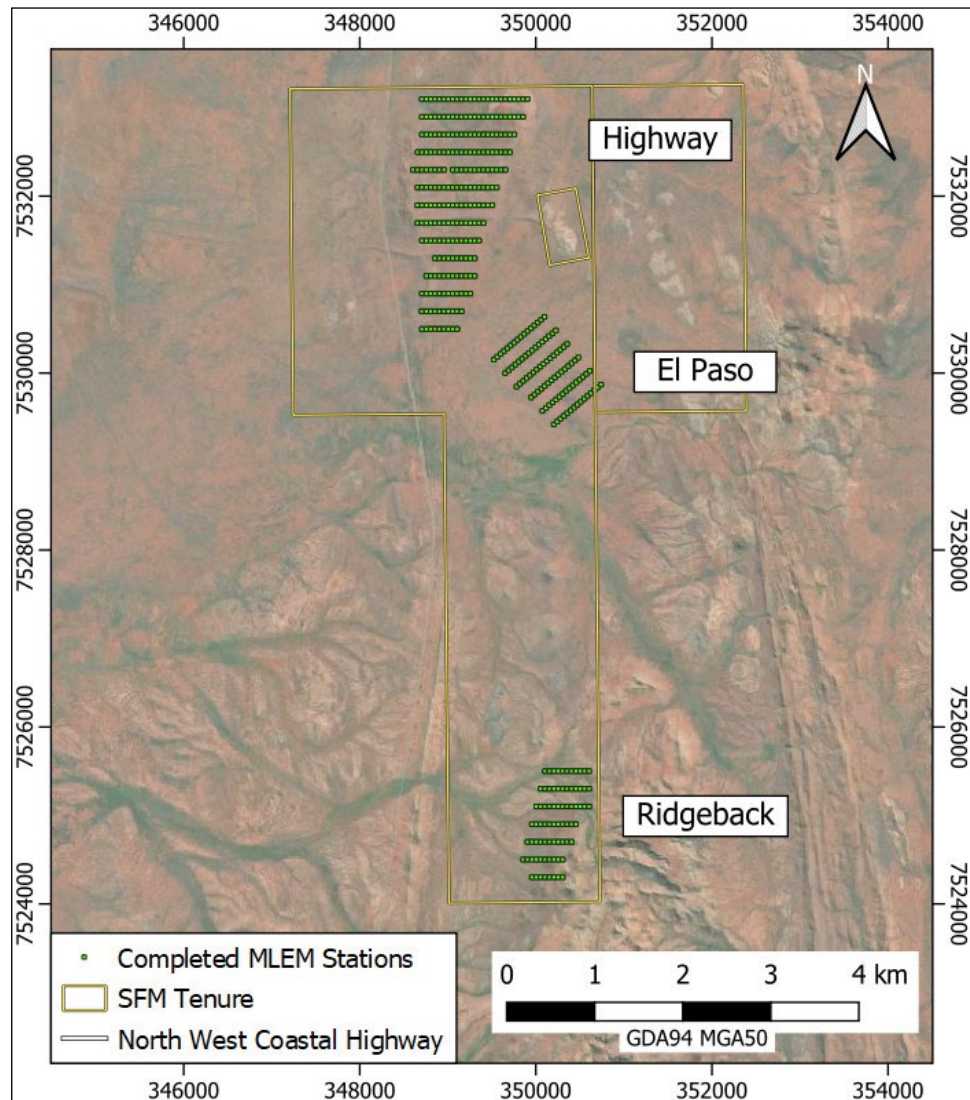


Figure 2: Mt Murray Project, Target Areas and MLEM Stations.

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 3). 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).

DIRECTORS' REPORT

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 mineralisation.

