



ANNUAL
REPORT

2023

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Letter to Shareholders

Dear fellow shareholders

It is with great satisfaction that the Board of Directors of Santana Minerals Limited presents the Company's 2023 Annual Report. The last 12 months has seen tremendous progress made at our Bendigo-Ophir Project with the Company's aggressive drill program having seen our global Mineral Resource Estimate (MRE) updated in February this year to 2.9M ounces of gold at 2.3g/t, with the Project's flagship deposit, Rise and Shine (RAS), now boasting 2.7M oz Au at 2.5g/t including a maiden indicated resource of 280k oz Au at 4.3g/t. Having acquired the Project just over 2 ½ years ago with a resource of little over 250k oz Au, this represents an impressive rate of exploration success with these additional ounces delivered at a discovery cost of approximately A\$3.50 per ounce.

Since the announcement of our most recent MRE, much of the Company's exploration efforts have been focussed on infill drilling at RAS where the objective is to convert a large portion of inferred resource to indicated status which will in turn underpin a scoping study of the development of the Project, with the first half of Q1 2024 a likely timeframe for the release of this report. A greater understanding of the relationship between gold mineralisation and geological structures has been developed by our geologists as a result of the closer spacing of drill holes in the infill drilling. We expect that this improved knowledge of the geology will continue to grow with more drilling as addressed further in the Operation Review.

While RAS has been a priority for much of the last 6 months the Company also remains excited about several other prospects along the NW-trending Rise and Shine Shear Zone (RSSZ), including Come-in-Time, Shrek's, Shrek's East and Upper Thomsons, with each of these prospects having strong potential for shallow mineralisation that could be complimentary to the main RAS deposit in any mine development plan. Having completed a \$17.5M capital raising in May this year the Company is well funded to more aggressively drill these multiple targets in the months ahead and continue to rapidly build our resource inventory.

During the year the Company was extremely pleased to welcome Damian Spring to its executive ranks, initially as General Manager - New Zealand and more recently as Chief Executive Officer. Since commencing with the Company in late January Damian has made a significant contribution, managing not only our ongoing exploration programs but the numerous parallel work streams required to advance the development of the Project including the commencement of project permitting and community engagement.

In noting Damian's commencement, the Board would also like to acknowledge the resignation in May of its Chairman, Norm Seckold. As a founding director of Santana, we thank Norm for his service and stewardship over the last 10 years and wish him well for the future. With Norm's departure, the Board is presently undertaking a disciplined exercise to secure a suitable replacement to lead the Company through its next phase and looks forward to providing an update with respect to its efforts in the near future.

Our Company's vision is to develop the Bendigo-Ophir project into a world class, long life, environmentally sustainable mining project that will bring generational employment and prosperity to the Central Otago Region. Backed by a growing team and continuing exploration success, we look forward to advancing this objective over the next 12 months and beyond.

Finally, the entire Board would like to thank our New Zealand-based operations team for their ongoing commitment and dedication to the Project and also to acknowledge our growing shareholder base for their support and shared vision for the growth of our Company.

Sincerely

The Board of Directors

Management Review – Operations

Bendigo-Ophir, New Zealand

Highlights

During the year exploration activities were focused on the advancement of the Company's 100% owned Bendigo-Ophir Project ("the Project") in Central Otago, New Zealand (Figure 1). The Project covers 292km² kilometres and is located 90 kilometres northwest of OceanaGold's (TSX: OGC) world-class Macraes Gold Mine that has produced in excess of 5 million ounces of gold since 1990 and current Mineral Resources exceed 3 million ounces of gold.



Figure 1 - Bendigo-Ophir Gold Project in the Otago Goldfield

During the period total mineral resources were increased 5-fold to **2.9Moz @ 2.3g/t Au** with **2.7Moz @ 2.5g/t in the RAS deposit** (MRE Feb 2023). This included a **maiden indicated resource at RAS of 0.3Moz @ 4.3g/t Au**. All resource estimates are based on a 0.5g/t cutoff grade with a top cut applied.

Structural interpretations of the controls on mineralization have been advanced since year end as drill hole density increases from a nominal hole spacing of 120m x 80m to 60m x 40m converting inferred resources to indicated resources. Possible subvertical elements are emerging on the western margin of RAS that could potentially influence interpretation of mineralised domains used in the resource estimates to date, but this is work in progress and likely to evolve as infill drilling proceeds. A total of 29,163 metres was drilled in 100 diamond drillholes (DD) during the year at RAS. The drill program continued to prove the consistent thickness and grade of the mineralisation at RAS and included some spectacular high grade intercepts, most notably MDD054 “Jewellery Box” that returned **29.3m @ 13.9 g/t Au** from 165.8m (including **1m @ 1,400 g/t Au** at 179.0m), **7.0m @ 5.2 g/t Au** from 200.0m and **6.0m @ 6.7 g/t Au** from 216.0m (at cut-off grade of 0.5 g/t Au and a top cut of 100 g/t Au).

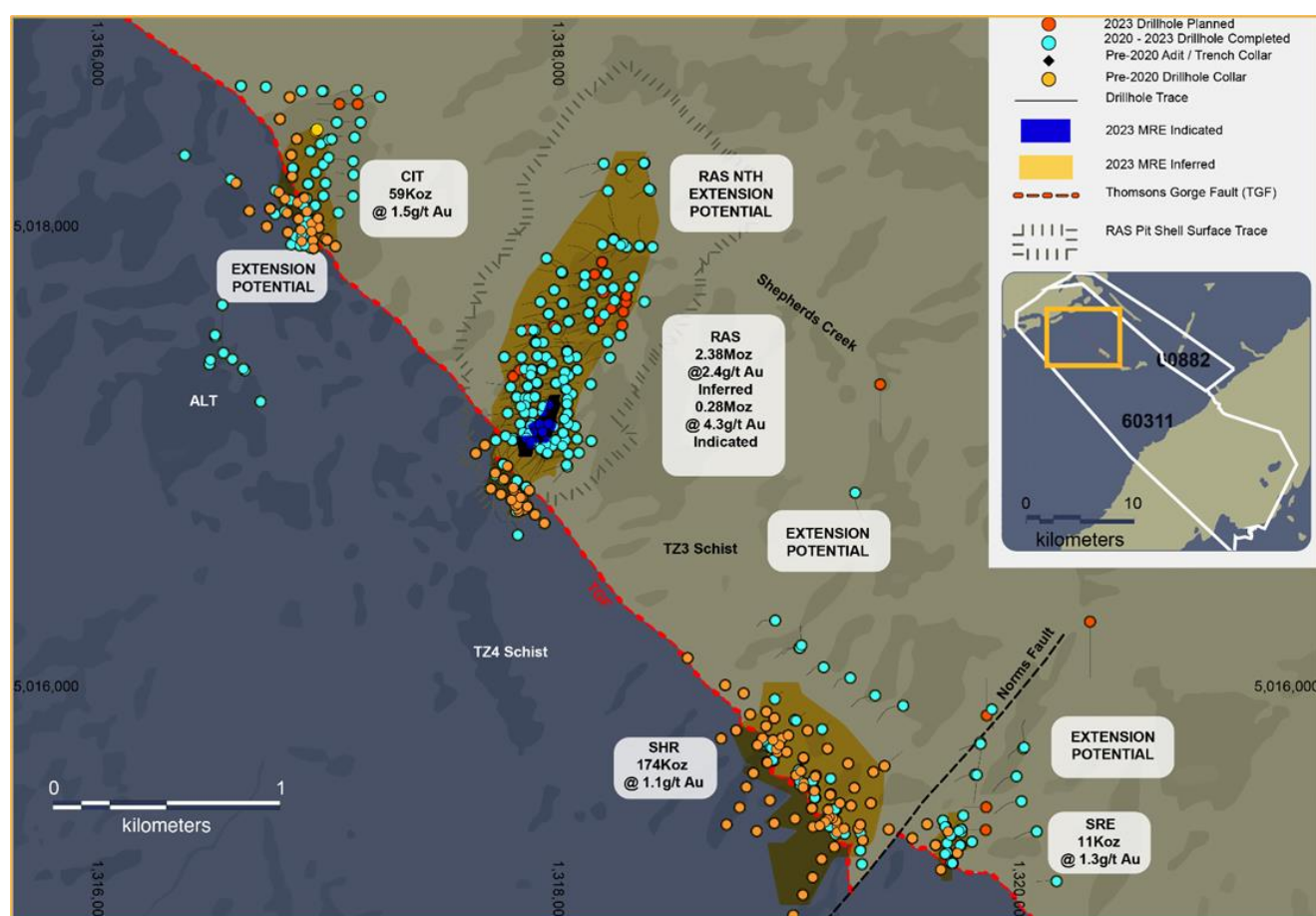


Figure 2 - Rise and Shine Shear Zone (RSSZ) showing the location of CIT, RAS, SHR and SRE deposits.

Metallurgical testwork undertaken during the year indicated gold recoveries of around 90 percent are achievable by gravity concentration and cyanide leaching (See Figure 7). Testwork and geometallurgical characterisation is ongoing to optimise potential recovery circuits and recoveries.

Outside of RAS, a further 22 DD holes for a total of 6,798 metres and 2,829 metres were drilled in 46 reverse circulation (RC) holes at CIT, SHR and SRE (Figure 2) to infill areas of those declared resources. Further afield, 3,456 metres were drilled in 54 RC and air core (AC) holes at Alta (ALT), Thomsons Saddle (TSD), Upper

Thomsons (UTS), Matakanui (MTK) and Greens NW (GNW) prospects. Results from this target definition drilling are still pending as RAS samples are being prioritised through the assay laboratories. Soil sampling using on-site pXRF multi-element analysers continued across UTS, TSD, ALT and Mt Moka (MKA) (Figure 3).

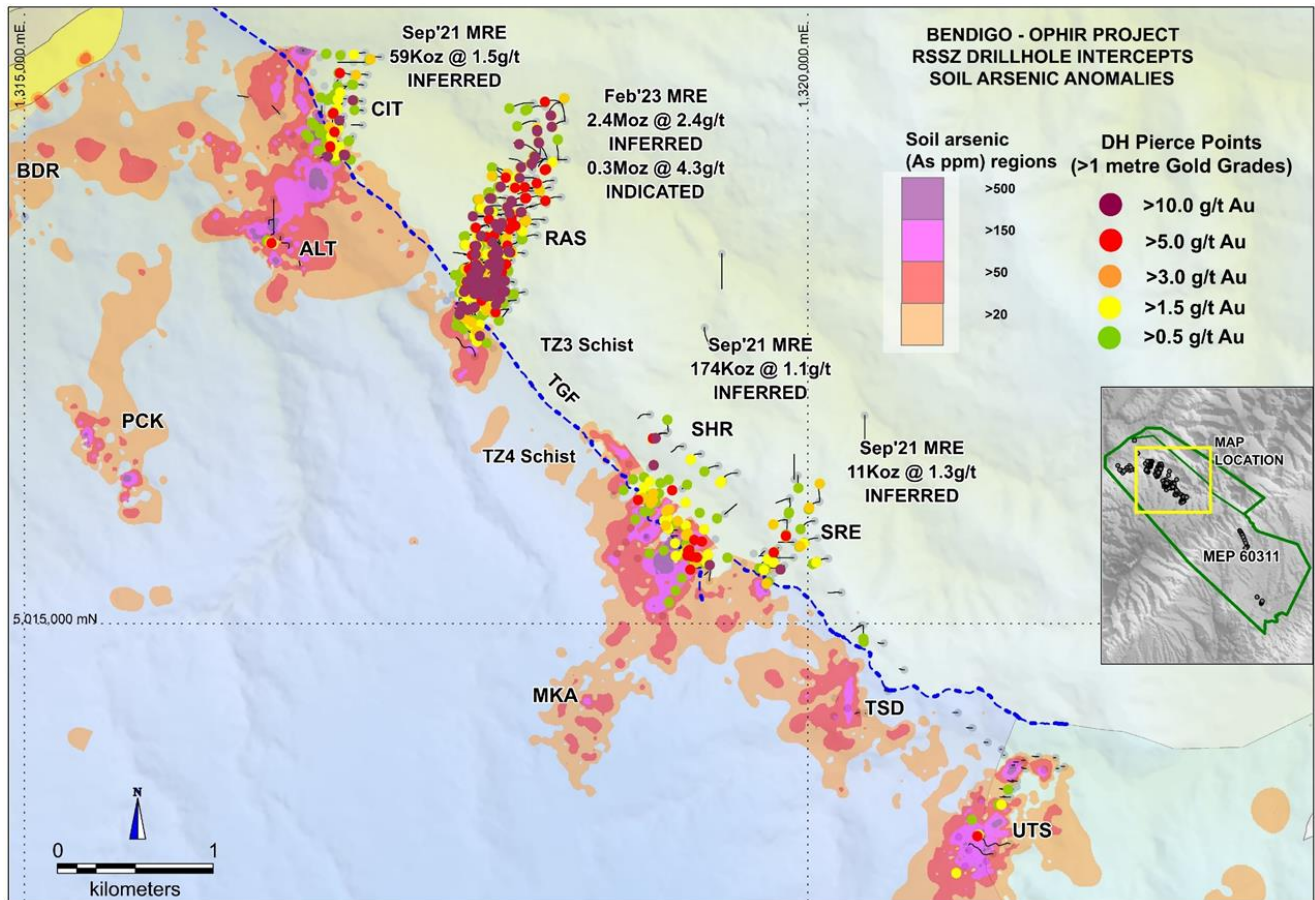


Figure 3 - Arsenic soil anomalies from regional exploration around RSSZ including ALT, TSD and UTS.

Several environmental baseline studies are in progress including an aquatic ecology baseline study of the Bendigo Creek, Rise and Shine Creek and Shepherd Creek catchments; scoping for herpetology study fieldwork in the 2023/2024 summer; environmental geochemistry characterization; and automated water flow, weather and dust monitoring.

Community engagement is ongoing with briefings to local authorities, iwi, business groups and politicians. Several local school groups have been hosted on site to understand and experience gold exploration activities particularly in contrast to their learnings of the gold mining history of Bendigo.

Extensional and Infill Drilling Success at RAS

Drilling ramped up at RAS during the year from three to four diamond drill rigs. A total of 100 diamond drill holes was drilled for an aggregate of 29,163 metres completed. The program focused on infill drilling by stepping out from the RAS Ridge area of the maiden indicated resources announced in February 2023, targeting a drill intercept density of 60m by 40m. The results have been highly encouraging with 23 drillholes reported during the year with total hole gold in excess of 100 MU (metal units as Au g/t x metre or gram.metre) and another 15 drillholes reporting between 50 and 100 MU. The most significant intercepts (>10MU) of the 23 holes with greater than 100MU downhole are reported on a continuous basis (cut-off grade of 0.5 g/t and a top cut of 100 g/t Au). These, from north to south, are as follows:

RAS North (north of 5107900mN)

- MDD044 (214MU)
 - 12.1m @ 11.7 g/t from 356m
 - 4m @ 7.4 g/t from 372m
 - 3m @ 4.5 g/t from 382m
 - 8m @ 1.9 g/t from 390m
- MDD055 (120MU)
 - 28.4m @ 3.9 g/t from 311.6m
- MDD117R (134MU)
 - 15.6m @ 7.6 g/t from 262.4m (including 1m @ 24.5g/t at 264m, 1m @ 11.6g/t at 265m and 1m @ 65.6 g/t at 277m)

RAS Central (between 5107600mN and 5107900mN)

- MDD116 (124MU)
 - 26.8m @ 4 g/t from 286.2m

RAS Ridge (between 5107100mN and 5107600mN)

- MDD084 (376MU)
 - 17.1m @ 10.9 g/t from 177.9m
 - 11m @ 13.2 g/t from 199m
- MDD085 (197MU)
 - 23.9m @ 3.6 g/t from 173.1m
 - 11m @ 8.6 g/t from 198m
 - 4m @ 2.6 g/t from 217m
- MDD118 (135MU)
 - 10.2m @ 5.4 g/t from 184.9m
 - 20m @ 2.6 g/t from 200m
- MDD054 (1818MU)
 - 29.3m @ 13.9 g/t Au from 165.8m (including 1m @ 1,400 g/t Au at 179.0m)
 - 7m @ 5.2 g/t Au from 200.0m
 - 6m @ 6.7 g/t Au from 216.0m
- MDD083 (185MU)
 - 13.7m @ 4.7 g/t from 147.3m
 - 8m @ 1.9 g/t from 176m
 - 4m @ 7.7 g/t from 191m
 - 7m @ 4.3 g/t from 241m
 - 2m @ 5.5 g/t from 270m
- MDD080 (291MU)
 - 21m @ 6.4 g/t from 179m
 - 17m @ 5.7 g/t from 202m
- MDD136 (179MU)
 - 24.4m @ 5.3 g/t from 169.6m
 - 1m @ 23.5 g/t from 222m
- MDD120 (147MU)
 - 5.3m @ 2.0 g/t from 145.7m
 - 17m @ 4.2 g/t from 177m (including 1m @ 10.2 g/t at 177m and 1m @ 18.2 g/t at 182m)
 - 15m @ 1.4 g/t from 198m
 - 4m @ 3.8 g/t from 214m
- MDD087 (125MU)
 - 18.1m @ 2.4 g/t from 165m
 - 11m @ 4.7 g/t from 184m
 - 6m @ 2.3 g/t from 209m
- MDD090 (133MU)
 - 18.8m @ 5 g/t from 160.2m
 - 8m @ 3.5 g/t from 180m
- MDD079 (166MU)
 - 8m @ 13.3 g/t from 168m
 - 4m @ 5.8 g/t from 180m
 - 2m @ 6.5 g/t from 188m
 - 7m @ 2.8 g/t from 196m
- MDD051 (349MU)
 - 30.9m @ 9.1 g/t from 152.1m
 - 9m @ 2.2 g/t from 184m



- 5m @ 11.4 g/t from 220m
- MDD067 (166MU)
 - 2m @ 30.5 g/t from 184m
 - 3m @ 4.5 g/t from 191m
 - 2m @ 43.8 g/t from 202m
- MDD125 (128MU)
 - 16m @ 2.7 g/t from 164m
 - 1m @ 32.5 g/t from 198m
 - 3m @ 4.7 g/t from 211m
- MDD081 (162MU)
 - 23m @ 6.1 g/t from 164m
- 3m @ 7.3 g/t from 206m
- MDD130 (182MU)
 - 8m @ 1.8 g/t from 193m
 - 5m @ 12.7 g/t from 202m
 - 9m @ 11.1 g/t from 214m
- MDD086 (177MU)
 - 18m @ 2.7 g/t from 160m
 - 3m @ 29.6 g/t from 181m
 - 3m @ 5.8 g/t from 189m
- MDD061 (167MU)
 - 17.1m @ 5.9 g/t from 150.9m
 - 3m @ 3.9 g/t from 193m
 - 5m @ 4.2 g/t from 228m

RAS Valley (south of 5107100mN)

- MDD142 (134MU)
 - 16m @ 6.2 g/t Au from 155.0m
 - 10m @ 2.8 g/t Au from 175.0m

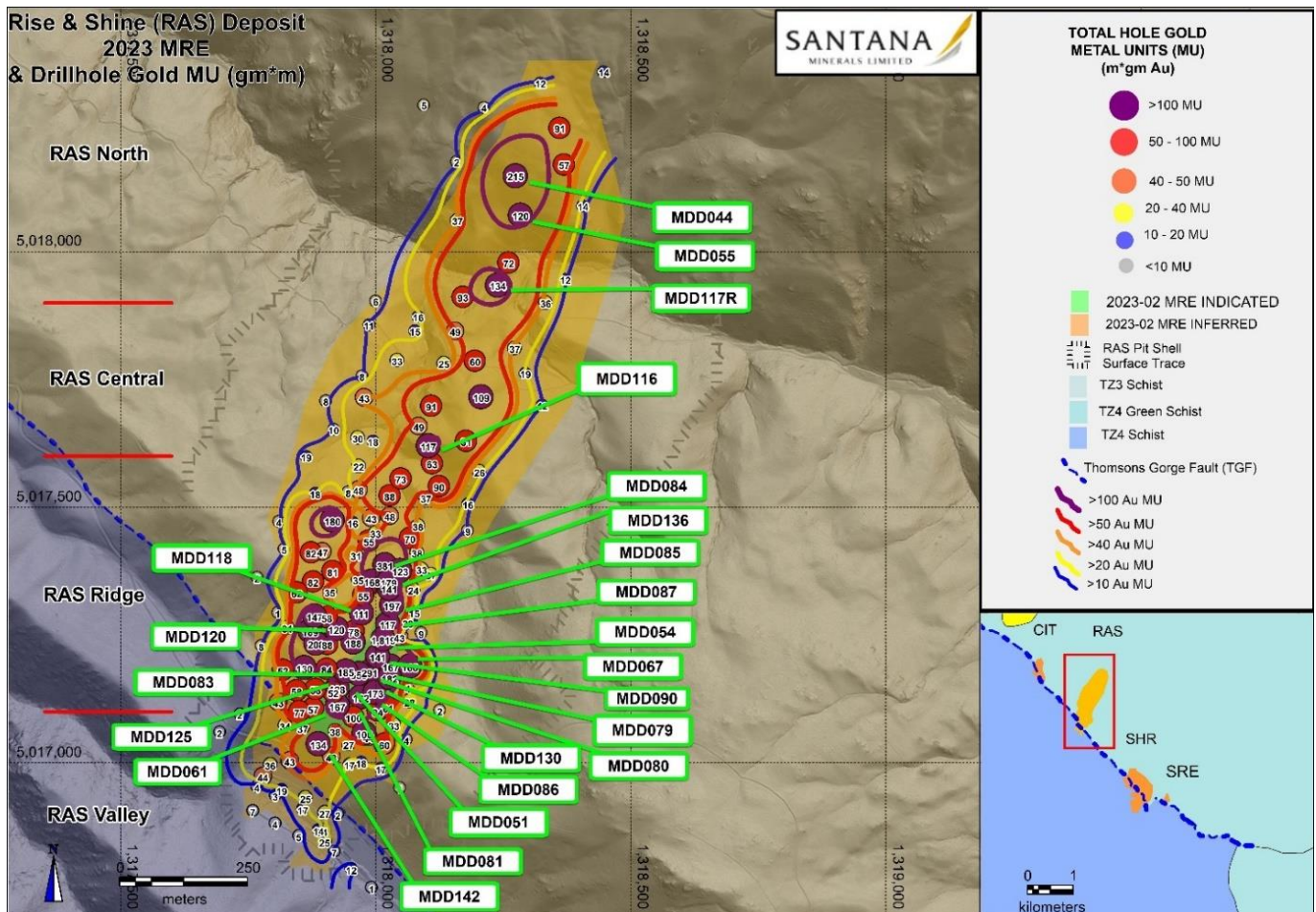


Figure 4 Plan of drillhole intercepts at RAS highlighting the location of >100MU results during the year.