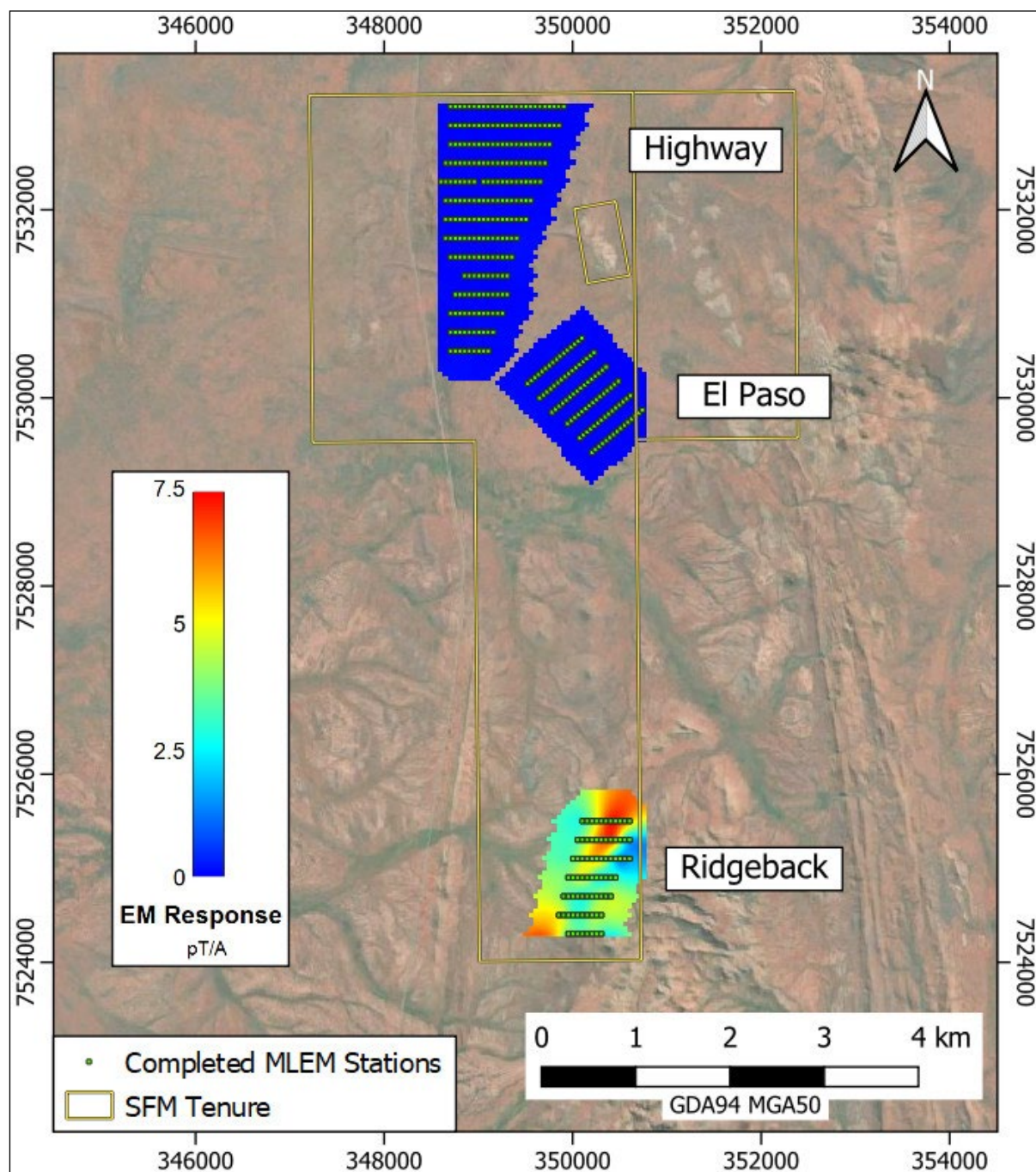


Figure 3: MLEM gridded channel 20 (5.3-6.8ms) showing conductive response at the Ridgeback target.