The results since February 2023 confirm the consistency of the deposit and the geological modelling used in the mineral resource estimate, being a central core of mineralised cataclasite (Figure 4) plunging NNE at an angle sub-parallel to the slope of topography towards Shepherds Creek. An emerging concept of a steeply dipping structure on the southern western side of RAS is likely to result in re-interpretation of this area (Figure 12).

February 2023 Mineral Resource Estimate

The February 2023 Bendigo-Ophir Project MRE update was completed by independent resource consultant GeoModelling Limited (GML), Petone, New Zealand. This resulted in an additional one-million ounces of gold being added at RAS since the July 2022 MRE with a 30% grade increase for a total of 2.67Moz @ 2.5g/t Au. The MRE also includes a maiden indicated resource of 0.28Moz of gold @ 4.3g/t Au derived from the initial RAS Ridge infill drilling at 40m x 60m metre centres.

GML reported resources at 0.25, 0.50 and 1.5 g/t Au lower cut-off grades with top cuts variously applied to restrict the influence of higher grades lying outside the population. The Company has elected to continue reporting at the 0.5 g/t Au (Table 1) constrained within a pit shell optimised using gravity-leach economics with revenue escalated by 30% to allow for the reasonable prospects test.

No changes were made to the inferred resources of CIT, SHR or SRE which have not been updated from those reported in September 2021 by Wildfire Resources Pty Ltd, Perth, Western Australia.

Table 1 February 2023 RSSZ Mineral Resources Estimate at 0.5g/t cutoff (with top-cut)

Deposit	Category	Tonnes (Mt)	Au grade (g/t)	Gold (koz)
RAS ¹	Inferred	31.5	2.4	2,383
	Indicated	2.0	4.3	279
RAS Total	Indicated and Inferred	33.5	2.5	2,662
CIT ²	Inferred	1.2	1.5	59
SHR ²	Inferred	4.7	1.1	174
SRE ²	Inferred	0.3	1.3	11
RSSZ Total	Inferred	37.7	2.2	2,628
	Indicated	2.0	4.3	279
RSSZ Total	Indicated and Inferred	39.7	2.3	2,909

Notes:

1. The Feb 2023 RAS Mineral Resource Estimates (MRE) is based on work completed by Mr Kerrin Allwood, a Competent Person (CP) who is a Member of The Australasian Institute of Mining and Metallurgy (AusIMM). Mr Allwood is a Principal Geologist of GeoModelling Limited, Petone, New Zealand and has sufficient experience which is relevant to the style of mineralisation and type of deposit under consideration and to the activity which is being undertaken to qualify as a Competent Person as defined in the 2012 Edition of the "Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves". Refer to ASX announcement on 2 February 2023 for further detail.
2. The information in this report that relates to prior 2021 Mineral Resource Estimates (2021 MRE) for CIT, SHR and SRE deposits completed by Ms Michelle Wild (CP) continue to apply and have not materially changed. Refer to ASX announcement on 28 September 2021 for further detail.

Figure 5 shows the distribution of MRE contained gold at RAS of up to 10,000 ounces per vertical metre within 500m downplunge from the hangingwall outcrop of the RSSZ mineralisation, more or less co-incident with the higher-confidence maiden indicated resource.

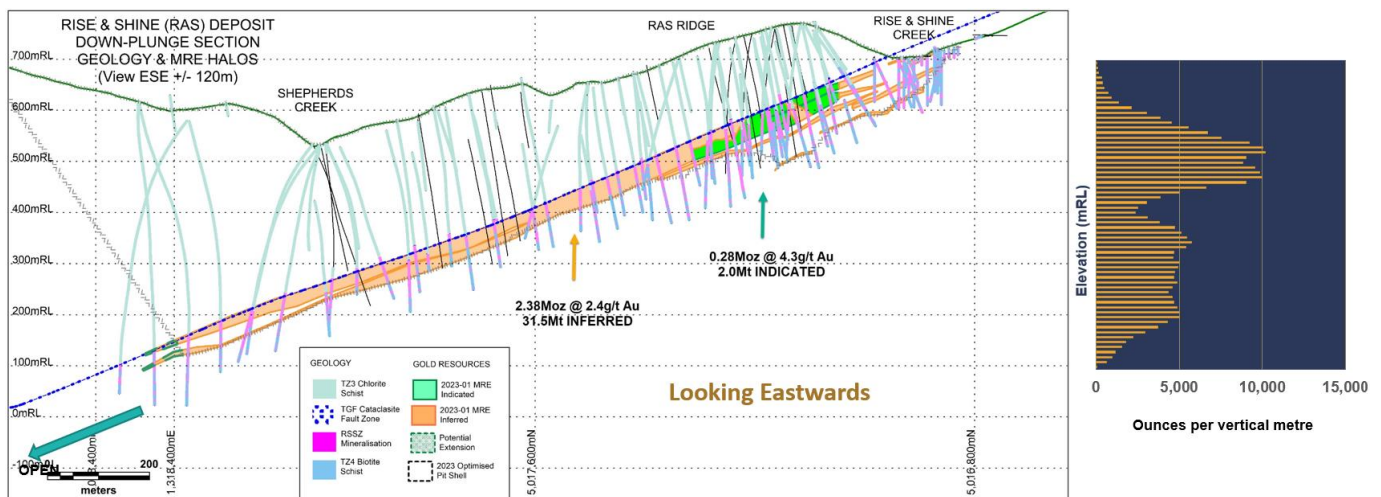


Figure 5 - Long section through RAS looking east with the ounces per vertical metre aligned with elevation.

RAS Metallurgical Testwork

Testing of the metallurgical characteristics of the RAS mineralisation focused on gold recovery from a combination of gravity separation and cyanide leaching to simulate a Carbon-in-Leach (CIL) circuit with a gravity gold recovery step included. Results from Phases 3 and 4 were announced during the year, with preliminary results announced for Phase 5.

Phase 3 involved testing of twenty individual samples of varying gold and arsenic grade that were composited into six samples. The composites were designated as high, medium and low gold content, with either high or low arsenic contents. The sample were not intended to reflect any lithology / ore type in the deposit but to provide a selection of gold grades with varying arsenic (arsenopyrite) contents. The intention of the selection process was to ascertain the deportment of gold (free and associated with arsenopyrite) in the selected composites samples. The six composite samples were made up of one-metre core lengths from different spatial locations within the deposit.

Phase 4 gravity-leach metallurgical testwork at ALS Metallurgical laboratory, Perth on 10 composite samples determined gold recoveries from selected continuous intervals from 6 RAS drill holes was completed and reported.

The overall individual sample metallurgical gold recoveries have varied from a low of 40% to a high of 99%. The recoveries are largely dependent on the gold feed grade and arsenic content. The weighted average overall gold recovery for the Phase 3 testing was 91% (average gold feed grade of 4.7 g/t Au and arsenic of 0.88% As) and the weighted average gold recovery for the Phase 4 test work was 84% (at a lower 2.74 g/t Au average feed grade and average arsenic content of 0.70% As).

Testwork concluded gravity would recover between 17% and 75% of the gold. Measurements of organic carbon (indicative of preg-robbing carbon) were low, and no preg-robbing characteristics were observed during the cyanide leach test work. Preliminary characterisation on the six composite samples demonstrated that the potential for acid mine drainage (AMD) is low.

The Phase 5 testwork objective was to better understand the cyanide leach characteristics of the mineralization, by undertaking bulk leach extractable gold (BLEG) testing on minus 75-micron material from 320 drill core crush reject samples, followed by gold fire assay of the BLEG residue.

The 320 samples were taken from 44 drillholes across the RAS deposit. The results indicate higher gold recoveries are associated with higher grades (per grade bin table in Figure 6) and spatially occur throughout the axis of the deposit (per Plan). For each gold grade bin above 0.5g/t Au the weighted average of recovery via leach ranges between 84.5% and 94.7% with an average head grade of 3.5g/t at a cut-off of 0.5g/t Au. The leach recoveries of all 320 samples are plotted against head grade in Figure 7.

The final part of the Phase 5 testing is underway and aims to understand the deportment of the gold in the BLEG residues using aqua regia gold extraction on 51 residue samples and the impact of grind size on gold cyanide leach recovery on 10 BLEG samples.

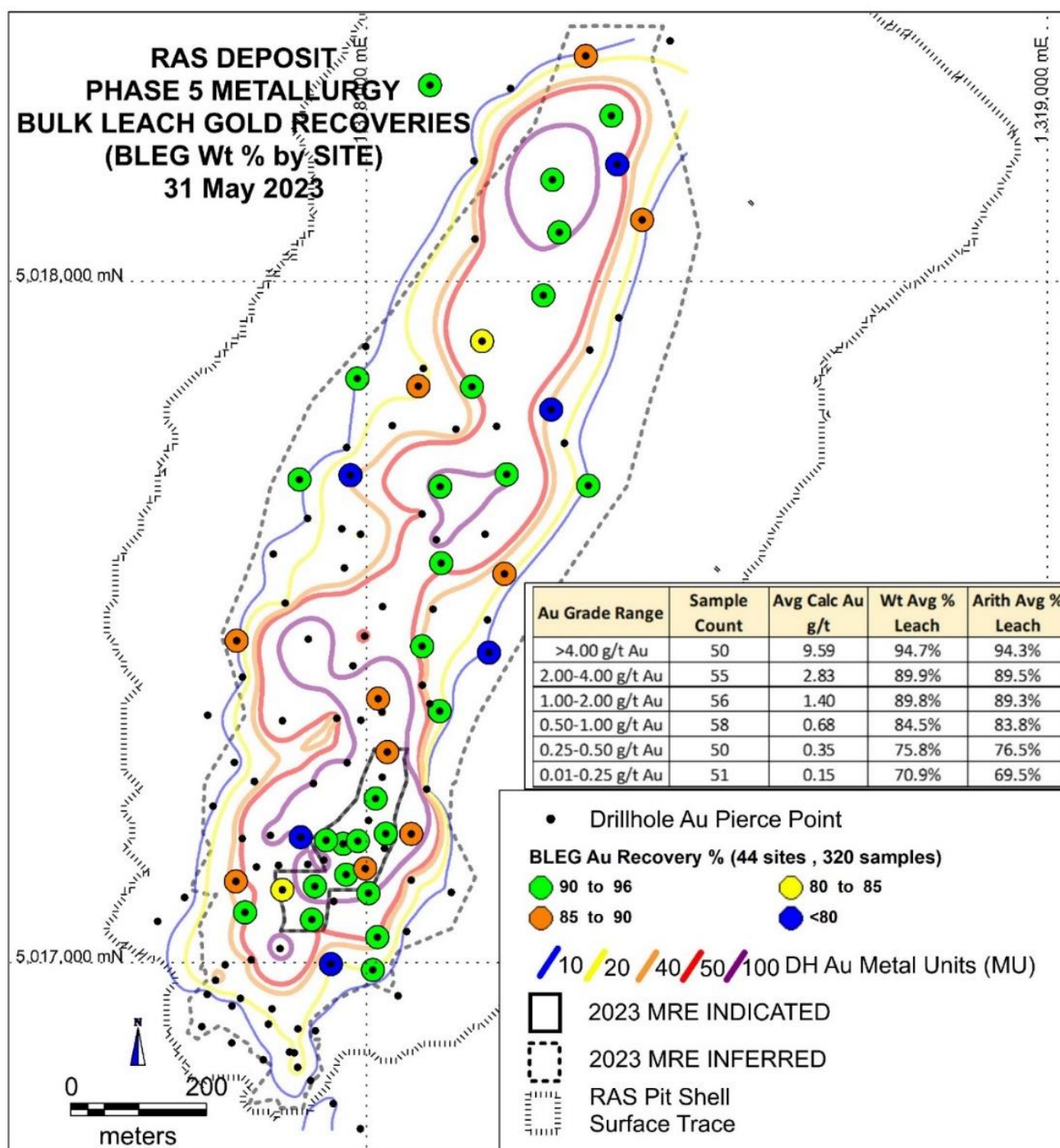


Figure 6 Location of BLEG samples and their respective gold recovery via cyanide leach

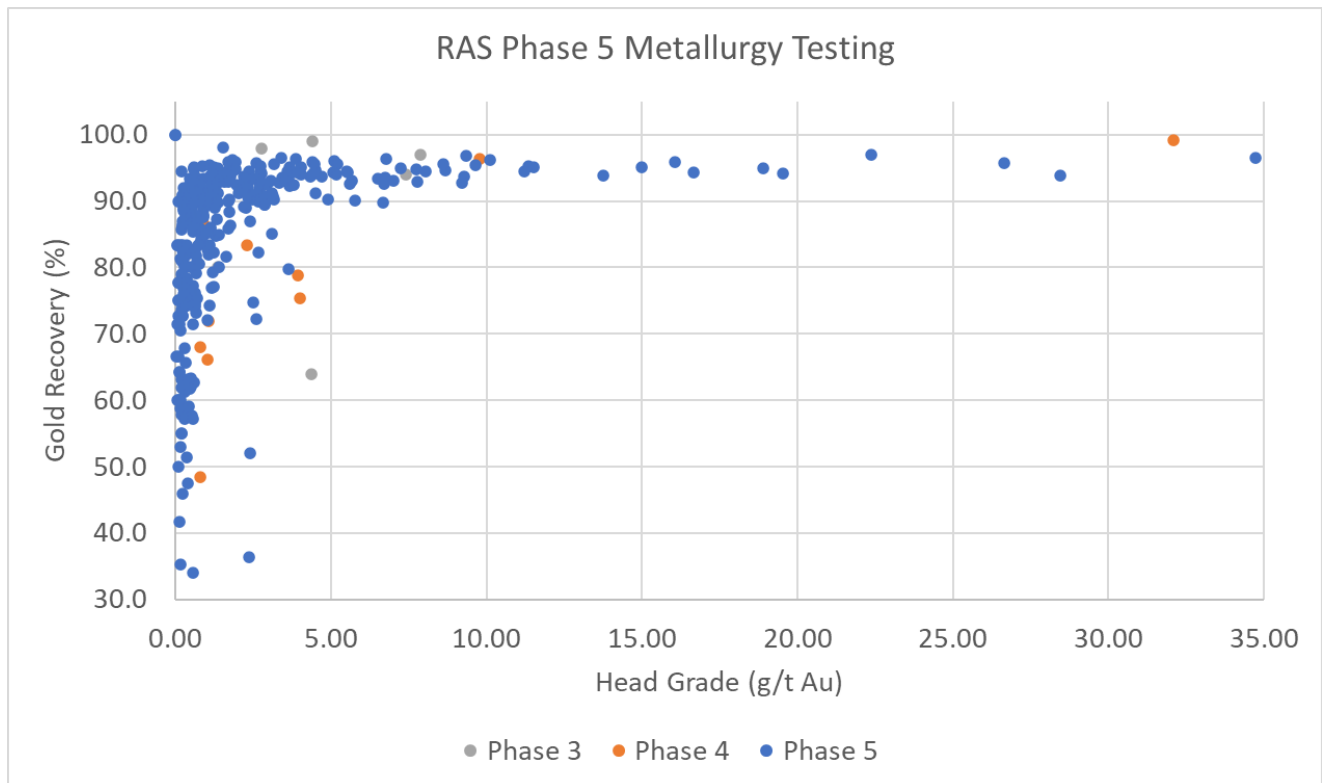


Figure 7 Results from Phase 5 BLEG testing showing gold recovery against head grade.

Exploration activity at Other RSSZ Deposits

Drilling continued periodically throughout the year at the other deposits adjacent to RAS. This consisted of diamond drill holes drilled early in the year, followed by a campaign of 46 reverse circulation (RC) holes.

Come In Time (CIT)

Diamond drill results announced during the year extended mineralisation a further 200 metres down plunge (see Figure 8). These results, on a continuous basis, included (cut-off grade of 0.5 g/t):

- MDD057 – 15.3m @ 0.7 g/t Au
- MDD058 - 11.0m @ 1.1 g/t Au

Seventeen RC holes totalling 876m have since been completed over CIT with assays pending. The NNE-trending shoot is at least 150 metres wide but has not been closed off to the north or east. Mineralisation is concentrated in the top 10-20 metres of the shear zone. Overlying barren waste rock (TZ3 schist) extends to 120 metres vertical depth in the north, above the model.

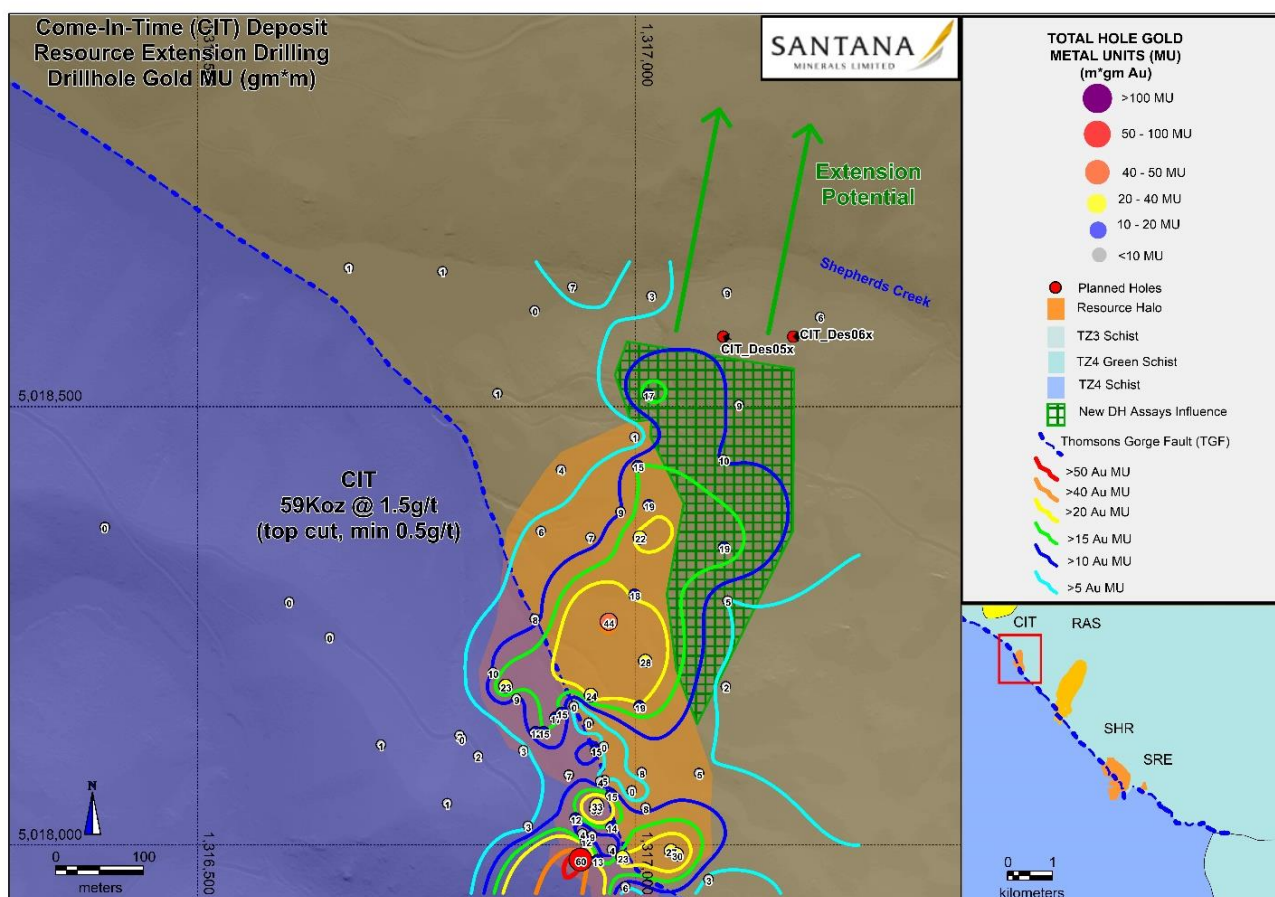


Figure 8 Come in Time (CIT) deposit with reported and planned drillholes

Shreks (SHR)

Drilling continued at Shreks, with 9 DD holes for 3,259m completed during the year with the most significant intercepts on a continuous basis (at cut-off grade of 0.5 g/t), being:

- MDD059 – 6.0m @ 0.8 g/t Au
- MDD062 - 1.4m @ 9.7 g/t Au
- MDD062R - 3.0m @ 2.8 g/t Au

In addition, 15 RC holes totalling 847m were drilled with results pending. Shreks is located 1.5 kilometres south-east of RAS and has the largest footprint of the 4 deposits with an outcrop and strike length of 750 metres (Figure 9). Mineralisation dips gently north-east and may comprise multiple higher-grade shoots plunging to the north with extents of 1000 metres. In the western sector where drilling has intersected northernmost mineralisation, overlying barren waste rock (TZ3 schist) extends to 180 metres vertical depth where topography climbs north of Rise and Shine Creek. Shreks has the potential to be a low-strip, open pit that could supply ore early in any mine schedule.

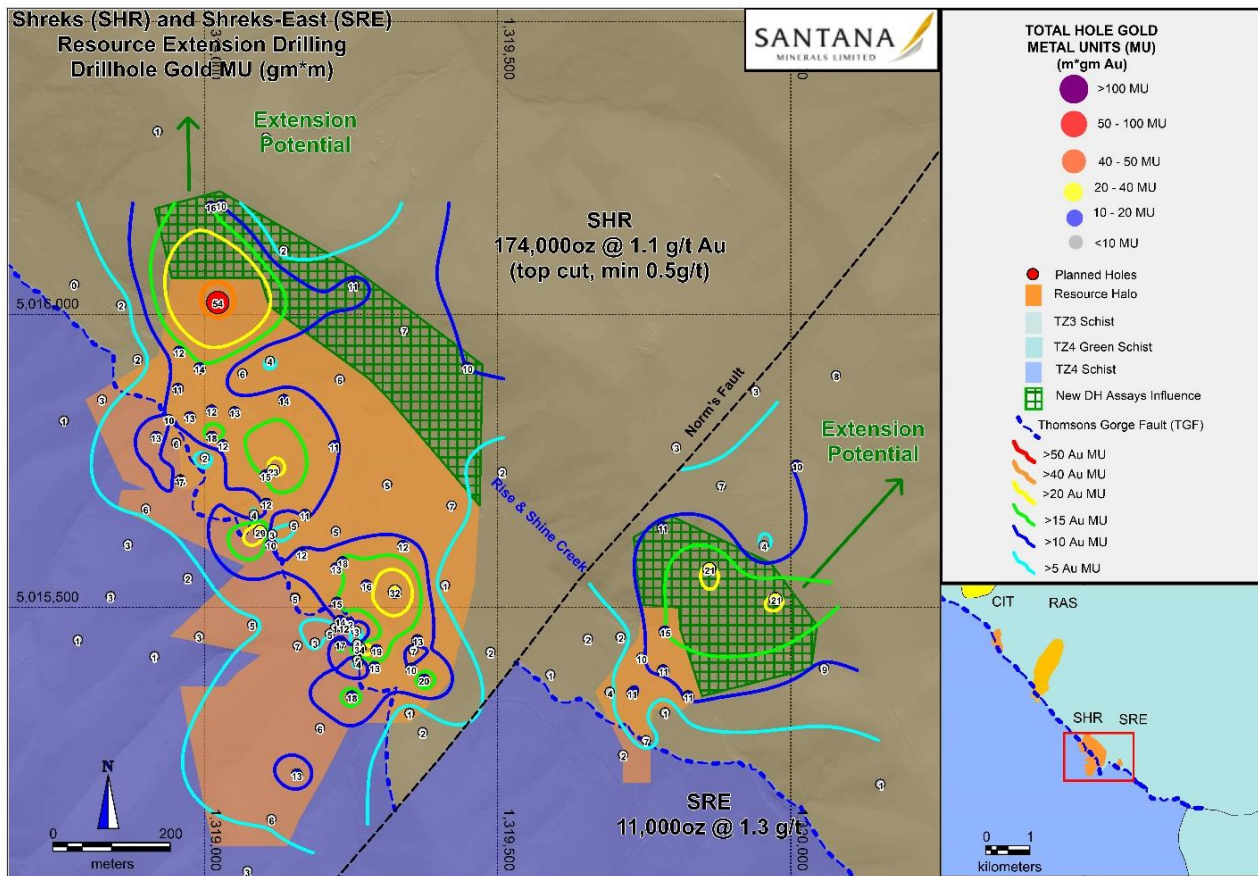


Figure 9 Shreks (SHR) and Shreks East (SRE) deposits

Shreks East (SRE)

Shreks East (or SRE) is located 350 metres east of SHR and is faulted off from the main SHR mineralisation (Figure 9). SRE daylights in the south and extends for 300 metres to the north with a gentle plunge of around 20° and average width of 180 metres. Overlying barren waste rock (TZ3 schist) extends to 90 metres vertical depth at the north where topography climbs north of Rise and Shine Creek. Ten DD holes were completed for 2,941m during the year, the most significant results, on a continuous basis, being (cut-off grade of 0.5 g/t):

- MDD071 - 11m @ 0.8 g/t Au
- MDD073 - 1m @ 5.6 g/t Au and 4m @ 1.3 g/t Au
- MDD075 - 8m @ 0.6 g/t Au

Further exploration was done with 14 RC holes completed for 1,106m. Results are pending.

Regional Exploration

Exploration of the regional targets within the Bendigo-Ophir gold project continued with 56 reverse circulation and air core holes drilled for 4,054 metres at Alta (ALT), Thomsons (TSD), Upper Thomsons (UTS), Matakaniui (MTK) and Greens NW (GNW) prospects (see Figure 10). Results are still pending as analysis of the infill drilling at RAS has taken priority.

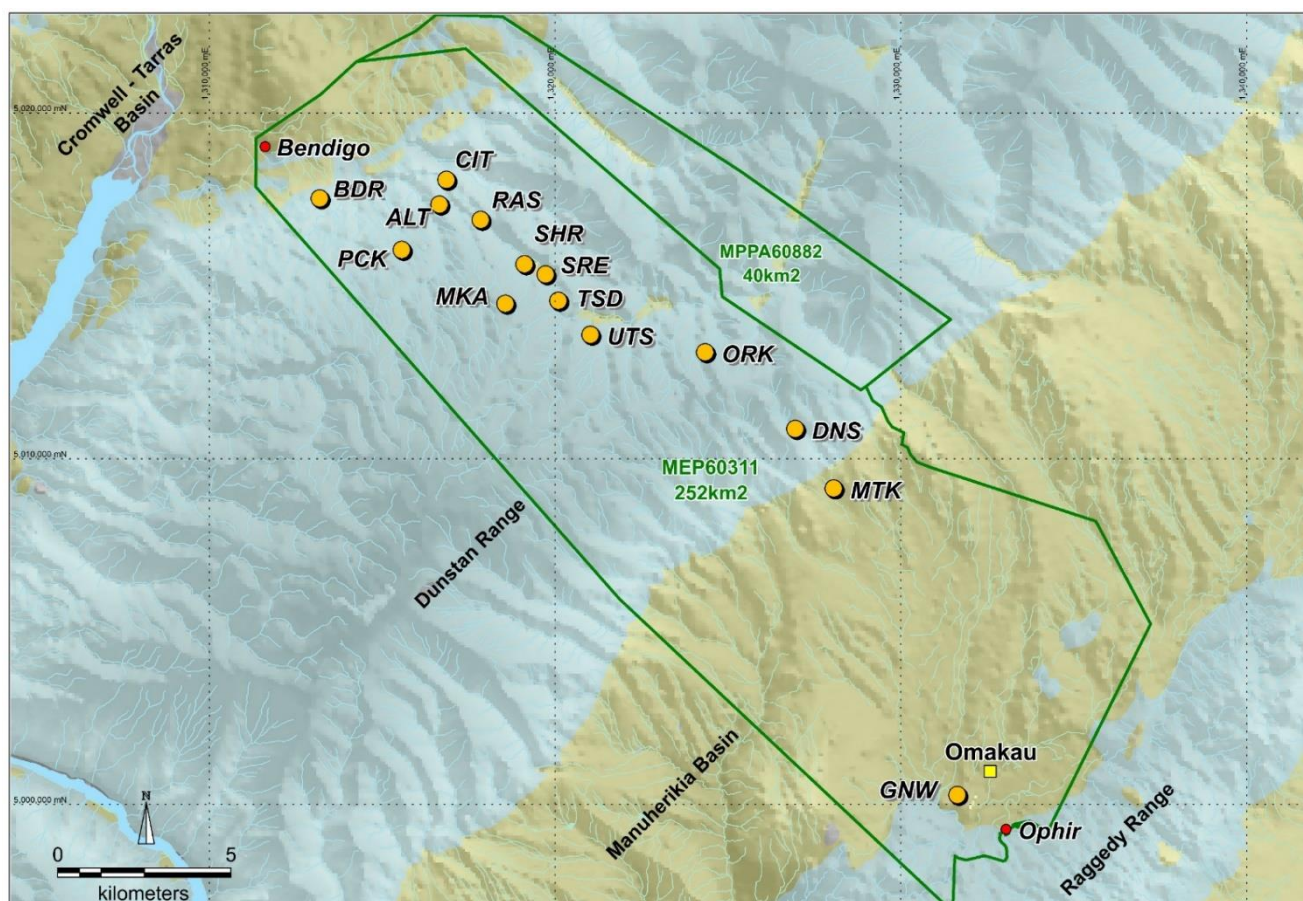


Figure 10 Bendigo-Ophir permit showing deposits and exploration targets

Further soil sampling continued, using on-site pXRF multi-element analysers, across ALT, Mt Moka (MKA), TSD and, UTS with encouraging high-As anomalies being mapped (Figure 11). Follow up target definition drilling is planned for the 2023/2024 summer.

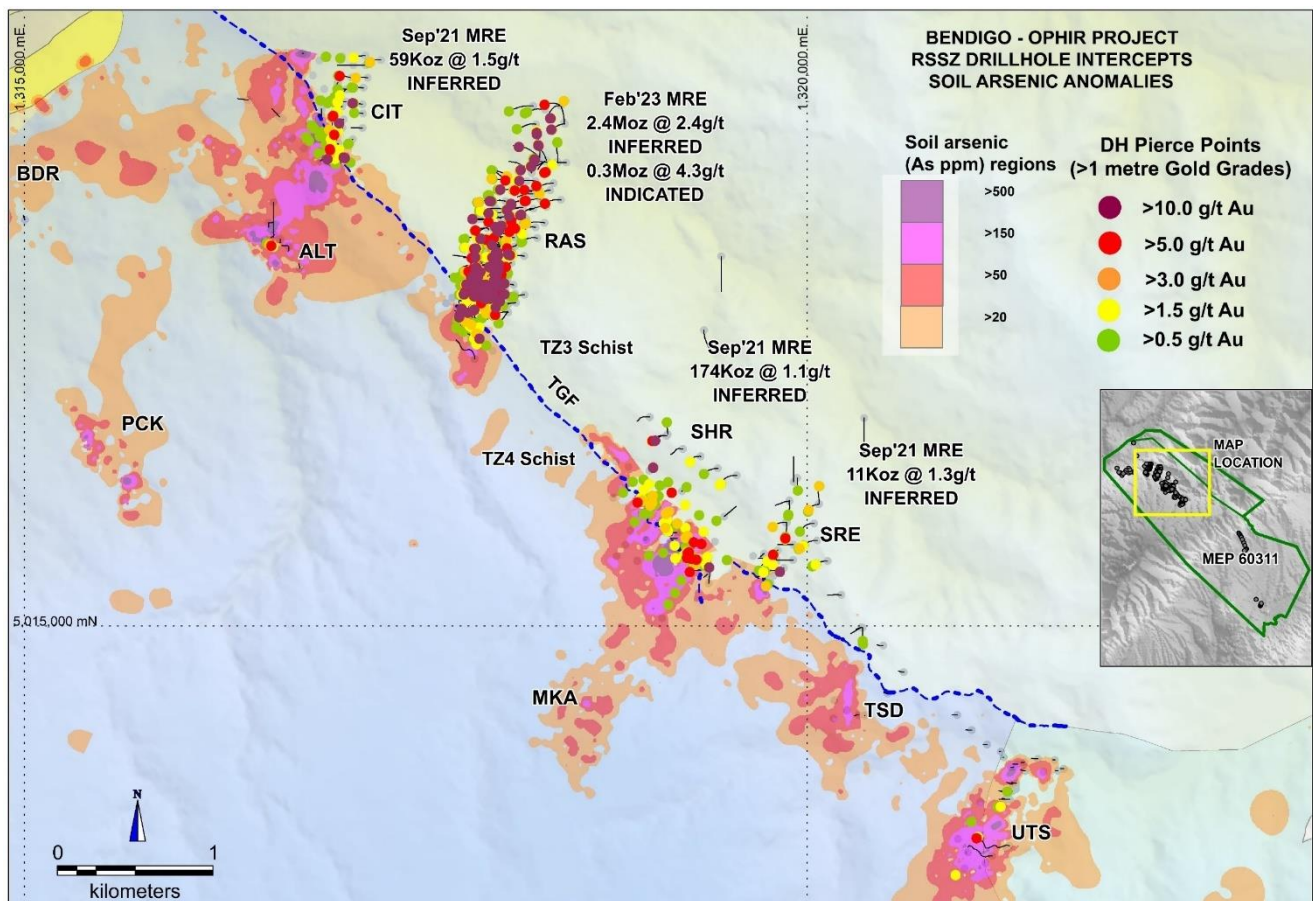


Figure 11 Soil mapping of along the RSSZ showing elevated As.

Material Reinterpretation advances after Year End

Following receipt and analysis of further assays, plotted data points and section drawings the understanding of the structure and mineralisation taken from oriented diamond drill core is advancing with potential opening of new and varied interpretations such that the Rise and Shine Shear Zone might include:

1. A major first order fault that comprises silica-siderite/ankerite, arsenopyrite-altered, brecciated, and crushed schist cataclasite.
2. Splay faults defined by narrower zones of altered, cataclasite traceable for 10s to 100s of metres.
3. Quartz ± [siderite/ankerite, arsenopyrite, gold, sphalerite, galena, scheelite] veins, pods of infill breccia, associated cm-scale shears, and micro-faults.

Overall, the concept is emerging that the RSSZ is not defined by a simple, single fault/shear zone, albeit the main trough of cataclasite present in RAS is certainly well defined.

Figure 12 shows the interpreted structural model of the main trough of cataclasite mineralisation and the emerging steeply dipping mineralisation on the western side. The plan shown in Figure 13 demonstrates the strong support of the structural interpretation against MU contour of assays within 10m either side of the 560mRL.

This structural understanding is work in progress which will progressively be reflected in the upcoming MRE.

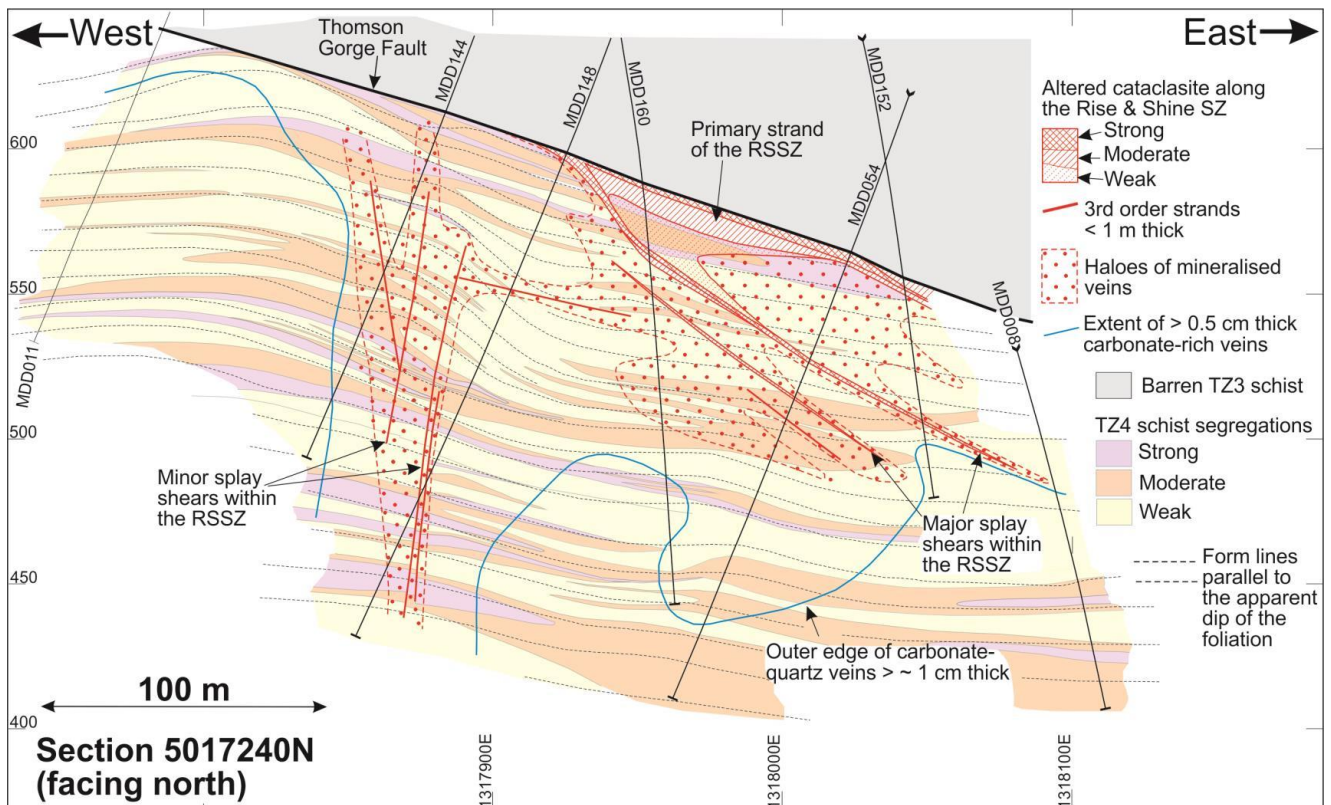


Figure 12 East-west cross section 5017240N through RAS showing the main trough or central core and the emerging steeply dipping structure to the west.