DIRECTORS' REPORT

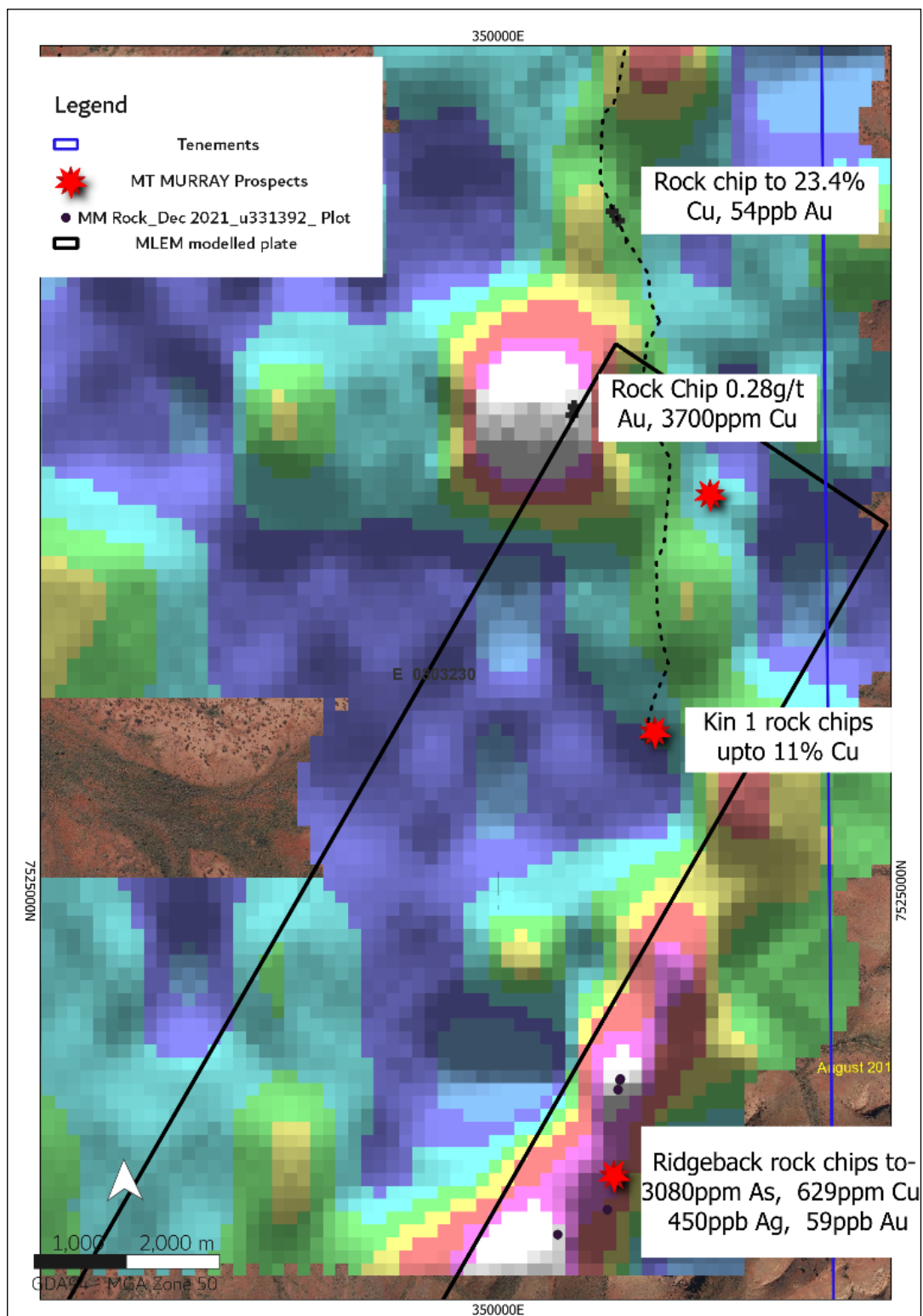


Figure 4: Ridgeback target area with MLEM plate, Cu in soils image and rock chip sample results.
The images are coloured by Cu values from low to high.

DIRECTORS' REPORT

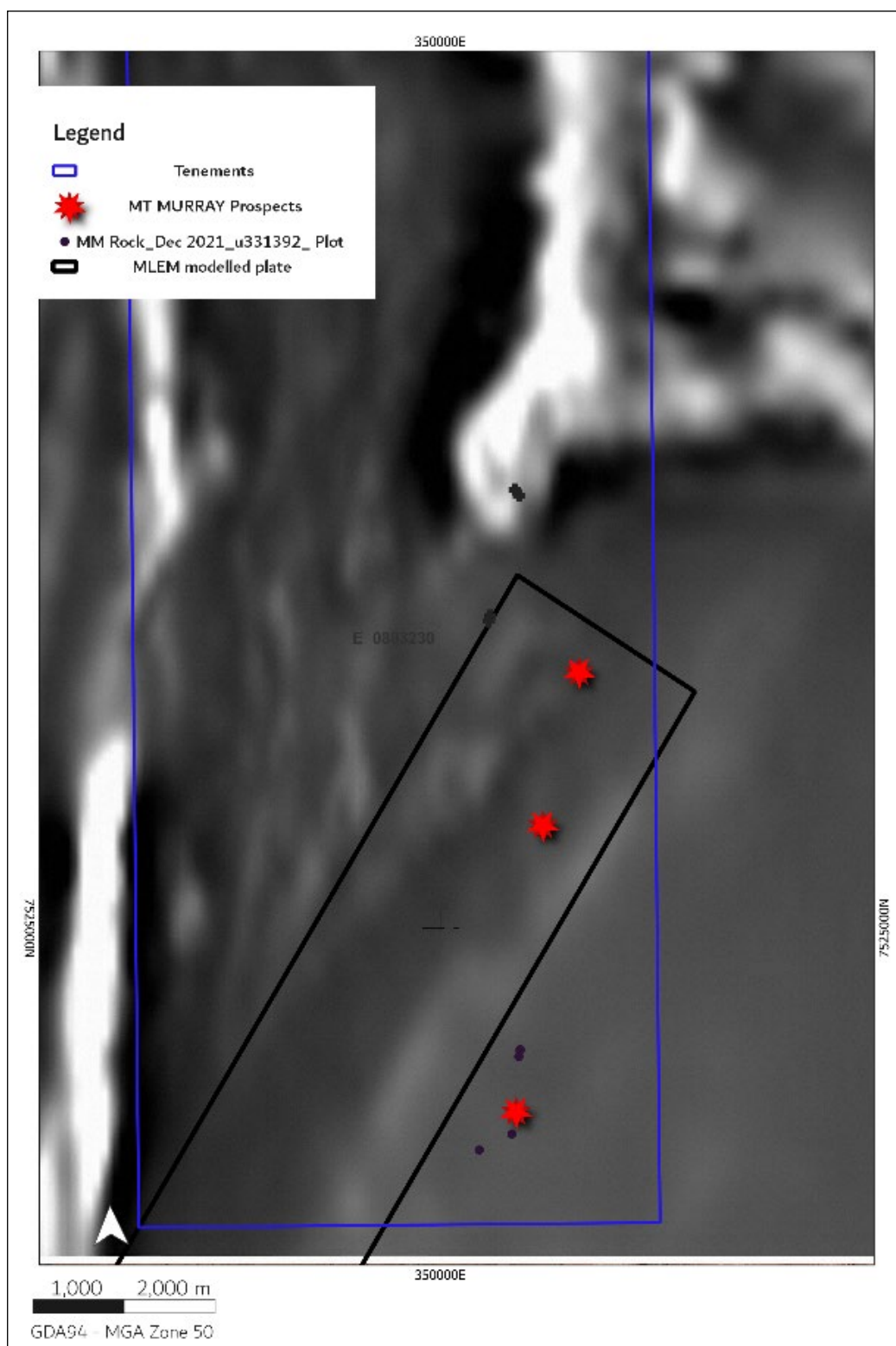


Figure 5: Ridgeback target MLEM modelled plate over tmi1vdrtp mag image.
Note the plate crosscuts the general north south stratigraphy.

DIRECTORS' REPORT

Conclusion:

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 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%)

Background:

A total of 10 Reverse Circulation holes were drilled for 1,492m in September-October 2022 to test the central area of the 7km long Watsons Well high magnetic zone targeting high grade V₂O₅, TiO₂ and Fe in rock chip samples results from outcropping massive magnetite layers, (*SFM Exploration Update 5th April 2022*). Two sections of drill-holes were completed 400m apart with all holes angled at -60 degrees to the east, perpendicular to the strike of the host magnetite rich gabbro. Drill-holes were spaced at a nominal 80m and completed to set depths of 149m or 150m. One hole, WWRC005, was completed 400m further east to test an outcropping parallel magnetite zone. Samples were collected for every 1m of drilling with 853 samples submitted for analytical work based on visual logging and magnetic susceptibility. Drilling conditions were good with hard fresh rock from near surface and only shallow (maximum 20m) weathering.

All ten drillholes intersected broad zones of strong magnetite with associated robust vanadium, titanium and iron grades. Multiple zones of mineralisation were intersected, ranging from 1m to 84m downhole width. The thickest zone, 83m, (0.2% V₂O₅ cut off) is in WWRC006 extending from 62m to 146m downhole grading 0.4% V₂O₅, 4.24% TiO₂, 20% Fe. These results were reported to ASX on 3 April 2023.

The maiden RC drilling program at Watsons Well successfully located thick zones with robust grades of vanadium – titanium mineralisation associated with strong magnetite (iron) content over 400m strike within the central part of the 7km long Watsons Well magnetic anomaly. The hole that was drilled 400m further east, WWRC005, intersected two zones of mineralisation, 6m @ 0.62% V₂O₅, 5.35% TiO₂, 26.73% Fe and 3m @ 0.49 V₂O₅, 4.15% TiO₂, 25.02% Fe indicating the mineralised magnetite rich gabbro may be up to 600m wide whereas the current drilling has tested only 300m width.

Previously reported high-grade outcrops of massive magnetite over about 5kms strike (*SFM Exploration Update 5th April 2022*) suggests similar style vanadium titanium iron mineralisation is likely to be discovered over the entire length of the 7km long magnetic anomaly.

The Company is currently investigating metallurgical and beneficiation options. The Company intends to announce a preliminary metallurgical test program in due course.