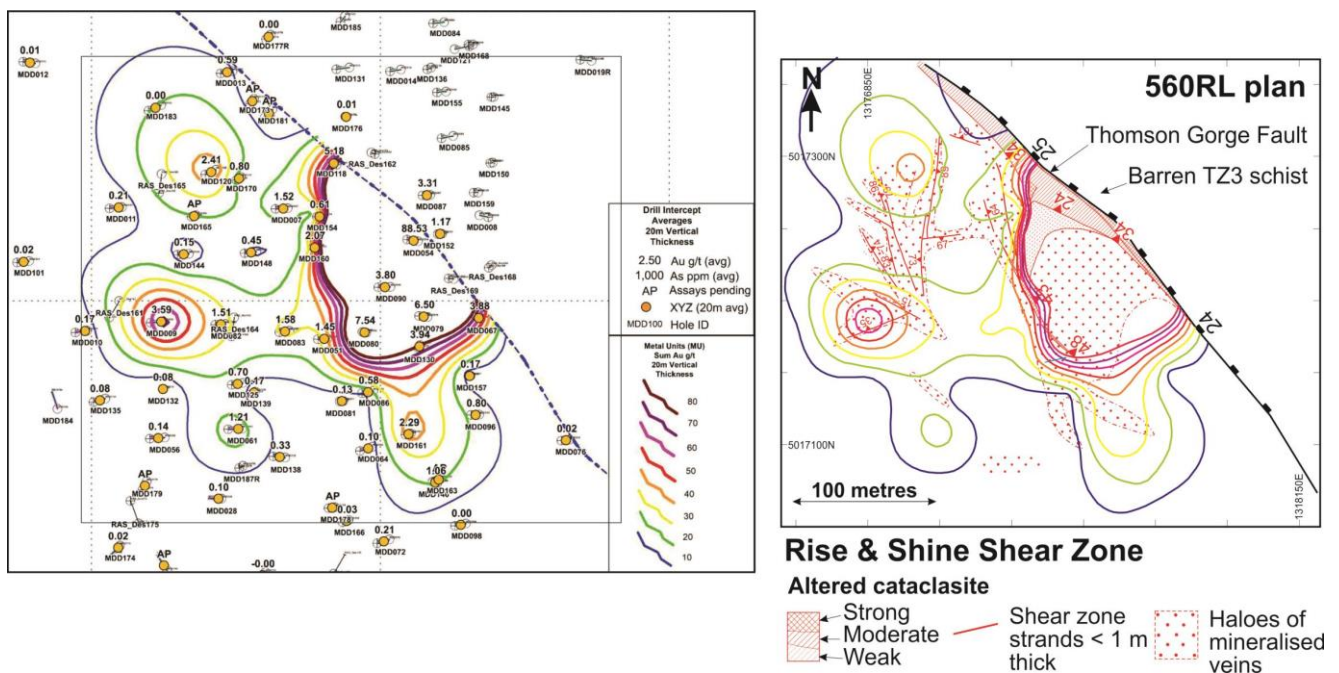


Figure 13 Correlation between Au distribution and geology

Key Conclusions & Forward Programme

Immediate focus for the Company is to update the MRE with a sizeable conversion from inferred to indicated at RAS. Results are still pending from a number of key DD holes at RAS that will assist with the resource estimation. On completion of the MRE, the Scoping Study will be recommenced by AMC Consultants Pty Ltd. An initial start by AMC was completed to determine any fatal flaws of which none were found and the study was put on hold as the conversion of inferred to indicated resources was still underway. The Scoping Study is now expected sometime in early 2024.

Infill drilling at RAS continues with the aim of supporting the planned Prefeasibility Study (PFS) to commence after the Scoping Study in 2024. Once assays results have been returned from the last round of drilling at CIT, SHR and SRE, further infill and extensional drilling is planned to resume before the end of 2023. The structural interpretation underway at RAS will assist drill hole targeting.

To support the planned PFS in 2024, planning for geotechnical and metallurgical sample drilling will get underway as the Scoping Study is completed. Again, the focus will be on RAS, and then move out to the other deposits as potential low-strip open pits and hence early feedstock.

With the spring and summer months upon us, regional exploration will also restart with a focus on completing soil sampling within the RSSZ, and also follow up results from this year's drilling at the current targets.

Plans for environmental base line studies for the warmer months are well advanced with field work planned in Q3 2023. This is primarily focussed on terrestrial fauna and flora. Weather, air quality, rock and soil geochemistry, water flow and water quality baselines are ongoing. Other investigations will commence once the Scoping Study is completed, and initial effects are identified allowing appropriate design those programs.

A broader engagement with all stakeholders is planned in 2024 once the Scoping Study allows a fuller picture of the potential gold mine to be described.

Cambodia - Emerald Resources NL earning up to 70% as sole contributor

Snoul Project

Emerald Resources completed 33 RC drill holes for a total of 4,498m at the Anchor prospect in the Snoul Project (refer Figure 14). The program was planned to drill the untested parts of 1.5km x 1.5km (>10ppb Au) gold-in soil anomaly, investigate the gradient array IP chargeability anomalies and follow up previous significant drill results, which include:

- 4m @ 7.72g/t Au from 72m including 1m @ 16.75g/t Au, 180g/t Ag, 0.5% Cu, 0.24% Pb and 2.29% Zn from 73m (RC23SNU054);
- 13m @ 1.36g/t Au from 18m (RC23SNU048);
- 1m @ 7.97g/t Au from 46m (RC23SNU047);
- 9m @ 0.88g/t Au from 16m (RC23SNU056) including 1m @ 3.56g/t from 16m and 0.77% Zn;
- 1m @ 0.36g/t Au, 22.2g/t Ag, 0.6% Cu from 43m (RC23SNU037); and
- 1m @ 0.18g/t Au, 7.70g/t Ag, 0.55% Cu from 20m (RC23SNU044).

The significant intersections of precious and base metal results in RC23SNU054 and RC23SNU056 are located along a 500m structural corridor and include historical results listed below. This zone of mineralisation remains untested along strike:

- 6m @ 8.28g/t Au from 12m (SNRC009);
- 5m @ 6.23g/t Au from 14m (RC20SNU027);
- 4.3m @ 4.76g/t Au from 147.2m (DD10ANC025); and
- 1m @ 9.09g/t Au from 49m (DD09ANC011)

The significant Au results in RC23SNU047 and RC23SNU048 as well as the anomalous Cu drill results in RC23SNU037 and RC23SNU044, are adjacent to the previously announced intersection 3m @ 6.43g/t Au from 6m (SNRC002). These results are located within 250m of one another and are associated with largely underexplored felsic intrusive on the eastern side of the Anchor prospect. Additional drilling is being planned by Emerald Resources to follow up these encouraging results on the Anchor prospect and other untested anomalous gold-in-soil results on the Snoul licence.

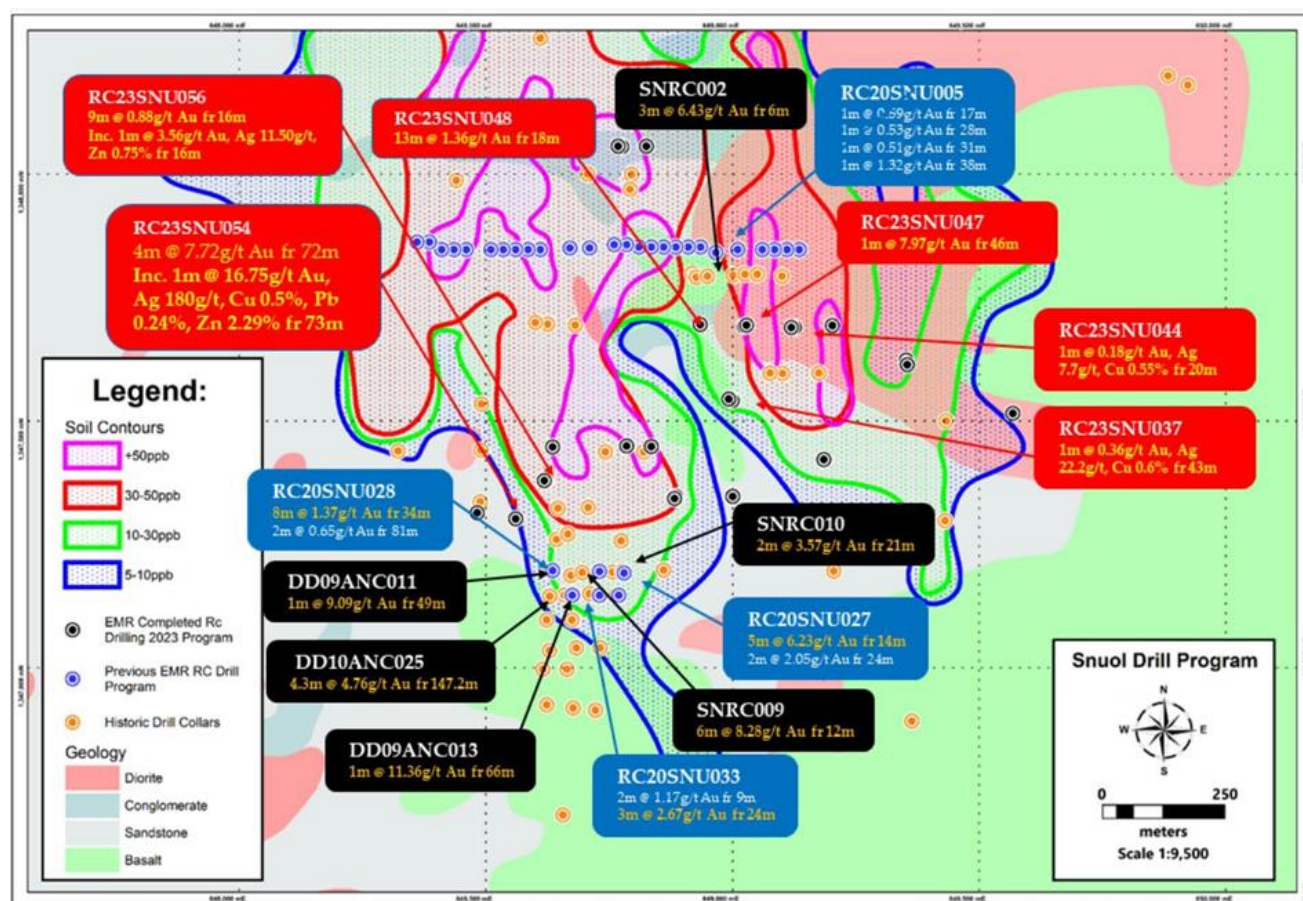


Figure 14: Snoul RD drill program results. Recent results in red outline.

Phnom Khtong

Emerald Resources continued to assess the exploration data from the geochemical survey, geophysical surveys and drill programs on the Phnom Khtong licences during the period.

Cuitaboca Project, Mexico

The Company continued its review of its Cuitaboca Silver Project in Mexico during the year. No active exploration activities were conducted at the Cuitaboca Project during the reporting period.

Competent Person/Qualified Person

The information in this report that relates to Exploration Results is based on information compiled by Mr Richard Keevers and Mr Kim Bunting who are Fellows of The Australasian Institute of Mining and Metallurgy (AusIMM). Mr Keevers and Mr Bunting are Directors and have sufficient experience which is relevant to the style of mineralisation and type of deposit under consideration and to the activity which they are undertaking to qualify as Competent Persons as defined in the 2012 Edition of the 'Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves.' Mr Keevers and Mr Bunting consent to the inclusion in this report of the matters based on their information in the form and context in which it appears.

Mining Tenement Schedule at 22 September 2023

Name	Number	Area	Status	Interest
Bendigo Ophir, New Zealand				
Bendigo-Ophir	EP60311	252 km2	Granted, Extension Pending	100%
Ardgour	PPA60882	40 km2	Application	100%

Name	Number	Area	Status	Interest
Cuitaboca, Sinaloa, Mexico				
El Chapotal #	210765	126ha	Granted	Earning to 80%
San Rafael #	214243	528ha	Granted	Earning to 80%
Nuestra Señora Del Carmen #	208560	79.47ha	Granted	Earning to 80%
San Pedro #	210767	29.15ha	Granted	Earning to 80%
Jesús Maria #	205338	13.62ha	Granted	Earning to 80%
San Rafael II #	222493	540ha	Granted	Earning to 80%
Cuitaboca #	222494	2,401ha	Granted	Earning to 80%
Los Sapos #	226832	1,386ha	Granted	Earning to 80%
Cuita *	244943	456.71ha	Granted	100%

Minera Cuitaboca S.A. de C.V. has the right to acquire the above concessions under an option agreement (**Concession Option Agreement**) with Consorcio Minero Latinoamericano S.A. de C.V. (**Concession Holder**). The Concession Option Agreement provides for the acquisition of a 100% interest in the concessions from the Concession Holder by paying option fees totalling US\$3,500,000, with those option fees payable on a six monthly basis.

The Consolidated Entity can initially earn 80% of the Project Company by meeting expenditure and the remaining option fees under the Concession Option Agreement. The consolidated entity is earning, but has yet to earn, its initial interest. The Concession Option Agreement was amended to extend the term to 15 years from the original signature date (refer to the agreement announcement of 29 July 2014), with the agreement now expiring 10th December 2026.

*The Cuita Concession is pending a formal transfer to Santana's wholly owned subsidiary.

Name/No.	Nature	Area	Status	Interest
Cambodian Projects				
Phnom Khtung	Exploration Licence	210.8 Km2	Granted	59.50 [#]
Snuol	Exploration Licence	198.0 Km2	Granted	59.50 [#]

The Consolidated Entity currently holds an 85% interest in the project (diluting to not less than 12.75% assuming the Consolidated Entity does not exercise contribution rights) and is free carried to completion of feasibility study. A summary of the JV and Farm-out agreements are noted below.

The consolidated entity's subsidiary is party to an unincorporated joint venture agreement with Southern Gold Limited (SGL) in respect of the Cambodian Exploration Licences, pursuant to which SGL has a 15% unincorporated joint venture interest in the Cambodian Exploration Licences, which is free carried until completion of a feasibility study.

The consolidated entity's subsidiary has also entered into a farm-out and incorporated joint venture agreement with Renaissance Cambodia Pty Ltd (Renaissance) (Farm-Out Agreement), pursuant to which Renaissance will sole fund US\$0.5 million of exploration expenditure on each of the Cambodian Exploration Licences to earn a 30% shareholding in the Subsidiary. Renaissance can elect to sole fund a further US\$1.0 million of exploration expenditure on each of the two Cambodian Exploration Licences over the following two years, to increase its shareholding in the Subsidiary to 60%. Upon Renaissance earning a 60% shareholding in the Subsidiary, the consolidated entity may elect to either contribute to maintain its shareholding in the Subsidiary of 40% or not to contribute, in which case Renaissance may earn a further 25% shareholding in the Subsidiary, by managing the Subsidiary and providing funding to complete a definitive feasibility study, during which period the consolidated entity will be free carried.

Renaissance has incurred the initial expenditure requirements and earned the initial 30% interest in the Subsidiary.

Corporate Governance Statement

This statement describes the corporate governance practices of the Company and any of its Subsidiaries ('Consolidated Entity') as at the date of this report.

The board of directors is responsible for the overall corporate governance of the Consolidated Entity, and it recognises the need for the highest standards of ethical behaviour and accountability. The Board is committed to administering its corporate governance structures to promote integrity and responsible decision making.

The Consolidated Entity provides this statement disclosing the extent to which it has followed, as at the date of this report, the recommendations set out in the ASX Corporate Governance Council's Corporate Governance Principles and Recommendations ('Recommendations'). This statement also provides details on the extent to which those Recommendations have not been followed and reasons for not following them.

The following discussion outlines the ASX Corporate Governance Council's principles and associated recommendations and the extent to which the Consolidated Entity complies with those recommendations.

Principle 1 - Lay solid foundations for management and oversight

Board and Management

The Board acts in the best interests of the Consolidated Entity as a whole and is accountable to shareholders for overall direction, management and corporate governance.

The Board has adopted a Board Charter, complying with Recommendation 1.1 of the Corporate Governance Council, which formalises its roles and responsibilities and defines the matters that are reserved for the Board and specific matters that are delegated to management.

The Board is responsible for setting the strategic direction of the Consolidated Entity and, without intending to limit the general role of the Board, for the management of the Consolidated Entity including:

- oversight of control and accountability systems;
- appointing and removing the Chief Executive Officer and Company Secretary;
- monitoring any Executive Officer's performance and implementation of strategy;
- monitoring developed strategies for compliance with best practice corporate governance requirements;
- approving and monitoring developed strategies for major capital and operating expenditure (including annual operating budgets), capital management, acquisitions and divestitures;
- monitoring developed strategies for compliance with all legal and regulatory obligations and ethical standards and policies;
- reviewing any systems of risk management (which may be a series of systems established on a per-project basis), internal compliance and control, and legal compliance to ensure appropriate compliance frameworks and controls are in place;
- monitoring developed reporting strategies for reporting to the market, shareholders, employees and other stakeholders.

The board has delegated responsibility for operation and administration of the Consolidated Entity to the Chief Executive Officer and executive management.

In accordance with Recommendation 1.2, the Board is responsible for undertaking appropriate background checks before appointing a person, or putting forward a candidate for election, as a Director. In addition, that all material information in the Board's possession, relevant to whether or not to elect or re-elect a Director, shall be provided to Shareholders.

Having regard to the size of the Board, written agreements with each director setting out the terms of their appointment have not been implemented in accordance with Recommendation 1.3.

In accordance with Recommendation 1.4, the Board Charter provides that the Company Secretary is accountable directly to the Board, through the chair, on all matters to do with the proper functioning of the Board.

Diversity

The Consolidated Entity fosters a governance culture that embraces diversity in the composition of directors, executives and employees together with the appropriate skill mix, personal qualities, expertise and diversity of each position. Due to the size of the Consolidated Entity and the number of officers and employees a formal Diversity Policy with set measurable objectives for achieving gender diversity has not been implemented as per Recommendation 1.5 of the Corporate Governance Council.

The Consolidated Entity has 20% (approx.) female participation in the organisation. There are no females employed in senior executive positions or on the board.

Performance Review and Evaluation

The Board Charter provides that the Board must review the Board Charter and perform an evaluation of its performance at intervals considered appropriate by the Chairman. The Board conducted a review of its Board Charter during a prior financial year and implemented an updated Board Charter effective 1 July 2020. A performance evaluation of the Board was not undertaken during the current period.

The Board Charter also provides that the Board is responsible for monitoring any executive officer's performance and has in place procedures relevant to the size of the Consolidated Entity to assess the performance of the executive team.

Given the Consolidated Entity's size and number of executive officers, the board has adopted an informal and continuous performance evaluation process. Evaluation of performance as described has been conducted throughout the period.

The Consolidated Entity has followed Recommendation 1.6 and 1.7 through the above disclosures.

A copy of the Board Charter is available on the Company's website, www.santanaminerals.com.

Principle 2 – Structure the Board to be effective and add value

The Board has been formed so that it has effective composition, size and commitment to adequately discharge its responsibilities and duties given the Consolidated Entity's current size, scale and nature of its activities.

Board nominations

Having regard to the size of the Board, the same efficiencies of a nomination committee would not be derived from a formal committee structure. The responsibility for examination of the selection and appointment practices of the Company to ensure that it has the appropriate balance of skills, knowledge, experience, independence and diversity rests with the Board and a nomination committee has not been established in accordance with Recommendation 2.1.

The Board has not developed a formal program for inducting new directors or for professional development in accordance with Recommendation 2.6 having regard to the size of the Board and executive team. The board will consider a formal program for induction at the appropriate time.

Skills, knowledge and experience

The Board considers the mix of skills and the diversity of board members when assessing the composition of the Board. Directors are appointed based on the specific corporate and governance skills and experience required by the

Consolidated Entity. The Board seeks to maintain a relevant blend of personal experience across commercial and technical disciplines relevant to the business of the Consolidated Entity.

The Board does not maintain a formal Board Matrix in accordance with Recommendation 2.2. However, the Board is comprised of highly experienced senior business personnel from a variety of professional and enterprise backgrounds. They each meet the fundamental requirements and, collectively, possess the skills, experience and diversity considered necessary to appropriately govern the Consolidated Entity.

The skills of each individual director that comprise the Board have been outlined in the director's report on page 31.