DIRECTORS' REPORT

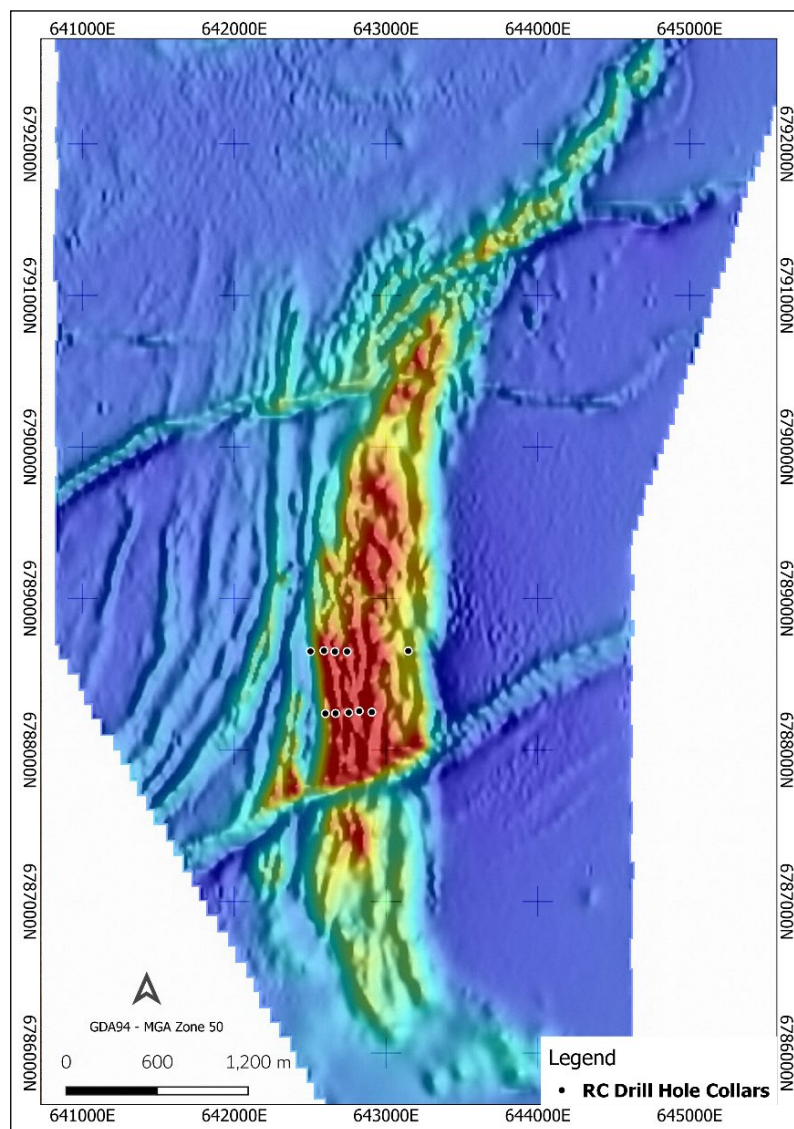


Figure 6: Watsons Well 7km long magnetic complex with SFM RC drill-hole collars.

Challa North – Gold Project (SFM 100%)

During the half-year, work was limited to desk top studies.

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. All technical information in this report has previously been released to ASX.

Santa Fe Minerals Limited
Interim Financial Report - 31 December 2023

DIRECTORS' REPORT

Principal Activities

The principal activities of the Group during the course of the financial period were exploration for gold and base metals within the state of Western Australia.

Significant changes in the state of affairs

There were no significant changes in the state of affairs of the Group during the financial half-year.

Events subsequent to reporting period

No matters or events have arisen since the end of the half-year which have significantly affected or may significantly affect the operations of the Group, the results of those operations or the state of affairs of the Group in subsequent financial periods.

Auditor's Independence Declaration

Section 307C of the Corporations Act 2001 requires our auditors, HLB Mann Judd, to provide the Directors of the Group with an Independence Declaration in relation to the review of the interim financial report. This Independence Declaration is set out on page 11 and forms part of the Directors' Report for the half-year ended 31 December 2023.

This report is signed in accordance with a resolution of the Board of Directors made pursuant to Section 306(3) of the Corporations Act 2001.



Doug Rose
Managing Director

11 March 2024
Perth, Western Australia

AUDITOR'S INDEPENDENCE DECLARATION

As lead auditor for the review of the consolidated financial report of Santa Fe Minerals Limited for the half-year ended 31 December 2023, I declare that to the best of my knowledge and belief, there have been no contraventions of:

- a) the auditor independence requirements of the *Corporations Act 2001* in relation to the review; and
- b) any applicable code of professional conduct in relation to the review.