Assessment of independence

An independent director, in the view of the Consolidated Entity, is a non-executive director who:

- is not a substantial shareholder of the Company or an officer of, or otherwise associated directly with, a substantial shareholder of the Company;
- within the last three years has not been employed in an executive capacity by the Consolidated Entity, or been a director after ceasing to hold any such employment;
- within the last three years has not been a principal of a material professional advisor or a material consultant to the Consolidated Entity, or an employee materially associated with a service provider;
- is not a material supplier or customer of the Consolidated Entity, or an officer of or otherwise associated directly or indirectly with a material supplier or customer;
- has no material contractual relationship with the Consolidated Entity other than as a director of the Company;
- has not served on the Board for a period which could, or could reasonably be perceived to, materially interfere with the director's ability to act in the best interests of the Consolidated Entity; and
- is free from any interest and any business or other relationship which could, or could reasonably be perceived to, materially interfere with the director's ability to act in the best interests of the Consolidated Entity.

The composition of the Board is reviewed periodically with regards to the optimum number and skills of directors required for the Board to properly perform its responsibilities and functions.

Independent directors

Due to the size and scale of the Consolidated Entity's current activities, the Board does not consist of a majority of independent directors. However, although the Board does not follow Recommendation 2.4, to facilitate independent decision-making, the Board has agreed procedures for directors to have access in appropriate circumstances to independent professional advice.

Directors are entitled to request and receive such additional information as they consider necessary to support informed decision-making.

The board of directors has four non-executive directors, one of whom is considered independent. In accordance with Recommendation 2.3 the names of the directors of the Company in office at the date of this report, specifying who are independent together with their length of service and relevant personal particulars, are set out in the directors' report commencing on page 31 of this report.

Chairman and Chief Executive Officer

The Chairman is responsible for leadership of the Board and for the efficient organisation and conduct of the Board's functioning. The Chief Executive Officer is responsible and accountable to the Board for the Consolidated Entity's management.

The office of Chairman is currently vacant with recent meetings chaired by a director who is independent in accordance with Recommendation 2.5 of the Corporate Governance Council.

In accordance with Recommendation 2.5 of the Corporate Governance Council the role of Chief Executive Officer and Chairman are not exercised by the same person.

Professional advice and access to information

Directors have the authority to seek any information they require from the Consolidated Entity and any Director may, at the Company's cost, take such independent legal, financial or other advice as they and the Chairman consider necessary or appropriate. Any Director seeking independent advice must first discuss the request with the Chairman who will facilitate obtaining such advice agreed upon.

Term of appointment as a director

The Constitution of the Company provides that a director, other than the Managing Director, may not retain office for more than three calendar years or beyond the third Annual General Meeting following his or her election, whichever is longer, without submitting himself or herself for re-election. One third of the directors (excluding the Managing Director) must retire each year and are eligible for re-election. The directors who retire by rotation at each Annual General Meeting are those with the longest length of time in office since their appointment or last election.

Remuneration

The remuneration for individual directors is determined by the Board as a whole, with total compensation for all non-executive directors not to exceed an aggregate per annum approved by Shareholders.

For further details on the amount of remuneration and any amount of equity based executive remuneration payment for each director, refer to the Remuneration Report in the Directors' Report.

Principle 3 – Instil a culture of acting lawfully, ethically and responsibly

Company Values

The Consolidated Entity is committed to conducting all of its business activities fairly, honestly with a high level of integrity, and in compliance with all applicable laws, rules and regulations. The Board and management are dedicated to high ethical standards and recognise and support the Company's commitment to compliance with these standards.

A formal value statement has not been established or disclosed given the size of the Company's Board and management in accordance with Recommendation 3.1.

Code of conduct and ethical standards

The Consolidated Entity fostered a governance culture where all directors, managers and employees are expected to act with the utmost integrity and objectivity, striving at all times to enhance the reputation and performance of the Consolidated Entity.

Every employee has direct access to a director or executive to whom they may refer any issues arising from their employment. The Consolidated Entity does not contract with or otherwise engage any person or party where it considers integrity may be compromised.

The Consolidated Entity has established a formal Code of Conduct in accordance with Recommendation 3.2.

The Consolidated Entity has also established a Whistleblower policy in accordance with Recommendation 3.3 but has not established an anti-bribery and corruption policy given the size of the Consolidated Entity's Board and Management in accordance with Recommendation 3.4.

The Company has made its Code of Conduct and Whistleblow Policy available on its website, www.santanaminerals.com.

Principle 4 – Safeguard the integrity of corporate reports

Audit committee

Given the current membership of the Board and the size, organisational complexity and scope of operations, the same efficiencies of an audit committee would not be derived from a formal committee structure. The Board has not established an audit committee and therefore Recommendation 4.1 has not been followed.

Responsibility for establishing and maintaining a framework of internal control and setting appropriate standards for the management of the Consolidated Entity rests with the Board in accordance with the Consolidated Entity's Board Charter. The Board is also responsible for the integrity of financial information in the financial statements; audit, accounting and financial reporting obligations; safeguarding the independence of the external auditor; and financial risk management.

CEO and CFO Certification

In accordance with Recommendation 4.2, the Board received assurance from the Chief Executive Officer and the Chief Financial Officer that the declaration provided in accordance with section 295A of the Corporations Act is founded on a sound system of risk management and internal control and that the system is operating effectively in all material respects in relation to financial reporting risks.

Integrity of periodic corporate reports

The Consolidated entity periodically prepares and releases to the market corporate reports other than audited or reviewed financial statements to inform shareholders. Such reports regularly include quarterly activity reports, quarterly cash flow reports and other market sensitive reports as they arise.

Where a corporate report of this type is not subject to audit or review by an external auditor, the Board will ensure that the reports is materially accurate, balanced and provides investors with appropriate information to make an informed decision. Further, the Board Charter provides that the Board is responsible for approving all material reporting and external communications it releases to the market.

The Consolidated Entity has followed Recommendation 4.3 through the above disclosures.

Principle 5 – Make timely and balanced disclosure

Continuous disclosure with ASX Listing Rules

The Company is committed to promoting investor confidence and ensuring that shareholders and the market are provided with timely and balanced disclosure of all material matters concerning the Consolidated Entity, as well as ensuring that all shareholders have equal and timely access to externally available information issued by the Company, and takes its continuous disclosure obligations seriously.

Primary responsibility rests with the Chief Executive Officer, while the Company Secretary is primarily responsible for communications with the Exchange.

Whilst the Company does not have a formal policy, the Company notifies the ASX promptly of information:

- concerning the Consolidated Entity, that a reasonable person would expect to have a material effect on the price or value of the Company's securities; and
- that would, or would be likely to, influence persons who commonly invest in securities in deciding whether to acquire or dispose of the Company's securities.

Announcements are made in a timely manner, are factual and do not omit material information in order to avoid the emergence of a false market in the Company's securities.

Given the size of the Consolidated Entity, a formal continuous disclosure policy has not been adopted and Recommendation 5.1 has not been followed.

Given the current size of the Board and management, the Company aims to ensure that all market announcements are received by the Board prior to release to the market, but if not they are promptly distributed at the time of market announcement in accordance with Recommendation 5.2.

In accordance with Recommendation 5.3, the Consolidated Entity ensures that investor or analyst presentations are released to the ASX Market Announcements Platform ahead of any presentation.

Principle 6 – Respect the rights of security holders

The Board supports practices that provide effective and clear communications with security holders and allow security holder participation at general meetings.

The Company actively promotes communication with shareholders through a variety of measures, including the use of its website as its primary communication tool for distribution of the annual report, half-yearly report, market announcements and media disclosures. The Company aims to make this information available on the Company's website on the day of public release and is e-mailed to all shareholders who lodge their e-mail contact details with the Company.

In addition, the Consolidated Entity's website also separately maintains a corporate governance section as per Recommendation 6.1 where all relevant corporate governance information can be accessed.

A formal Shareholder Communications Policy has not been adopted given the Company's size and nature of operations, and therefore Recommendation 6.2 has not been followed.

The Board encourages full participation of shareholders at General Meetings in accordance with Recommendation 6.3, to ensure a high level of accountability and identification with the Company's strategy and goals. Shareholders are requested to vote on the appointment and aggregate remuneration of directors, the granting of options and shares to directors, the remuneration report and other important considerations relevant to the Company at that time. Shareholders are also encouraged to ask questions on each item of business put before security holders at the meetings.

In accordance with Recommendation 6.4, the Company will ensure that all substantive resolutions at shareholders meetings are decided by poll rather than a show of hands.

The Company engages its share registry to manage the majority of communications with shareholders. In accordance with Recommendation 6.5 Shareholders are encouraged to receive correspondence from the Company electronically, thereby facilitating a more effective, efficient and environmentally friendly communication mechanism with shareholders.

Shareholders not already receiving information electronically can elect to do so through the share registry.

Principle 7 – Recognise and manage risk

The Board is responsible for the identification, monitoring and management of significant business risks and the implementation of appropriate levels of internal control, recognising however, that no cost effective internal control system will preclude all errors and irregularities. The Board regularly reviews and monitors areas of significant business risk.

Due to the size of the Consolidated Entity, the number of officers and employees and the nature of the business, a formal risk management committee has not been implemented as per Recommendation 7.1. The risk management functions and oversight of material business risks are performed directly by the Chief Executive Officer. The Consolidated Entity has adopted an internal control and risk management framework within which it operates.

The Chief Executive Officer takes primary responsibility for managing corporate risk and reviews systems of external and internal controls and areas of significant operational, financial and property risk, and ensures arrangements are in place to contain such risks to acceptable levels. The Chief Executive Officer reports regularly at Board meetings as to the effectiveness of the Consolidated Entity's management of its material business risks.

A review of the Company's risk management framework has not been conducted within the current financial year as provided by Recommendation 7.2.

The Consolidated Entity did not have an internal audit function for the past year as provided by Recommendation 7.3. The internal audit function is carried out by the board, which continually considers the entity's risk management effectiveness and associated internal control procedures. The Company does not have an internal audit department nor does it have an internal auditor. The size of the Consolidated Entity does not warrant the need or the cost of appointing an internal auditor.

In accordance with Recommendation 7.4, the Consolidated Entity does not have any material exposure to economic, environmental and social sustainability risks other than as disclosed in accordance with its continuous disclosure obligations in its Annual Report and ASX announcements.

The Consolidated Entity ensures that appropriate insurance policies are kept current to cover potential risks and maintains Directors' and Officers' professional indemnity insurance.

Principle 8 – Remunerate fairly and responsibly

Remuneration committee

Given the current membership of the Board and the size, organisational complexity and scope of operations, the same efficiencies of a remuneration committee would not be derived from a formal committee structure. The Board has not established a remuneration committee and the responsibility for the Company's remuneration policy rests with the Board. Accordingly, Recommendations 8.1 has not been followed.

The Board is responsible for reviewing and recommending remuneration packages and policies applicable to non-executive directors, executive directors and executive management of the Company. It is also responsible for reviewing and recommending appropriate grant of any equity securities.

The remuneration objective is to adopt policies, processes and practices to:

- attract and retain appropriately qualified and experienced directors and executives who will add value; and
- adopt reward programmes which are fair and responsible and in accordance with principles of good corporate governance, which dictates a need to align director and executive entitlements with shareholder objectives.

The Board conducts reviews based on individual performance, trends in comparative companies and the need for a balance between fixed remuneration and non-cash incentive remuneration.

Remuneration packages for Chief Executive Officer and senior executives comprise fixed remuneration and may include bonuses or equity based remuneration as per individual contractual agreements or at the discretion of the Board where no contractual agreement exists.

Non-Executive director remuneration is a fixed annual amount of director fees, the total of which is within the aggregate amount fixed by the Company's Board prior to the first annual general meeting of shareholders. Any amendments to the maximum sum must be approved by the Company's shareholders at a general meeting.

The Company has entered into employment agreements with executives, on those terms noted in the Remuneration Report. The Board ensures that remuneration is in line with general standards for publicly listed companies of the size and type of the Consolidated Entity.

In distinguishing between the remuneration practices for its Non-Executive directors and the remuneration practices applicable to executive staff, the Company complies with Recommendation 8.2.

Securities trading policy

The board has established a policy relating to the trading of the Company's securities. The Board restricts directors, executives and employees from acting on material information until it has been released to the market. Executives, employees and directors are required to consult the Chairman; Executive Director; Chief Executive Officer or Company Secretary prior to dealing in the Company's securities.

Share trading is not permitted by directors, executives or employees at any time whilst in the possession of price sensitive information not already available to the market. In addition, the Corporations Act prohibits the purchase or sale of securities whilst a person is in possession of inside information.

Additional restrictions are placed on directors, executives and key management personnel ("restricted employees"). The Company has adopted blackout periods for restricted employees, being the period from the end of the quarter up to the day after the release date of the quarterly report. Additionally, all restricted employees must apply for written acknowledgement to gain authority to trade in the Company's securities.

In accordance with Recommendation 8.3 the Company has made its Securities Trading Policy available on its website, www.santanaminerals.com.

Directors' Report

The directors present their report together with the consolidated financial report of Santana Minerals Limited for the financial year ended 30 June 2023 and the auditor's report thereon.

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1. Corporate Directory

Directors

The directors of Santana Minerals Limited (the Company) at any time during or since the end of the financial year are:

Mr Richard E Keevers, Non-Executive Director

Appointed 15 January 2013 and Executive Director from 16 December 2020 to 31 July 2023

Mr Keevers graduated with a Bachelor of Science from the University of New England in NSW. He is a qualified and experienced geologist, having held senior positions with BH South Limited and Newmont during his 20 years in the mining industry. Subsequently he was an executive director of Pembroke Josephson Wright Limited, an Australian share brokerage firm, for ten years.

Mr Keevers is currently Chairman and director of Renascor Resources Limited (director since July 2016).

Mr Frederick J Bunting, Non-Executive Director

Appointed 3 November 2020

Mr Bunting graduated with a Bachelor of Science from Auckland University NZ in 1971 and with Master of Science from Rhodes University South Africa in 1977. Mr Bunting is an experienced geologist with 48 years of exploration experience, including initiating the Company's Bendigo-Ophir project in New Zealand.

Mr Warren D Batt, Non-Executive Director

Appointed 3 November 2020

Mr Batt graduated with a Master of Science (Hons) from Auckland University NZ in 1974. Mr Batt is an experienced geologist and mining professional with over 45 years of experience, including initiating the Company's Bendigo-Ophir project in New Zealand.

Mr Anthony J McDonald, Non-Executive Director

Re-appointed as a director on 16 December 2020 and previously a director from 15 January 2013 to 3 November 2020

Mr McDonald graduated with a Bachelor of Laws from the Queensland University of Technology in 1981. He was admitted as a solicitor in 1982. He has been involved in the natural resources sector in Australia and internationally and since 2001 has been actively involved in corporate and business management in the resources and technology industries.

Mr McDonald is currently a non-executive director of PPK Group Limited (appointed September 2017) and Li-S Energy Limited (appointed July 2019).

Mr Norman A Seckold

Appointed 15 January 2013 and Resigned 16 May 2023

Chief Executive Officer

Mr Damian Spring

Appointed Chief Executive Officer effective 1 July 2023 (General Manager New Zealand from January 2023)

Mr Spring holds a Bachelor of Engineering (Mining) from the University of Auckland and is a chartered professional member of Australasian Institute of Mining and Metallurgy (AusIMM) as well as holding a First Class Mine Manager certificate in New Zealand and Western Australia. He has spent many years as a consultant or employee in the gold and base metals sectors in New Zealand, Australia, Argentina and Mexico. In his most recent role prior to joining Santana, Damian held a senior management position at Bathurst Resources (ASX-BRL) where he acquired experience integrating the key areas of the environment, community, iwi and regulatory compliance matters, with mine development projects in New Zealand.

Company Secretary

Mr Craig J McPherson

Corporate Secretary (since 15 January 2013)

Mr McPherson graduated with a Bachelor of Commerce degree from the University of Queensland and is a member of Chartered Accountants Australia and New Zealand. He has over twenty years of commercial and financial management experience and has held various roles with ASX and TSX listed companies for in excess of fifteen years in Australia and overseas.

2. Directors' meetings

The number of directors' meetings and number of meetings attended by each of the directors of the Company during the financial year are:

Director	A	B
Mr NA Seckold	5	5
Mr RE Keevers	6	6
Mr FJ Bunting	6	6
Mr WD Batt	6	6
Mr AJ McDonald	6	6

A - Number of meeting eligible to attend

B - Number of meetings attended

3. Remuneration Report - Audited

3.1. Principles of compensation – audited

Remuneration is also referred to as compensation throughout this report.

Key management personnel have authority and responsibility for planning, directing and controlling the activities of the Company and the Consolidated Entity. Key management personnel comprise the directors of the Company and executives for the Company and the Consolidated Entity.

Compensation levels for key management personnel are competitively set to attract and retain appropriately qualified and experienced directors and executives.

The compensation structures explained below are designed to attract suitably qualified candidates, reward the achievement of strategic objectives, and achieve the broader outcome of creation of value for shareholders. The compensation structures take into account:

- The capability and experience of the key management personnel; and
- The key management personnel's ability to control the relevant segment's performance.

Compensation packages for executive key management personnel comprise fixed remuneration and may include bonuses or equity based remuneration as per individual contractual agreements or at the discretion of the Board where no contractual agreement exists.

Fixed compensation

Fixed compensation consists of base remuneration as well as employer contributions to superannuation funds.

Compensation levels are reviewed periodically by the Board through a process that considers individual and overall performance of the Consolidated Entity. A senior executive's compensation is also reviewed on promotion.

Performance linked compensation

Remuneration for certain individuals may be directly linked to the performance of, and outcomes achieved for, the Consolidated Entity at the discretion of the Board.

The Board may utilise the Company's Employee Incentive Securities Plan (the Plan) to grant options over shares and performance rights in the Company at its discretion in addition to the fixed compensation to achieve objectives of the Consolidated Entity. In determining the terms of options and performance rights to be issued the Board sets appropriate terms to incentivise future performance that will drive growth in the Company's share price. Further, under the terms of the Plan, where the employment or office of the holder is terminated, any incentives which have not reached their vesting date will lapse and any incentives which have vested may be exercised within two months from the date of termination of employment, otherwise they will lapse.

The Consolidated Entity has a policy that prohibits those that are granted share based payments as part of their remuneration from entering into other arrangements that limit their exposure to losses that would result from share price decreases.

The Board considers that the most effective way to increase shareholder wealth is through the successful exploration and development of the Consolidated Entity's mineral exploration properties. The Board considers that the Consolidated Entity's remuneration policies incentivise key management personnel by providing rewards, over the short and long terms that are directly correlated to delivering value to shareholders through share price appreciation.

Consequences of performance on shareholders' wealth

In considering the Consolidated Entity's performance and benefits for shareholders' wealth, the Board has regard to the following indices in respect of the current financial year and previous financial years.

	2019	2020	2021	2022	2023
Total exploration expenditure (\$)	1,196,527	1,925,556	2,842,253	4,064,826	9,444,179
Net assets (\$)	4,963,477	8,527,920	16,750,981	19,275,820	44,431,390
Share Price at Year-end (\$)	0.003	0.002	0.082	0.675	0.52
Net loss for the year (\$)	2,832,520	1,465,806	6,352,848	1,040,005	5,817,183
Dividends Paid (\$)	NIL	NIL	NIL	NIL	NIL

On 27 October 2020 the Company completed a 1:70 share consolidation. The share price information for the 2019 to 2020 years is presented on a pre-consolidation basis.

The overall level of key management personnel's compensation has been determined based on market conditions and advancement of the Consolidated Entity's projects.

Service contracts

The Consolidated Entity had the following service contracts with Key Management Personnel during the year:

Damian Spring was appointed as Chief Executive Officer effective 1 July 2023, a summary of his employment terms was as set out in the announcement of 30 June 2023. Further details will be provided in the Remuneration Report for the year ending 30 June 2024.

Mr Richard Keevers was appointed Executive Director in December 2020 on an interim basis and resigned from that position on 31 July 2023. The agreement with Mr Keevers was informal and has no fixed term. Mr Keevers has been paid a fee of \$9,750 per month (including statutory superannuation) whilst he acted in an executive capacity.

The Company has a service arrangement with Archer Corporate Pty Ltd, an entity associated with Mr McPherson, for the provision of accounting, secretarial and corporate services for remuneration of \$90,000 per annum. The arrangement provides for services to be provided as required and has no fixed term. Either party may terminate the agreement at any time by the giving of 1 months' notice.

Non-executive directors

Total compensation for all non-executive directors is not to exceed \$350,000 per annum. Directors' base fees for the reporting period were \$70,000 per annum for the Chairman and \$45,000 per annum for non-executive directors. Non-executive directors do not receive performance-related compensation.

3.2. Key management personnel remuneration - audited

Details of the nature and amount of each major element of remuneration of each director of the Company and other key management personnel are:

		Salaries & Fees	Super- annuation	Leave Provisions	Options	Total Remuneration	Proportion of Remuneration Performance Related
	Year	\$	\$	\$	\$	\$	%
Non-executive directors							
NA Seckold (Chairman) ¹	2022	70,000	-	-	-	70,000	-
	2023	64,167	-	-	-	64,167	-
FJ Bunting	2022	45,000	-	-	-	45,000	-
	2023	45,000	-	-	-	45,000	-
WD Batt	2022	45,000	-	-	-	45,000	-
	2023	45,000	-	-	-	45,000	-
AJ McDonald	2022	45,000	-	-	-	45,000	-
	2023	45,000	-	-	-	45,000	-
Executive Directors							
RE Keevers ²	2022	106,363	10,637	-	-	117,000	-
	2023	106,364	10,636	-	-	117,000	-
Executive							
CJ McPherson	2022	90,000	-	-	-	90,000	-
	2023	90,000	-	-	-	90,000	-
Total	2022	401,363	10,637	-	-	412,000	
	2023	395,531	10,636	-	-	406,167	

1. Resigned as a director on 16 May 2023.

2. Mr Keevers ceased acting in an executive capacity on 31 July 2023 and continues as a non-executive director.

3.3 Equity instruments - audited

All options refer to options over ordinary shares of the Company, Santana Minerals Limited.

Options issued by the Company are exercisable on a one-for-one basis under the Santana Minerals Limited Executive and Staff Option Plan, unless specifically noted.

Options and rights over equity instruments granted as compensation

During the reporting period, no options over ordinary shares were granted as compensation to key management personnel.

No options have been granted as compensation to key management personnel since the end of the financial year.

Exercise of options granted as compensation

During the reporting period, no shares were issued on the exercise of options previously granted as compensation.

No options were held by KMP at 30 June 2023 (2022: nil).

Movements in equity holdings and transactions

The movements during the reporting period in the number of ordinary shares in the Company held directly, indirectly or beneficially, by each specified director or executive, including their personally related entities is as follows:

	Opening 1 July 2022	Paid up/ purchased	Sold/ transferred	Held at 30 June 2023
Non-executive Directors				
NA Seckold ¹	2,930,683	-	-	2,930,683
FJ Bunting	13,392,373	48,000	-	13,440,373
WD Batt	7,655,198	48,000	-	7,703,198
AJ McDonald	1,988,229	192,000	-	2,180,229
Executive Director				
RE Keevers	70,292	144,000	-	214,292
Executives				
CJ McPherson	156,891	-	-	156,891

1. Held at date of resignation (16 May 2023)

Loans to key management personnel and their related parties

The Consolidated Entity did not have any outstanding loans directly or indirectly with key management personnel during the current financial year.

Other key management personnel transactions

Key management personnel hold positions in other entities that result in them having control, joint control or significant influence over the financial or operating policies of those entities.

Key management personnel are able to receive remuneration directly through these entities. All amounts applicable to remuneration have been disclosed in section 3.2 of this Directors' report.

During the year the Consolidated Entity paid MIS Corporate Pty Ltd, an entity associated with Mr NA Seckold, \$40,500 (2022: \$32,216) for investor relations services prior to his resignation as a director. At reporting date \$nil (2022: \$nil) was outstanding and payable to MIS Corporate Pty Ltd.

During the year the Consolidated Entity paid Minex Resources Limited, an entity associated with Mr F Bunting, \$164,627 (2022: \$152,257) for consulting fees and hire of equipment. At reporting date there was \$27,344 (2022: \$26,265) outstanding amount payable to Minex Resources Limited.

During the year the Consolidated Entity paid Waikaia Gold Limited, an entity associated with Mr W Batt, \$10,136 (2022: \$54,876) for equipment hire and geological staff reimbursement. At reporting date there was \$nil (2022: \$2,873) outstanding amount payable to Waikaia Gold Limited.

During the year the Consolidated Entity paid Mustang Resources Limited, an entity associated with Mr W Batt, \$nil (2022: \$3,810) for consulting services. At reporting date there was \$nil (2022: \$nil) outstanding amount payable to Mustang Resources Limited.

During the year the Consolidated Entity paid MH Private Pty Ltd, an entity associated with Mr McPherson, \$4,800 (2022 \$4,800) for bookkeeping services. At reporting date there was no amount outstanding (2022: \$nil) payable to MH Private Pty Ltd.

In July 2014, the Consolidated Entity entered into agreements allowing it to earn 80% of the Cuitaboca Project from an entity associated with Mr NA Seckold. Under the terms of the agreements, the Consolidated Entity made a payment of A\$100,000 and has committed to meeting 100% of expenditure, thereby providing the Consolidated Entity with management of the Cuitaboca Project through an initial 100% ownership of Minera Cuitaboca S.A. de C.V. (Project Company).

Apart from the details disclosed in this section, no director has entered into a material contract with the Company or the Consolidated Entity and there were no material contracts involving directors' interests existing at year-end.

4. Principal activities

The principal activities of the Consolidated Entity during the course of the financial year were the exploration for gold, silver and base metals and the investigation of projects involving those activities with the objective of identifying, developing and exploiting economic mineral deposits. Those activities were undertaken in New Zealand and Mexico.

There was no significant change in the nature of the activities of the Consolidated Entity during the year.

5. Operating and financial review

Operating review

The review of operations of the Consolidated Entity during the year is detailed in the review of operations commencing on page 4 of this annual report and forms part of the directors' report.

Financial review

At the end of the financial year the Consolidated Entity had \$17,214,569 (2022: \$2,450,528) in cash and at call deposits. Capitalised mineral exploration and evaluation expenditure carried forward was \$21,671,390 (2022: \$16,800,234).

The Consolidated Entity had net assets of \$38,999,357 (2022: \$19,275,820).

Business risks

The prospects of the Consolidated Entity in progressing their exploration projects may be affected by a number of factors. These factors are similar to most exploration companies moving through exploration phase and attempting to bring projects into development. Some of these factors include:

- Exploration - the results of the exploration activities may be such that the estimated resources are insufficient to justify the financial viability of the projects. The Consolidated Entity undertakes extensive exploration and product quality testing prior to establishing JORC compliant resource estimates and to (ultimately) support scoping and mining feasibility studies. The Consolidated Entity engages external experts to assist with the evaluation of exploration results where required and utilises third party competent persons to prepare JORC resource statements or suitably qualified senior management of the Consolidated Entity. Economic feasibility modelling of projects will be conducted in conjunction with third party experts and the results of which will usually be subject to independent third party peer review.
- Land Access – the ability of the Consolidated Entity to secure and undertake exploration and development activities within prospective areas is also reliant upon access arrangements with freehold landowners and lease holders and government entities, which have a vested interest. To address this risk, the Consolidated Entity develops strong, long term effective relationships with landholders, leaseholders and regulatory authorities with a focus on developing mutually acceptable access arrangements. The Consolidated Entity takes appropriate legal and technical advice to ensure it manages its compliance obligations appropriately.
- Environmental - All phases of mining and exploration present environmental risks and hazards. The Consolidated Entity's operations are subject to environmental regulations pursuant to a variety of state and municipal laws

and regulations. Environmental legislation provides for, among other things, restrictions and prohibitions on spills, releases or emissions of various substances produced in association with mining operations. Compliance with such legislation can require significant expenditures and a breach may result in the imposition of fines and penalties, some of which may be material. Environmental legislation is evolving in a manner expected to result in stricter standards and enforcement, larger fines and liability and potentially increased capital expenditures and operating costs. Environmental assessments of proposed projects carry a heightened degree of responsibility for companies and directors, officers and employees. The Consolidated Entity assesses each of its projects very carefully with respect to potential environmental issues, in conjunction with specific environmental regulations applicable to each project, prior to commencing field exploration. Periodic reviews are undertaken once field exploration commences.

- **Safety** - Safety is of critical importance in the planning, organisation and execution of the Consolidated Entity's exploration and development activities. The Consolidated Entity is committed to providing and maintaining a working environment in which its employees are not exposed to hazards that will jeopardise an employee's health, safety or the health and safety of others associated with our business. The Consolidated Entity recognises that safety is both an individual and shared responsibility of all employees, contractors and other persons involved with the operation of the organisation. The Consolidated Entity has a Safety and Health Management system which is designed to minimise the risk of an uncontrolled safety and health event and to continuously improve the safety culture within the organisation.
- **Funding** - the Consolidated Entity will require additional funding to continue exploration and potentially move from the exploration phase to the development phases of its projects. There is no certainty that the Consolidated Entity will have access to available financial resources sufficient to fund its exploration, feasibility or development costs at those times.
- **Market** - there are numerous factors involved with exploration and early stage development of its projects, including variance in commodity price and labour costs which can result in projects being uneconomical.

6. Dividends

No dividends have been paid, and the directors do not recommend the payment of a dividend for the year ended 30 June 2023.

7. Events subsequent to reporting date

Since the end of the financial year and to the date of this report no matter or circumstance has arisen which has significantly affected, or may significantly affect, the operations of the Consolidated Entity, the results of those operations or the state of affairs of the Consolidated Entity in subsequent financial years.

8. Likely developments

The Consolidated Entity will continue to pursue its objective of exploration and evaluation for gold, silver and base metals with the objective of eventually developing a commercially viable mining operation. The Consolidated Entity will also continue to investigate other projects and opportunities involving those activities. These activities will be undertaken within the constraints of its finances.

Further information about likely developments in the operations of the Consolidated Entity has not been included in this report because disclosure of the information would be likely to result in unreasonable prejudice to the Consolidated Entity and given the nature of exploration and evaluation it does not have sufficient certainty.

9. Environmental regulation and performance

The Consolidated Entity holds various exploration licences that regulate its exploration activities in New Zealand and Mexico. These licences include conditions and regulations with respect to the rehabilitation of areas disturbed during the course of the Consolidated Entity's exploration activities.

There have been no significant known breaches of the Consolidated Entity's licence conditions and at the date of this report, no agency has notified the Consolidated Entity of any environmental breaches during the financial year, nor are the Directors aware of any environmental breaches.

10. Changes in state of affairs

In the opinion of the Directors, significant changes in the state of affairs of the Consolidated Entity that occurred during the year ended 30 June 2023 were as follows:

- On 22 July 2022, the Company received commitments to raise \$9.375m through the issue of 15,000,000 fully paid ordinary shares at \$0.625 per share Placement Shares (Placement). The Placement was completed in 2 tranches, with 9,800,000 Placement Shares (first tranche) issued on 27 July 2022 and a further 5,200,000 Placement Shares (second tranche) issued on 9 September 2022 following receipt of shareholder approval.
- On 3 November 2022, the Company issued 1,140,310 fully paid ordinary shares upon exercise of options at \$0.20 per share.
- On 31 January 2023, the Company issued 500,000 options exercisable at a price of \$0.885 per share, vesting 23 January 2025 and expiring 23 January 2026.
- On 5 May 2023, the Company received commitments to issue 24.8 million fully paid ordinary shares at an issue price of A\$0.625 per Share to raise A\$15.5 million (Placement). The Placement completed on 12 May 2023. In addition to the Placement, the Company offered eligible shareholders the opportunity to apply for up to A\$30,000 worth of shares under an Share Purchase Plan (SPP) at the same issue price as the Placement. The SPP completed on 16 June 2023 through the issue of 3,113,600 fully paid ordinary shares at \$0.625 per share to raise \$1,946,000.
- On 30 June 2023, the Company appointed Damian Spring as Chief Executive Officer of the Company with such appointment effective 1 July 2023.

11. Directors' interests

The relevant interest of each director in the shares or other securities issued by the Company and other related bodies corporate, as noted by the directors to the Australian Securities Exchange in accordance with section 205G(1) of the Corporations Act 2001, at the date of this report is as follows:

Director	Fully Paid Ordinary Share*
Richard E. Keevers	214,292
Frederick J. Bunting	13,440,373
Warren D. Batt	7,703,198
Anthony J. McDonald	2,180,229

* Includes shares and options held directly and/or indirectly

12. Share options

Unissued shares under options

At the date of this report unissued ordinary shares of the Company under option are:

Expiry Date	Exercise Price	Number of Shares
3 November 2023	\$0.25	1,140,310
3 November 2024	\$0.30	1,140,310
23 January 2026	\$0.885	500,000

The names of persons who currently hold options are entered in the register of options kept by the Company pursuant to the Corporations Act 2001. The persons entitled to exercise the options do not have, by virtue of the options, the right to participate in a share issue of any other body corporate.

Shares issued on exercise of options

During the reporting period, 1,140,310 shares were issued on the exercise of options previously granted.

13. Officers' indemnities and insurance

During or since the end of the financial year the Company paid an insurance premium to insure certain officers of the Company and controlled entities. The officers covered by the insurance policy include the Directors and the Company Secretary named in this report.

The Directors and Officers Liability insurance provides cover against all costs and expenses that may be incurred in defending civil proceedings that fall within the scope of the indemnity and that may be brought against the officers in their capacity as officers of the Company or a controlled entity. The insurance policy does not contain details of the premium paid in respect of individual officers of the Company or controlled entity. Disclosure of the nature of the liability cover and the amount of the premium is subject to a confidentiality clause under the insurance policy.

The Company has not entered into any agreement to indemnify any auditor of the Consolidated Entity.

14. Non-audit services

During the year KPMG, the Company's auditor, has performed certain other services in addition to their statutory duties.

The Board has considered the non-audit services provided during the year by the auditor and is satisfied that the provision of those non-audit services during the year by the auditor is compatible with, and did not compromise the auditor independence requirements of the Corporations Act 2001 for the following reasons:

- The non-audit services have been reviewed by the Board to ensure such services do not impact the integrity and objectivity of the auditor; and
- The non-audit services provided do not undermine general principles relating to auditor independence as set out in APES110 Code of Ethics for Professional Accountants (including Independence Standards), as they did not involve reviewing or auditing the auditor's own work, acting in a management or decision making capacity for the Company, acting as an advocate for the Company or jointly sharing risks or rewards.

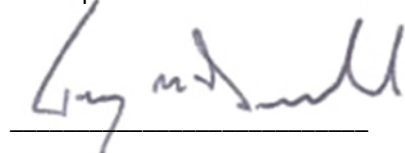
Details of the amounts paid to the auditor of the Company, KPMG, and its related practices for audit and non-audit services provided during the year are set out below.

	Consolidated	
	2023	2022
	\$	\$
Audit Services		
Audit and review of financial reports	92,500	85,750
	<u>92,500</u>	<u>85,750</u>
Other services		
Taxation compliance services	7,000	7,000
	<u>7,000</u>	<u>7,000</u>

15. Lead Auditor's Independence Declaration

The lead auditor's independence declaration is set out on page 42 and forms part of the directors' report for the financial year ended 30 June 2023.

This report is made with a resolution of the directors:



Tony McDonald
Director

Dated at Brisbane this 22nd day of September 2023.





Lead Auditor's Independence Declaration under Section 307C of the Corporations Act 2001

To the Directors of Santana Minerals Limited

I declare that, to the best of my knowledge and belief, in relation to the audit of Santana Minerals Limited for the year ended 30 June 2023 there have been:

- i. no contraventions of the auditor independence requirements as set out in the *Corporations Act 2001* in relation to the audit; and
- ii. no contraventions of any applicable code of professional conduct in relation to the audit.

A stylized signature of the KPMG logo, written in a dark, handwritten style.

KPMG

A handwritten signature of Simon Crane, written in dark ink.

Simon Crane
Partner

Brisbane
22 September 2023

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Consolidated Statement of Profit or Loss for the Year Ended 30 June 2023

	Note	30 June 2023 \$	30 June 2022 \$
General and administrative expenses		(1,117,163)	(879,681)
Share based payments		(37,594)	-
Impairment of exploration and evaluation	11	(5,632,033)	-
Exploration and evaluation expenses	13	(126,727)	(111,983)
Results from operating activities		(6,913,517)	(991,664)
Financing income	3	84,025	717
Financing expenses	3	(8,841)	(209)
Net financing income		75,184	508
Share of loss of equity accounted investments, net of tax	9	(33,705)	(48,849)
Loss before income tax benefit		(6,872,038)	(1,040,005)
Income tax benefit	6	-	-
Loss from operations		(6,872,038)	(1,040,005)
Loss for the year – attributable to Shareholders of the Company		(6,872,038)	(1,040,005)
Earnings per share			
Basic loss per share	7	(4.57) cents	(0.82) cents
Diluted loss per share	7	(4.57) cents	(0.82) cents

The consolidated statement of profit or loss is to be read in conjunction with the notes to the financial statements.

Consolidated Statement of Other Comprehensive Income for the Year Ended 30 June 2023

	30 June 2023 \$	30 June 2022 \$
Net loss for the year	<u>(6,872,038)</u>	<u>(1,040,005)</u>
Other comprehensive income		
<i>Items that may subsequently be reclassified to profit or loss:</i>		
Foreign exchange translation differences	<u>1,054,855</u>	<u>(147,139)</u>
Other comprehensive income for the year, net of income tax	<u>1,054,855</u>	<u>(147,139)</u>
Total comprehensive income for the year – attributable to Shareholders of the Company	<u>(5,817,183)</u>	<u>(1,187,144)</u>

The consolidated statement of other comprehensive income is to be read in conjunction with the notes to the financial statements.

Consolidated Statement of Financial Position as at 30 June 2023

		Consolidated	
	Note	2023	2022
		\$	\$
Current assets			
Cash and cash equivalents		17,214,569	2,450,528
Trade and other receivables	8	593,478	249,718
Prepayments		73,029	57,199
Total current assets		<u>17,881,076</u>	<u>2,757,445</u>
Non-current assets			
Equity accounted investees	9	117,446	151,151
Property, plant and equipment	10	316,489	209,612
Exploration and evaluation expenditure	11	21,671,390	16,800,234
Total non-current assets		<u>22,105,325</u>	<u>17,160,997</u>
Total assets		<u>39,986,401</u>	<u>19,918,442</u>
Current liabilities			
Trade and other payables		987,044	642,622
Total current liabilities		<u>987,044</u>	<u>642,622</u>
Total liabilities		<u>987,044</u>	<u>642,622</u>
Net assets		<u>38,999,357</u>	<u>19,275,820</u>
Equity			
Share capital	12	77,995,032	52,491,906
Reserves		687,672	(367,183)
Accumulated losses		(39,683,347)	(32,848,903)
Total equity		<u>38,999,357</u>	<u>19,275,820</u>

The consolidated statement of financial position is to be read in conjunction with the notes to the financial statements.

Consolidated Statement of Changes in Equity for the Year Ended 30 June 2023

	Issued capital	Foreign currency translation reserve	Accumulated losses	Total equity
Opening balance at 1 July 2022	52,491,906	(367,183)	(32,848,903)	19,275,820
Loss for the year	-	-	(6,872,038)	(6,872,038)
Other comprehensive income/(loss)	-	1,054,855	-	1,054,855
<i>Total comprehensive income for the year</i>	-	1,054,855	(6,872,038)	(5,817,183)
Transactions with owners recorded directly in equity				
Share based payments	-	-	37,594	37,594
Shares issued	27,049,062	-	-	27,049,062
Share issue costs	(1,545,936)	-	-	(1,545,936)
<i>Total transactions with owners</i>	25,503,126	-	37,594	25,540,126
Balance at 30 June 2023	77,995,032	687,672	(39,683,347)	38,999,357

	Issued capital	Foreign currency translation reserve	Accumulated losses	Total equity
Opening balance at 1 July 2021	48,779,923	(220,044)	(31,808,898)	16,750,981
Loss for the year	-	-	(1,040,005)	(1,040,005)
Other comprehensive income	-	(147,139)	-	(147,139)
<i>Total comprehensive income for the year</i>	-	(147,139)	(1,040,005)	(1,187,144)
Transactions with owners recorded directly in equity				
Share-based payments (net of tax)				
Shares issued	4,000,000	-	-	4,000,000
Share issue costs	(288,017)	-	-	(288,017)
<i>Total transactions with owners</i>	3,711,983	-	-	3,711,983
Balance at 30 June 2022	52,491,906	(367,183)	(32,848,903)	19,275,820

The consolidated statement of changes in equity is to be read in conjunction with the notes to the financial statements.