Perth, Western Australia
11 March 2024

B G McVeigh
Partner

hlb.com.au

HLB Mann Judd (WA Partnership) ABN 22 193 232 714

Level 4, 130 Stirling Street, Perth WA 6000 / PO Box 8124 Perth BC WA 6849

T: +61 (0)8 9227 7500 **E:** mailbox@hlbwa.com.au

Liability limited by a scheme approved under Professional Standards Legislation.

HLB Mann Judd (WA Partnership) is a member of HLB International, the global advisory and accounting network.

Santa Fe Minerals Limited
Interim Financial Report - 31 December 2023

Condensed Consolidated Statement of Comprehensive Income
For the half-year ended 31 December 2023

	Note	31 December 2023 \$	31 December 2022 \$
Continuing operations			
Other income		41,699	17,293
Employee benefits expense		(157,694)	(183,661)
Depreciation		(2,162)	(3,447)
Exploration expenditure		(213,937)	(280,083)
Write off exploration expenditure	5	(84,598)	-
Other expenses		(173,695)	(147,225)
Finance expenses		-	(8)
Fair value gain/(loss) on FVTPL assets	4	9,004	(23,836)
Loss before income tax		(581,383)	(620,967)
Income tax expense		-	-
Loss for the period		(581,383)	(620,967)
Other comprehensive income			
Other comprehensive income for the period, net of tax		-	-
Total comprehensive loss		(581,383)	(620,967)
Basic loss per share (cents)	3	(0.80)	(0.85)
Diluted loss per share (cents)	3	(0.80)	(0.85)

The accompanying notes form part of these financial statements.

Santa Fe Minerals Limited
Interim Financial Report - 31 December 2023

Condensed Consolidated Statement of Financial Position
As at 31 December 2023

	Note	31 December 2023 \$	30 June 2023 \$
Assets			
Current Assets			
Cash and cash equivalents		2,036,187	2,524,123
Trade and other receivables		32,130	15,680
Other assets		46,862	27,313
Total Current Assets		2,115,179	2,567,116
NON-CURRENT ASSETS			
Assets classified as FVTPL	4	29,584	20,580
Deferred exploration and evaluation expenditure	5	269,548	354,146
Property, plant and equipment		500	2,662
Total Non-Current Assets		299,632	377,388
Total Assets		2,414,811	2,944,504
Liabilities			
Current Liabilities			
Trade and other payables		72,707	26,331
Provisions		90,851	85,537
Total Current Liabilities		163,558	111,868
Total Liabilities		163,558	111,868
Net Assets		2,251,253	2,832,636
Equity			
Share capital		14,757,954	14,757,954
Accumulated losses		(12,506,701)	(11,925,318)
Total Equity		2,251,253	2,832,636

The accompanying notes form part of these financial statements.

Santa Fe Minerals Limited
Interim Financial Report - 31 December 2023

Condensed Consolidated Statement of Changes in Equity
For the half-year ended 31 December 2023

	Issued capital \$	Accumulated losses \$	Total \$
Balance at 1 July 2023	14,757,954	(11,925,318)	2,832,636
Loss for the period	-	(581,383)	(581,383)
Other comprehensive income for the period, net of income tax	-	-	-
Total comprehensive loss for the period, net of income tax	-	(581,383)	(581,383)
Balance at 31 December 2023	14,757,954	(12,506,701)	2,251,253
Balance at 1 July 2022	14,757,954	(10,906,394)	3,851,560
Loss for the period	-	(620,967)	(620,967)
Other comprehensive income for the period, net of income tax	-	-	-
Total comprehensive loss for the period, net of income tax	-	(620,967)	(620,967)
Balance at 31 December 2022	14,757,954	(11,527,361)	3,230,593

The accompanying notes form part of these financial statements.

Santa Fe Minerals Limited
Interim Financial Report – 31 December 2023

Condensed Consolidated Statement of Cash Flows
For the half-year ended 31 December 2023

	31 December 2023	31 December 2022
	\$	\$
Cash flows from operating activities		
Interest received	41,262	9,523
Interest paid	-	(8)
Payments to suppliers and employees	(291,109)	(208,679)
Exploration and evaluation expenditure	(237,890)	(335,214)
Net cash used in operating activities	(487,737)	(534,378)
Cash flows from investing activities		
Payments for acquisition of FVTPL financial assets	-	(232,000)
Net cash used in investing activities	-	(232,000)
Cash flows from financing activities		
Proceeds from issue of shares	-	-
Net cash from financing activities	-	-
Net decrease in cash held	(487,737)	(766,378)
Effect of movement in exchange rates on cash held	(199)	438
Cash and cash equivalents at beginning of period	2,524,123	2,874,740
Cash and cash equivalents at end of period	2,036,187	2,108,800

The accompanying notes form part of these financial statements.