Consolidated Statement of Cash flows for the Year Ended 30 June 2023

	Note	30 June 2023 \$	30 June 2022 \$
Cash flows from operating activities			
Cash paid to suppliers and employees		(1,175,135)	(931,462)
Cash paid for exploration and evaluation expenditure expensed		(126,727)	(111,983)
Interest received		84,025	717
Net cash used in operating activities	18	<u>(1,217,837)</u>	<u>(1,042,728)</u>
Cash flows from investing activities			
Payments for exploration and evaluation expenditure capitalised		(9,345,186)	(3,972,784)
Acquisition of property, plant and equipment		<u>(178,214)</u>	<u>(172,658)</u>
Net cash used in investing activities		<u>(9,523,400)</u>	<u>(4,145,442)</u>
Cash flows from financing activities			
Proceeds from issue of shares		27,049,062	4,000,000
Share issue costs		<u>(1,545,936)</u>	<u>(288,017)</u>
Net cash provided by financing activities		<u>25,503,126</u>	<u>3,711,983</u>
Net (decrease)/increase in cash and cash equivalents held		14,761,889	(1,476,187)
Effects of exchange rate fluctuations on cash held		2,152	(4,065)
Cash and cash equivalents at 1 July		<u>2,450,528</u>	<u>3,930,780</u>
Cash and cash equivalents at 30 June		<u><u>17,214,569</u></u>	<u><u>2,450,528</u></u>

The consolidated statement of cash flows is to be read in conjunction with the notes to the financial statements.

Notes to the Consolidated Financial Statements for the Year Ended 30 June 2023

1. SIGNIFICANT ACCOUNTING POLICIES

(a) Reporting entity

Santana Minerals Limited (the “Company”) is a Company domiciled in Australia. The address of the Company’s registered office is Level 1, 371 Queen Street, Brisbane QLD 4000. The consolidated financial report of the Company as at and for the financial year ended 30 June 2023 comprises the Company and its subsidiaries (together referred to as the “Consolidated Entity”). The Consolidated Entity is a for-profit entity and is primarily involved in exploration activities.

The consolidated financial report was authorised for issue by the directors on 22 September 2023.

(b) Basis of accounting

The consolidated financial report is a general purpose financial report which has been prepared in accordance with Australian Accounting Standards (AASBs) adopted by the Australian Accounting Standards Board (AASB) and the Corporations Act 2001. The consolidated financial report complies with International Financial Reporting Standards (IFRSs) adopted by the International Accounting Standards Board (IASB).

Accounting policies have been applied consistently to all periods presented in the consolidated financial report. The accounting policies have been applied consistently by all entities in the Consolidated Entity.

(c) Basis of measurement

The financial report is presented in Australian dollars, which is the Company’s functional currency. The financial report is prepared on the historical cost basis.

The preparation of financial statements requires management to make judgements, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets, liabilities, income and expenses. Actual results may differ from these estimates.

Estimates and underlying assumptions are reviewed on an on-going basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised and in any future periods affected.

In particular, information about assumptions and estimation uncertainties that have a significant risk of resulting in a material adjustment within the next financial year are described in the following notes:

- carrying value of exploration and evaluation expenditure (Note 11); and
- going concern (Note 1(r)).

Information about critical judgements in applying accounting policies that have the most significant effect on the amounts recognised in the financial statements is included in the following note:

- capitalisation of exploration and evaluation expenditure (Note 11); and
- accounting for associate (Note 9).

(d) Basis of consolidation***Subsidiaries***

Subsidiaries are entities controlled by the Consolidated Entity. Control exists when the Consolidated Entity is exposed to, or has the rights to, variable returns from its involvement with the entity and has the ability to affect those returns through its power over the entity. The financial statements of subsidiaries are included in the consolidated financial statements from the date that control commences until the date that control ceases.

Transactions eliminated on consolidation

Intragroup balances, and any unrealised gains and losses or income and expenses arising from intragroup transactions, are eliminated in preparing the consolidated financial statements.

(e) Finance income and expense

Finance income comprises interest receivable on funds invested, profits on sale of financial assets and foreign exchange gains. Finance expense comprises foreign exchange losses and impairment losses on financial assets.

Interest income is recognised in profit or loss as it accrues, using the effective interest method. Dividend income is recognised in the profit or loss on the date the entity's right to receive payments is established.

Foreign exchange gains and losses are reported on a net basis.

(f) Goods and services tax and other value added taxes

Revenues, expenses and assets are recognised net of the amount of goods and services tax (GST) or value added tax (VAT), except where the amount of GST/VAT incurred is not recoverable from the taxation authority. In these circumstances, the GST/VAT is recognised as part of the cost of acquisition of the asset or as part of the expense.

Receivables and payables are stated with the amount of GST/VAT included. The net amount of GST/VAT recoverable from, or payable to, the taxation authority is included as an asset or liability in the statement of financial position.

Cash flows are included in the statement of cash flows on a gross basis. The GST/VAT components of cash flows arising from investing and financing activities which are recoverable from, or payable to, tax authorities are classified as operating cash flows.

(g) Foreign currency***Foreign currency transactions***

Transactions in foreign currencies are translated at the foreign exchange rate ruling at the date of the transaction. Monetary assets and liabilities denominated in foreign currencies at the reporting date are translated to the respective functional currencies at the foreign exchange rate ruling at that date. Foreign exchange differences arising on translation are recognised in profit or loss. Non-monetary assets and liabilities that are measured in terms of historical cost in a foreign currency are translated using the exchange rate at the date of the transaction.

Financial statements of foreign operations

The assets and liabilities of foreign operations generally are translated to Australian dollars at foreign exchange rates ruling at the reporting date. The revenues and expenses of foreign operations are translated to Australian dollars at rates approximating the foreign exchange rates ruling at the dates of the transactions.

Foreign exchange gains and losses arising from a monetary item receivable from or payable to a foreign operation, the settlement of which is neither planned nor likely in the foreseeable future, are considered to form part of a net investment in a foreign operation and are recognised directly in equity in the foreign currency translation reserve. They are transferred to profit or loss upon disposal of the foreign operation.

(h) Equity-accounted investees

The Consolidated Entity's interests in equity-accounted investees comprise interest in associates.

Associates are those entities in which the Consolidated Entity has significant influence, but not control or joint control, over the financial and operating policies.

Interests in associates are accounted for using the equity method. They are initially recognised at cost, which includes transaction costs. Subsequent to initial recognition, the consolidated financial statements include the Consolidated Entity's share of the profit or loss and OCI of equity-accounted investees, until the date on which significant influence ceases.

(i) Income tax

Income tax expense comprises current and deferred tax. Income tax expense is recognised in the profit or loss except to the extent that it relates to items recognised directly in equity, in which case it is recognised in equity.

Current tax is the expected tax payable on the taxable income for the year, using tax rates enacted or substantively enacted at the reporting date, and any adjustment to tax payable in respect of previous years.

Deferred tax is recognised in respect of temporary differences between the carrying amounts of assets and liabilities for financial reporting purposes and the amounts used for tax purposes. Deferred tax is not recognised for temporary differences arising on the initial recognition of assets or liabilities that affect neither accounting nor taxable profit and differences relating to investments in subsidiaries to the extent that they will probably not reverse in the foreseeable future.

Deferred tax is measured at the tax rates that are expected to be applied to the temporary differences when they reverse, based on the laws that have been enacted or substantively enacted by the reporting date. Deferred tax assets and liabilities are offset if there is a legally enforceable right to offset current tax liabilities and assets, and they relate to income taxes levied by the same tax authority on the same taxable entity, or on different tax entities, but they intend to settle current tax liabilities and assets on a net basis or their tax assets and liabilities will be realised simultaneously.

A deferred tax asset is recognised to the extent that it is probable that future taxable profits will be available against which the temporary difference can be utilised. Deferred tax assets are reviewed at each reporting date and are reduced to the extent that it is no longer probable that the related tax benefit will be realised.

Additional income taxes that arise from the distribution of dividends are recognised at the same time as the liability to pay the related dividend.

(j) Loss per share

Basic loss per share (LPS) is calculated by dividing the net loss attributable to ordinary shareholders of the Company by the weighted average number of ordinary shares outstanding during the year.

Diluted LPS is calculated by adjusting the net loss attributable to ordinary shareholders and the weighted average number of ordinary shares outstanding for the effects of all dilutive potential ordinary shares.

(k) Financial instruments***Non-derivative financial instruments******Recognition and measurement***

Trade receivables and debt securities are initially recognised when they are originated. All other financial assets and financial liabilities are initially recognised when the Consolidated Entity becomes a party to the contractual provisions of the instrument.

Financial assets (unless it is a trade receivable without a significant financing component) or financial liabilities are initially measured at fair value plus, for an item not at FVTPL, transaction costs that are directly attributable to its acquisition or issue. A trade receivable without a significant financing component is initially measured at the transaction price.

Classification and subsequent measurement

On initial recognition, a financial asset is classified and measured at: amortised cost; FVOCI – debt instrument; FVOCI – equity instrument; or FVTPL.

Financial assets are not reclassified subsequent to their initial recognition unless the Consolidated Entity changes its business model for managing financial assets, in which case all affected financial assets are reclassified on the first day of the first reporting period following the change in the business model.

A financial asset is measured at amortised cost if it meets both of the following conditions and is not designated as at FVTPL:

- it is held within a business model whose objective is to hold asset to collect contractual cash flows; and
- its contractual terms give rise on specified dates to cash flows that are solely payment of principal and interest on the principal amount outstanding.

A debt instrument is measured at FVOCI if it meets both the following conditions:

- it is held within a business model whose objective is achieved by collecting contractual cash flows and selling the financial assets; and
- its contractual terms give rise on specified dates to cash flows that solely principal and interest on the principal amount outstanding.

On initial recognition of an equity instrument that is not held for trading, the Consolidated Entity may irrevocably elect to present subsequent change in the investments fair value in OCI. This election is made on an investment-by-investment basis.

All financial assets not classified as measured at amortised cost or FVOCI as described above are measured at FVTPL. This includes all derivative financial assets. On initial recognition the Consolidated Entity may irrevocably designate a financial asset that otherwise meets the requirement to be measured at amortised cost or at FVOCI as at FVTPL if doing so eliminates or significantly reduces an accounting mismatch that would otherwise arise.

Financial assets at FVTPL	These assets are subsequently measured at fair value. Net gains and losses, including in any interest or dividend income, are recognised in profit or loss.
Financial assets at amortised cost	These assets are subsequently measured at amortised cost using the effective interest method. The amortised cost is reduced by impairment losses. Interest income, foreign exchange gains and losses and impairment are recognised in profit or loss. Any gain or loss on derecognition is recognised in profit or loss.
Debt investments at FVOCI	These assets are subsequently measured at fair value. Interest income calculated using the effective interest method, foreign exchange gains and losses and impairment are recognised in profit or loss. Other net gains and losses are recognised in OCI. On derecognition, gains and losses accumulated in OCI are reclassified to profit or loss.
Equity investments at FVOCI	These assets are subsequently measured at fair value. Dividends are recognised as income in profit or loss unless the dividend clearly represents a recovery of part of the cost of investment. Other net gains or losses are recognised in OCI and are never reclassified to profit or loss.

Financial liabilities – classification subsequent measurement and gains and losses

Financial liabilities are classified as measured at amortised cost or FVTPL. A financial liability is classified as FVTPL if it is classified as held-for-trading, it is a derivative or it is designated as such on initial recognition. Financial liabilities at FVTPL are measured at fair value and net gains and losses, including any interest expense, are recognised in profit or loss. Other financial liabilities are subsequently measured at amortised cost using the effective interest method. Interest expense and foreign exchange gains and losses are recognised in profit or loss. Any gain or loss on derecognition is also recognised in profit or loss.

Derecognition

Financial assets

The Consolidated Entity derecognises a financial asset when the contractual rights to the cash flows from the financial asset expire, or it transfers the rights to receive the contractual cash flows in a transaction in which substantially all of the risks and rewards of ownership of the financial asset are transferred or in which the Consolidated Entity neither transfers nor retains substantially all of the risks and rewards of ownership and it does not retain control of the financial asset.

Financial liabilities

The Consolidated Entity derecognises a financial liability when its contractual obligations are discharged, cancelled, or expired. The Consolidated Entity also derecognises a financial liability when its terms are modified and the cash flows of the modified liability are substantially different, in which case a new financial liability based on the modified terms is recognised at fair value. On derecognition of a financial liability, the difference between the carrying amount extinguished and the consideration paid (including any non-cash assets transferred or liabilities assumed) is recognised in profit or loss.

Offsetting

Financial assets and financial liabilities are offset and the net amount presented in the statement of financial position when, and only when, the Consolidated Entity currently has a legally enforceable right to set off the amounts and it intends either to settle them on a net basis or to realise the asset and settle the liability simultaneously.

Share capital

Incremental costs directly attributable to issue of ordinary shares and share options, other than options issued as part of an employee share based payment arrangement, are recognised as a deduction from equity, net of any related income tax benefit. Dividends are recognised as a liability in the year in which they are declared.

(l) Property, plant and equipment***Owned assets***

Items of property, plant and equipment are stated at cost less accumulated depreciation and impairment losses. The cost of acquired assets includes (i) the initial estimate at the time of installation and during the period of use, when relevant, of the costs of dismantling and removing the items and restoring the site on which they are located, and (ii) changes in the measurement of existing liabilities recognised for these costs resulting from changes in the timing or outflow of resources required to settle the obligation or from changes in the discount rate. Purchased software that is integral to the functionality of the related equipment is capitalised as part of that equipment.

Where parts of an item of property, plant and equipment have different useful lives, they are accounted for as separate items of property, plant and equipment.

Gains and losses on disposal of an item of property, plant and equipment are determined by comparing the proceeds from disposal with the carrying amount of property, plant and equipment and are recognised net within "other income" in profit or loss.

Subsequent costs

The Consolidated Entity recognises in the carrying amount of an item of property, plant and equipment the cost of replacing part of such an item when that cost is incurred if it is probable that the future economic benefits embodied within the item will flow to the Consolidated Entity and the cost of the item can be measured reliably. All other costs are recognised in the profit or loss as an expense as incurred.

Depreciation

Depreciation is charged to the profit or loss on a straight-line or reducing balance basis over the estimated useful lives of each part of an item of property, plant and equipment. The depreciation rates used for each class of asset in the current and comparative periods are as follows:

Motor vehicles	20 – 22.5 %
Plant and Equipment	20 %
Furniture and fittings	10 - 40 %

Depreciation methods, useful lives and residual values are reassessed at the reporting date.

(m) Segment reporting

An operating segment is a component of the Consolidated Entity:

- that engages in business activities from which it may earn revenues and incur expenses, including revenues and expenses that relate to transactions with any of the Consolidated Entity's other components;
- whose operating results are regularly reviewed by the directors to make decisions about resources to be allocated to the segment and assess its performance; and
- for which discrete financial information is available.

Segment results that are reported to the directors include items directly attributable to a segment as well as those that can be allocated on a reasonable basis. Unallocated items comprise mainly corporate assets (primarily cash and listed securities), head office expenses, and income tax assets and liabilities.

Segment capital expenditure is the total cost incurred during the period to acquire property, plant and equipment. It also includes costs incurred on exploration and evaluation of the Consolidated Entity's exploration projects.

(n) Provisions

A provision is recognised when the Consolidated Entity has a present legal or constructive obligation as a result of a past event that can be estimated reliably, and it is probable that an outflow of economic benefits will be required to settle the obligation. Provisions are determined by discounting the expected future cash flows at a pre-tax rate that reflects current market assessments of the time value of money and the risks specific to the liability.

(o) Employee benefits

Wages, salaries, and annual leave

Liabilities for employee benefits for wages, salaries and annual leave represent present obligations resulting from employees' services provided to reporting date, calculated at undiscounted amounts based on remuneration wage and salary rates that the Consolidated Entity expects to pay as at reporting date including related on-costs, such as workers compensation insurance and payroll tax.

Termination benefits

Termination benefits are recognised as an expense when the Consolidated Entity is demonstrably committed, without realistic possibility of withdrawal, to a formal detailed plan to either terminate employment before the normal retirement date, or to provide termination benefits as a result of an offer made to encourage voluntary redundancy. Termination benefits for voluntary redundancies are recognised as an expense if the Consolidated Entity has made an offer encouraging voluntary redundancy, it is probable that the offer will be accepted, and the number of acceptances can be estimated reliably.

Long-term service benefits

The Consolidated Entity's obligations in respect of long-term service benefits, other than pension plans, is the amount of future benefit that employees have earned in return for their service in the current and prior periods. The obligation is calculated using expected future increases in wage and salary rates including related on-costs and expected settlement dates, and is discounted to determine its present value. Remeasurements are recognised in profit or loss in the period in which they arise.

Defined contribution superannuation funds

Obligations for contributions to defined contribution superannuation funds are recognised as an expense in profit or loss as incurred.

Share-based payment transactions

The grant date fair value of equity settled share-based transactions is recognised as an employee benefits expense, with a corresponding increase in equity, over the period that the employees become unconditionally entitled to the options. The amount recognised as an expense is adjusted to reflect the actual number of share options that vest, except for those that fail to vest due to market conditions not being met.

(p) Impairment – non-financial assets

The carrying amounts of the Consolidated Entity's non-financial assets, other than deferred tax assets, are reviewed at each reporting date to determine whether there is any indication of impairment. If any such indication exists then the asset's recoverable amount is estimated.

For exploration and evaluation expenditure assets indicators of impairment may include:

- The period for which the Consolidated Entity has the right to explore in the specific area has expired during the period or will expire in the near future, and is not expected to be renewed;
- Substantive expenditure on further exploration for and evaluation of mineral resources in the specific area is neither budgeted nor planned;

- Exploration for and evaluation of mineral resources in the specific area have not led to the discovery of commercially viable quantities of mineral resources and the entity has decided to discontinue such activities in the specific area; or
- Sufficient data exist to indicate that, although a development in the specific area is likely to proceed, the carrying amount of the exploration and evaluation asset is unlikely to be recovered in full from successful development or by sale.

For the purpose of impairment testing, assets are grouped together into the smallest group of assets that generates cash inflows from continuing use that are largely independent of the cash inflows of other assets or groups of assets (the “cash-generating unit”).

An impairment loss is recognised if the carrying amount of an asset or its cash-generating unit exceeds its recoverable amount. Impairment losses are recognised in profit or loss. Impairment losses recognised in respect of cash-generating units are allocated to reduce the carrying amount of the assets in the unit (group of units) on a *pro rata* basis.

The recoverable amount of an asset or cash-generating unit is the greater of its value in use and its fair value less costs to sell. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset.

(q) Exploration and evaluation expenditure

Exploration and evaluation costs, including the costs of acquiring licences, are capitalised as exploration and evaluation assets on an area of interest basis. Costs incurred before the Consolidated Entity has obtained the legal rights to explore an area are recognised in the profit or loss.

Exploration and evaluation assets are only recognised if the rights of the area of interest are current and either:

- the expenditures are expected to be recouped through successful development and exploitation of the area of interest or alternatively by its sale; or
- activities in the area of interest have not at the reporting date, reached a stage which permits a reasonable assessment of the existence or otherwise of economically recoverable reserves and active and significant operations in, or in relation to, the area of interest are continuing.

Exploration and evaluation assets are assessed for impairment when facts and circumstances suggest that the carrying amount exceeds the recoverable amount. For the purposes of impairment testing, exploration and evaluation assets are allocated to cash-generating units to which the exploration activity related. The cash generating unit shall not be larger than the area of interest.

Once the technical feasibility and commercial viability of the extraction of mineral resources in an area of interest are demonstrable, exploration and evaluation assets attributable to that area of interest are first tested for impairment and then reclassified from intangible assets to mining property and development assets within property, plant and equipment.

(r) Going concern

The consolidated financial statements have been prepared on the basis of accounting principles applicable to a “going concern” which assumes the Consolidated Entity will continue in operation for the foreseeable future and will be able to realise its assets and discharge its liabilities in the normal course of operations.