Santa Fe Minerals Limited
Interim Financial Report – 31 December 2023
Notes to the Condensed Consolidated Financial Statements

NOTE 1: STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES

These general purpose financial statements for the interim half-year reporting period ended 31 December 2023 have been prepared in accordance with Australian Accounting Standard AASB 134 'Interim Financial Reporting' and the Corporations Act 2001, as appropriate for for-profit oriented entities. Compliance with AASB 134 ensures compliance with International Financial Reporting Standard IAS 34 'Interim Financial Reporting'.

These general purpose financial statements do not include all the notes of the type normally included in annual financial statements. Accordingly, these financial statements are to be read in conjunction with the annual report for the year ended 30 June 2023 and any public announcements made by the company during the interim reporting period in accordance with the continuous disclosure requirements of the Corporations Act 2001.

The principal accounting policies adopted and methods of computation are consistent with those of the previous financial year and corresponding interim reporting period, unless otherwise stated.

New or amended Accounting Standards and Interpretations adopted

The Group has adopted all of the new or amended Accounting Standards and Interpretations issued by the Australian Accounting Standards Board ('AASB') that are mandatory for the current reporting period. They had no material effect on the financial report.

Any new or amended Accounting Standards or Interpretations that are not yet mandatory have not been early adopted. These are not expected to have any material effect on the financial report.

Going concern

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

NOTE 2: SEGMENT REPORTING

AASB 8 *Operating Segments* requires operating segments to be identified on the basis of internal reports about components of the Group that are regularly reviewed by the Chief Operating Decision Maker in order to allocate resources to the segment and to assess its performance.

The Board as a whole has determined that at this time, the Group has one reportable segment being mineral exploration in Australia and investing in mineral exploration companies in Australia.

The revenues and results of this segment are those of the Group as a whole and are set out in the Condensed Consolidated Statement of Profit or Loss and Other Comprehensive Income and the assets and liabilities of the Group as a whole are set out in the Condensed Consolidated Statement of Financial Position.

NOTE 3: LOSS PER SHARE

	31 December 2023	31 December 2022
	Cents per share	Cents per share
Loss per share:	(0.80)	(0.85)
Diluted loss per share:	(0.80)	(0.85)
	Number	Number
Weighted average number of ordinary shares for the purposes of basic and diluted loss per share	72,818,789	72,818,789
Loss used in the calculation of total basic and diluted loss per share are as set out in the condensed consolidated statement of comprehensive income	(581,383)	(620,967)

Santa Fe Minerals Limited
Interim Financial Report – 31 December 2023
Notes to the Condensed Consolidated Financial Statements

NOTE 4: FINANCIAL ASSETS / FAIR VALUE MEASUREMENT

This note provides information about how the Group determines fair value of various financial assets.

The three levels are defined based on the observe ability of significant inputs to the measurement, as follows:

- Level 1: quoted prices (unadjusted) in active markets for identical assets or liabilities;
- Level 2: inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly (i.e. as prices) or indirectly (derived from prices); and
- Level 3: inputs for the asset or liability that are not based on observable market data (unobservable inputs).

The following tables shows the levels within the hierarchy of financial assets and liabilities measured at fair value on a recurring basis as at 31 December 2023 and 30 June 2023.

	6 months to 31 December 2023 Fair value \$	Year to 30 June 2023 Fair value \$	Fair value hierarchy	Valuation technique
Equity investments designated at FVTPL	29,584	20,580	Level 1	Quoted market prices in an active market

The directors consider that the carrying amounts of current receivables, current payables and current borrowings are considered to be a reasonable approximation of their fair values.

Movement in equity investments designated at fair value through profit or loss:

	6 months to 31 December 2023 \$	Year to 30 June 2023 \$
Opening balance	20,580	700,996
Additions	-	232,000
Fair value movement on FVTPL assets	9,004	(56,640)
Disposals	-	(855,776)
	<u>29,584</u>	<u>20,580</u>

At 31 December 2023, the Company's shareholdings in listed entities comprised 1,286,250 fully paid ordinary shares in Oakajee Corporation Limited (ASX: OKJ).

Santa Fe Minerals Limited
Interim Financial Report – 31 December 2023
Notes to the Condensed Consolidated Financial Statements

NOTE 5: DEFERRED EXPLORATION AND EVALUATION EXPENDITURE

Exploration and evaluation phase:

	31 December 2023	30 June 2023
	\$	\$
Balance at beginning of period	354,146	300,536
Acquisition of tenements	-	53,610
Tenements surrendered	(84,598)	-
Total deferred exploration and evaluation expenditure	269,548	354,146

On 30 October 2023, the board elected to terminate the Mt Murray option agreement (originally entered into on 18 November 2021 and announced to ASX on 19 November 2021), resulting in the impairment of capitalised costs of \$84,598.

Exploration and evaluation costs, excluding the costs of acquiring tenements and permits, are expensed as incurred.

Capitalised exploration expenditure relating to the surrender of exploration licences or where rights to tenure is not current have been written off in full during the period. The recoupment of costs carried forward in relation to areas of interest in the exploration and evaluation phases is dependent on the successful development and commercial exploitation or sale of the respective areas.

NOTE 6: CONTINGENT ASSETS AND LIABILITIES

There has been no change in contingent liabilities since the last reporting date.

NOTE 7: EVENTS SUBSEQUENT TO BALANCE DATE

No matters or events have arisen since the end of the half-year which have significantly affected or may significantly affect the operations of the Group, the results of those operations or the state of affairs of the Group in subsequent financial periods.

Santa Fe Minerals Limited
Interim Financial Report – 31 December 2023
Directors' Declaration

In the opinion of the Directors of the Company:

1. The attached interim financial statements and notes thereto are in accordance with the Corporations Act 2001 including:
 - (a) complying with Accounting Standards AASB 134 'Interim Financial Reporting', the Corporations Regulations 2011, professional reporting requirements and other mandatory requirements; and
 - (b) giving a true and fair view of the Group's financial position as at 31 December 2023 and of its performance for the half-year then ended; and
2. There are reasonable grounds to believe that the Company will be able to pay its debts as and when they become due and payable.

This declaration is signed in accordance with a resolution of the Board of Directors made pursuant to section 303 (5) of the Corporations Act 2001.



Doug Rose
Managing Director

11 March 2024
Perth, Western Australia

INDEPENDENT AUDITOR'S REVIEW REPORT

To the Members of Santa Fe Minerals Limited

Report on the Condensed Half-Year Financial Report

Conclusion

We have reviewed the half-year financial report of Santa Fe Minerals Limited ("the Company") and its controlled entities ("the Group"), which comprises the condensed consolidated statement of financial position as at 31 December 2023, the condensed consolidated statement of comprehensive income, the condensed consolidated statement of changes in equity and the condensed consolidated statement of cash flows for the half-year ended on that date, selected explanatory notes, and the directors' declaration, for the Group comprising the Company and the entities it controlled at the half-year end or from time to time during the half-year.

Based on our review, which is not an audit, we have not become aware of any matter that makes us believe that the accompanying half-year financial report of Santa Fe Minerals Limited does not comply with the *Corporations Act 2001* including:

- (a) giving a true and fair view of the Group's financial position as at 31 December 2023 and of its performance for the half-year ended on that date; and
- (b) complying with Accounting Standard AASB 134 *Interim Financial Reporting* and the *Corporations Regulations 2001*.

Basis for Conclusion

We conducted our review in accordance with ASRE 2410 *Review of a Financial Report Performed by the Independent Auditor of the Entity*. Our responsibilities are further described in the *Auditor's responsibilities for the review of the financial report* section of our report. We are independent of the company 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 annual financial report in Australia. We have also fulfilled our other ethical responsibilities in accordance with the Code.

Responsibility of the Directors for the Financial Report

The directors of the Company are responsible for the preparation of the half-year 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 half-year financial report that gives a true and fair view and is free from material misstatement, whether due to fraud or error.

hlb.com.au

HLB Mann Judd (WA Partnership) ABN 22 193 232 714

Level 4, 130 Stirling Street, Perth WA 6000 / PO Box 8124 Perth BC WA 6849

T: +61 (0)8 9227 7500 **E:** mailbox@hlbwa.com.au

Liability limited by a scheme approved under Professional Standards Legislation.

HLB Mann Judd (WA Partnership) is a member of HLB International, the global advisory and accounting network.

Auditor's Responsibility for the Review of the Financial Report

Our responsibility is to express a conclusion on the half-year financial report based on our review. ASRE 2410 requires us to conclude whether we have become aware of any matter that makes us believe that the half-year financial report is not in accordance with the *Corporations Act 2001* including giving a true and fair view of the Group's financial position as at 31 December 2023 and its performance for the half-year ended on that date, and complying with Accounting Standard AASB 134 *Interim Financial Reporting* and the *Corporations Regulations 2001*.

A review of a half-year financial report consists of making enquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with Australian Auditing Standards and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.

Independence

In conducting our review, we have complied with the independence requirements of the *Corporations Act 2001*.



HLB Mann Judd
Chartered Accountants

Perth, Western Australia
11 March 2024



B G McVeigh
Partner