The Consolidated Entity currently has no source of operating cash inflows, other than interest income, and has incurred net cash outflows from operating and investing activities for the year ended 30 June 2023 of \$10,741,237 (2022: \$5,188,170).

At 30 June 2023, the Consolidated Entity had cash balances of \$17,214,569 (2022: \$2,450,528) and net working capital (current assets less current liabilities) of \$16,894,032 (2022: \$2,114,823).

The Consolidated Entity has the ability to seek to raise funds from shareholders or other investors and intends to raise such funds as and when required to complete its projects.

The directors have prepared cash flow projections that support the ability of the Consolidated Entity to continue as a going concern. These cash flow projections assume the Consolidated Entity obtains sufficient additional funding from shareholders or other parties as required to meet its objectives. If such funding is not achieved, the Consolidated Entity plans to reduce expenditure significantly, which may result in an impairment loss on the book value of exploration and evaluation expenditure recorded at reporting date.

The ongoing operation of the Consolidated Entity is dependent upon:

- The Consolidated Entity raising additional funding from shareholders or other parties; and/or
- The Consolidated Entity reducing expenditure in line with available funding.

In the longer term, the development of economically recoverable mineral deposits found on the Consolidated Entity's existing or future exploration properties depends on the ability of the Consolidated Entity to obtain financing through equity financing, debt financing or other means. If the Consolidated Entity's exploration programs are ultimately successful, additional funds will be required to develop the Consolidated Entity's properties and to place them into commercial production. The ability of the Consolidated Entity to arrange such funding in the future will depend in part upon the prevailing capital market conditions as well as the business performance of the Consolidated Entity. There can be no assurance that the Consolidated Entity will be successful in its efforts to arrange additional financing, if needed, on terms satisfactory to the Consolidated Entity. If adequate financing is not available, the Consolidated Entity may be required to delay, reduce the scope of, or eliminate its current or future exploration activities or relinquish rights to certain of its interests. Failure to obtain additional financing on a timely basis could cause the Consolidated Entity to forfeit its interests in some or all of its properties and reduce or terminate its operations.

2. FINANCIAL RISK MANAGEMENT

(a) Overview

The Consolidated Entity has exposure to the following risks from its use of financial instruments:

- Credit risk
- Liquidity risk
- Market risk

This note presents information about the Consolidated Entity's exposure to each of the above risks, its objectives, policies and processes for measuring and managing risk, and the management of capital. Further quantitative disclosures are included throughout this financial report.

The Board of Directors has overall responsibility for the establishment and oversight of the risk management framework and policies. The board oversees the establishment, implementation and regular review of the Consolidated Entity's risk management system and to this end has adopted risk management policies to protect the assets and undertakings of the Consolidated Entity.

Risk management policies are established to identify and analyse the risks faced by the Consolidated Entity, to set appropriate risk limits and controls, and to monitor risks and adherence to limits. Risk management policies and systems are reviewed regularly to reflect changes in market conditions and the Consolidated Entity's activities

The Board oversees how management monitors compliance with the Consolidated Entity's risk management policies and procedures and reviews the adequacy of the risk management framework in relation to the risks faced by the Consolidated Entity.

Financial risk is managed by Chief Executive Officer and overviewed by the Board.

(b) Credit risk

Credit risk is the risk of financial loss to the Consolidated Entity if a customer or counterparty to a financial instrument fails to meet its contractual obligations. The Consolidated Entity's exposure to credit risk is minimal other than those exposures with respect to credit risk set out in Note 17.

(c) Liquidity risk

Liquidity risk is the risk that the Consolidated Entity will not be able to meet its financial obligations as they fall due. The Consolidated Entity's approach to managing liquidity is to ensure, as far as possible, that it will always have sufficient cash to meet its liabilities when due, under both normal and stressed conditions, without incurring unacceptable losses or risking damage to the Consolidated Entity's reputation. The Consolidated Entity monitors its cash holdings on a regular basis in relation to actual cash flows, financial obligations and planned activities in order to manage liquidity risk.

(d) Market risk

Market risk is the risk that changes in market prices, such as interest rates, foreign exchange rates and equity prices, will affect the Consolidated Entity's income or the value of its holdings of financial instruments. The objective of market risk management is to manage and control market risk exposures within acceptable parameters, while optimising the return.

The Consolidated Entity is exposed to currency risk on purchases that are denominated in a currency other than the respective functional currencies of its subsidiaries, which are the Australian dollar (AUD), the Mexican peso (MXP) and the New Zealand Dollar (NZD). The currencies in which these transactions primarily are denominated are AUD, MXP, and NZD, while a significant amount of transactions are also denominated in the United States dollar (USD). The Consolidated Entity seeks to minimise its exposure to currency risk by monitoring exchange rates and entering into foreign currency transactions that maximise the Consolidated Entity's position. The Consolidated Entity does not presently enter into hedging arrangements to hedge its currency risk. All foreign currency transactions are entered into at spot rates. The Board considers this policy appropriate, taking into account the Consolidated Entity's size, current stage of operations, financial position and the Board's approach to risk management.

(e) Capital management

The Board's policy is to maintain a sufficient capital base so as to maintain investor, creditor and market confidence and to sustain future development of the business. The Board considers current cash reserves, aged payables and other current liabilities and short term receivables in its assessment of capital for the Consolidated Entity's operations. Given the Consolidated Entity's current stage of operations and financial position the Board is focused on investment of available capital in the Consolidated Entity's operations.

Neither the Company nor any of its subsidiaries are subject to externally imposed capital requirements.

3. NET FINANCING INCOME/ (EXPENSE)

	Consolidated	
	2023	2022
	\$	\$
Interest income	84,025	717
Financing income	84,025	717
Foreign exchange loss	(8,841)	(209)
Financing expense	(8,841)	(209)
Net financing income/(expense)	75,184	508

4. PERSONNEL EXPENSES

	Consolidated	
	2023	2022
	\$	\$
Non-executive Directors' Fees	199,167	208,750
Salaries and wages	221,992	229,626
Superannuation contributions	13,327	13,963
Share based payments	37,594	-
Total personnel expenses	472,080	452,339

5. AUDITOR'S REMUNERATION

	Consolidated	
	2023	2022
	\$	\$
Audit services		
Audit and review of financial reports - KPMG	92,500	85,750
	92,500	85,750
Other services		
Taxation compliance services - KPMG	7,000	7,000
	7,000	7,000

6. TAXATION

Numerical reconciliation of income tax benefit

(a) Income tax benefit recognised in the income statement

	Consolidated	
	2023	2022
	\$	\$
Loss before tax	(6,872,038)	(1,040,005)
Income tax using domestic corporation tax rate 25% (2022: 25%)	(1,718,010)	(260,001)
(Increase)/decrease in tax benefit due to:		
Sundry items	9	(83)
Share based payments	9,399	-
Difference in tax rate in foreign jurisdictions	(287,982)	(6,808)
Deferred tax assets not brought to account	1,996,584	266,892
Income tax benefit	-	-

(b) Unrecognised deferred tax assets

Deferred tax assets have not been recognised in respect of the following items because it is not probable that future taxable profit will be available from which the Consolidated Entity can utilise the benefits:

	Consolidated	
	2023	2021
	\$	\$
Deductible temporary differences	3,248,000	1,543,000
Tax Losses	8,126,528	5,400,492
Capital Losses	427,598	203,766
	11,802,126	7,147,258

(c) Expiry of tax losses

The foreign tax losses have expiry dates under current tax legislation.

At 30 June 2023, the Consolidated Entity has income tax loss carry forward amounts expiring as follows:

	Australia	Mexico	New Zealand	Total
	\$	\$	\$	\$
2031	-	1,158,924	-	1,158,924
2032	-	316,219	-	316,219
Does not expire	11,001,074	-	17,620,413	28,621,487
30 June 2023	11,001,074	1,475,143	117,620,413	30,096,630

(d) Recognised deferred tax assets and liabilities

Deferred tax assets and liabilities are attributable to the following:

Consolidated	Assets		Liabilities		Net	
	2023	2022	2023	2022	2023	2022
Exploration expenditure		-		-	-	-
Other items		-		17,000	-	-
Tax loss carry-forwards		(17,000)		-	-	-
Tax (assets) liabilities		-		17,000	-	-
Set off of tax		17,000		(17,000)	-	-
Net tax (assets) liabilities		-		-	-	-

7. LOSS PER SHARE

Basic and diluted loss per share

The calculation of basic and diluted loss per share at 30 June 2023 was based on the loss attributable to ordinary shareholders of \$6,872,038 (2022: \$1,040,005) and a weighted average number of ordinary shares outstanding during the financial year ended 30 June 2023 of 150,217 (2022: 126,367), calculated as follows:

<i>Reconciliation of earnings used in the calculation of loss per share</i>	Consolidated	
	2023	2022
Loss from continuing operations used in calculation of basic and diluted loss per share – continuing operations	\$6,872,038	\$1,040,005
Loss attributed to ordinary shareholders used in the calculation of basic and diluted loss per share	\$6,872,038	\$1,040,005

<i>Weighted average number of ordinary shares</i>	Consolidated No ('000)	
	2023	2022
Issued ordinary shares at 1 July	132,637	114,032
Effect of shares issued November 2022	-	12,355
Effect of shares issued July 2022	9,102	
Effect of shares issued September 2022	4,203	
Effect of shares issued November 2022	7,750	
Effect of shares issued May 2023	3,397	
Effect of shares issued June 2023	128	-
Weighted average number of ordinary shares at 30 June	150,217	126,367

At 30 June 2023, 2,780,620 options (2021: 3,420,930) were excluded from the diluted weighted-average number of ordinary shares calculation because their effect would have been anti-dilutive.

8. TRADE AND OTHER RECEIVABLES

	Consolidated	
	2023	2022
	\$	\$
<i>Current</i>		
Other receivables	5,150	6,946
GST Receivable	588,328	242,772
	593,478	249,718

At 30 June 2023, 2,780,620 options (2021: 3,420,930) were excluded from the diluted weighted-average number of ordinary shares calculation because their effect would have been anti-dilutive.

9. EQUITY-ACCOUNTED INVESTEEES

	30 June 2023	30 June 2022
	\$	\$
Interests in associate – Southern Gold (Asia) Pty Ltd	117,446	151,151

On 17 July 2019, the consolidated entity announced that it had signed an agreement with Mekong Minerals Limited ('Mekong') to purchase Mekong's 75% interest in the Sayabouly Project in Laos and two Cambodian gold projects in which Mekong held farmed out interests. The transaction with Mekong completed on 9 December 2019, with consideration for the transaction being the issue of 648,721,076 fully paid ordinary shares (to be distributed to Mekong Shareholders) and 45,862,352 options to Mekong option holders and reimbursement of \$210,000 to Mekong for exploration expenses.

Upon completion of the transaction, the consolidated entity acquired 100% of the ordinary share capital in two companies, Southern Gold (Asia) Pty Ltd and Dominion Metals Pty Ltd.

Southern Gold (Asia) Pty Ltd ("SGA", an associate) holds the interests in the Cambodian gold projects. SGA is a party to an unincorporated joint venture agreement with Southern Gold Limited (SGL) in respect of two Cambodian Exploration Licences (CELs). Pursuant to the agreement, SGL has a 15% unincorporated joint venture interest in the CELs, which is free carried until completion of a feasibility study.

SGA has also entered into a farm-out and incorporated joint venture agreement with Renaissance Cambodia Pty Ltd (Renaissance) (the "Farm-Out Agreement"). Under the Farm Out Agreement Renaissance will manage SGA and sole fund US\$0.5million of exploration expenditure on each of the CELs in order to earn a 30% shareholding in SGA. After earning the 30% shareholding, Renaissance can elect to sole fund a further US\$1.0million of exploration expenditure on each of the CELs over the following two years and increase its shareholding in SGA to 60%.

When Renaissance has earned a 60% shareholding in SGA, the consolidated entity may elect to either contribute to further exploration activities on the CELs and maintain its 40% shareholding in SGA, or alternatively elect not to contribute, in which case Renaissance may earn a further 25% shareholding in SGA by continuing to manage SGA and funding completion of a definitive feasibility study. During the definitive feasibility study period the consolidated entity interests would be free carried.

Renaissance has earned the initial 30% interest in the Subsidiary. Under the Farm-out Agreement the consolidated entity has given control of the entity to Renaissance whilst retaining significant influence through representation on the board of Southern Gold (Asia) Pty Ltd.

	30 June 2023	30 June 2022
	\$	\$
Percentage ownership interest	70%	100%
Non-current assets	5,078,193	3,824,046
Current assets	337,959	230,426
Non-current liabilities	-	-
Current liabilities	(1,086,480)	(1,333)
Net assets (100%)	4,329,672	4,053,139
Consolidated entity's share of net assets	70%	100%
Carrying amount of interest in associate	117,446	151,151
Revenue	-	-
Loss from continuing operations (100%)	(48,150)	(48,849)
Total comprehensive income/(loss) (100%)	(48,150)	(48,849)
Consolidated entity's share of total comprehensive income/(loss)	(33,705)	(48,849)

In accordance with the Farm-Out Agreement, Renaissance has advised that it has met the initial expenditure requirements to earn the initial 30% interest in SGA through sole funding of exploration which is being recognised in equity of SGA. Santana Minerals Limited does not currently recognise any share of this increase in equity of SGA.

10. PROPERTY, PLANT AND EQUIPMENT

	Fixtures & Fittings \$	Plant & Equipment \$	Motor Vehicles \$	Total \$
Costs				
Balance at 1 July 2021	11,007	89,313	31,666	131,986
Acquisitions	6,204	166,454	-	172,658
Disposals	-	-	-	-
Effect of movements in foreign exchange	444	1,505	2,417	4,365
Balance at 30 June 2022	17,655	257,272	34,083	309,009
Balance at 1 July 2022	17,655	257,272	34,083	309,009
Acquisitions	-	178,214	-	178,214
Disposals	-	-	-	-
Effect of movements in foreign exchange	1,502	8,263	7,691	17,455
Balance at 30 June 2023	19,157	443,748	41,774	505,678
Depreciation and impairment losses				
Balance at 1 July 2021	(10,087)	(24,535)	(30,281)	(64,903)
Depreciation charge for the year	(3,173)	(30,164)	(8,630)	(41,967)
Disposals	-	-	-	-
Effect of movements in foreign exchange	121	2,524	4,827	7,473
Balance at 30 June 2022	(13,139)	(52,175)	(34,083)	(99,398)
Balance at 1 July 2022	(13,139)	(52,175)	(34,083)	(99,398)
Depreciation charge for the year	(2,878)	(71,537)	-	(74,415)
Disposals	-	-	-	-
Effect of movements in foreign exchange	(1,442)	(5,224)	(7,691)	(14,376)
Balance at 30 June 2023	(17,459)	(128,956)	(41,774)	(188,189)
Carrying amounts				
At 30 June 2022	4,516	205,096	-	209,612
At 30 June 2023	1,698	314,791	-	316,489

11. EXPLORATION AND EVALUATION EXPENDITURE

	Consolidated 2023	2022
	\$	\$
Capitalised exploration and evaluation expenditure		
Exploration and evaluation phase – at cost		
Mexico - Cuitaboca	-	4,358,342
Bendigo-Ophir – New Zealand	21,671,389	12,441,892
	<u>21,671,389</u>	<u>16,800,234</u>
<u>Reconciliations</u>		
<i>Mexico – Cuitaboca</i>		
Opening balance at beginning of year	4,358,342	3,907,438
Expenditure for the year	271,050	195,453
IVA Recovered	-	(42,788)
Impairment	(5,632,033)	-
Effect of foreign exchange movement	1,002,641	298,239
Closing balance at end of year	<u>-</u>	<u>4,358,342</u>
<i>Bendigo-Ophir – New Zealand</i>		
Opening balance at beginning of year	12,441,892	8,931,193
Expenditure for the year	9,046,402	3,757,390
Effect of foreign exchange movement	183,095	(246,691)
Closing balance at end of year	<u>21,671,389</u>	<u>12,441,892</u>

Cuitaboca Project, Mexico

On 29 July 2014 the Consolidated Entity announced that it had entered into agreements allowing it to earn 80% of the Cuitaboca Project located in the State of Sinaloa, Mexico. Under the terms of the agreements, the Consolidated Entity made an initial payment of A\$100,000 and committed to meeting 100% of expenditure, thereby providing the Consolidated Entity with management of the Cuitaboca Project through an initial 100% ownership of Minera Cuitaboca S.A. de C.V. (Project Company). The Project Company has the right to acquire the Cuitaboca Project mining concessions under an option agreement (Concession Option Agreement) with Consorcio Minero Latinoamericano S.A. de C.V (Concession Holder). The Concession Option Agreement provides that the Project Company can acquire a 100% interest in the mining concessions from the Concession Holder by paying option fees totalling US\$3,500,000, with those option fees payable on a six monthly basis. A balance of US\$2,745,168 in option fees remains payable by the Project Company to the Concession Holder as at 30 June 2023. The Concession Option Agreement was amended to extend the term to 15 years from the original signature date (refer to the agreement announcement of 29 July 2014), with the agreement now expiring 10th December 2026. The Consolidated Entity is required to meet all expenditure during the term of the Concession Option Agreement (including option fees which the Project Company has agreed to pay the Concession Holder, concession rentals plus exploration expenditure as the Consolidated Entity determines) with the Vendors free carried. Once the Concession Option Agreement is completed the expenditure and ownership of the Project Company will revert to 80% Consolidated Entity 20% Vendors. The Consolidated Entity retains the right to withdraw from the Cuitaboca Project at any time without making the recurring option payments.

The consolidated entity has impaired the value of the Cuitaboca Project at 30 June 2023 and reflected an impairment loss of \$5,632,033. An impairment was appropriate under accounting standard AASB6 given the likely, minimal level of exploration activity and expenditure at the project over the forthcoming period.

Bendigo-Ophir Project, New Zealand

On 3 November 2020, the Consolidated Entity announced that it had completed a share purchase agreement for the acquisition of the Bendigo Ophir Project by acquiring 100% of the shares in Matakanui Gold Limited ('MGL'), which holds 100% of the Bendigo-Ophir Project.

This transaction has been accounted for as an acquisition of assets, not a business combination. At completion the Consolidated Entity issued 38,189,017 fully paid ordinary shares to MGL's former shareholders as consideration for the acquisition.

The project is subject to a 1.5% NSR on all production.

12. CAPITAL AND RESERVES

(a) Ordinary shares issued

The Company does not have authorised capital or par value in respect of its issued shares. All issued shares are fully paid. Ordinary shareholders have the right to receive dividends as declared and, in the event of winding up of the Company, to participate in the proceeds from the sale of all surplus assets in proportion to the number of and amounts paid up on shares held. Ordinary shares entitle their holder to one vote, either in person or by proxy, at a meeting of the Company.

The Company recorded the following amounts within shareholders' equity as a result of having issued ordinary shares.

30 June 2023	Number of ordinary shares	Issue price \$	Share capital \$
Balance at 1 July 2022	132,637,288		52,491,906
Share issue July 2022	9,800,000	0.625	6,125,000
Share issue September 2022	5,200,000	0.625	3,250,000
Share issue November 2022	1,140,310	0.20	228,062
Share issue May 2023	24,800,000	0.625	15,500,000
Share issue June 2023	3,113,600	0.625	1,946,000
Share issue costs	-		(1,545,936)
Balance at 30 June 2023 – fully paid	<u>176,691,198</u>		<u>77,995,032</u>

30 June 2022	Number of ordinary shares	Issue price \$	Share capital \$
Balance at 1 July 2021	114,032,636		48,779,923
Share issue November 2021 (cash)	18,604,652	0.215	4,000,000
Share issue costs	-		(288,017)
Balance at 30 June 2022 – fully paid	<u>132,637,288</u>		<u>52,491,906</u>

(b) Options over ordinary shares

The Company has issued the following options over ordinary shares:

	Number of options 2023	Number of options 2022
Options issued as part of the Matakanui Transaction – Nov 2020	2,280,620	3,420,930
Employee share options – Jan 2023	500,000	-
Total options over ordinary shares currently issued	2,780,620	3,420,930
Reconciliation		
Total options over ordinary shares – 1 July	3,420,930	3,420,930
Exercise of Options (November 2022)	(1,140,310)	-
Options issued January 2023	500,000	-
Total options over ordinary shares – 30 June	2,780,620	3,420,930

Details of options on issue:

Expiry Date	Exercise Price	Number of Shares
3 November 2023	\$0.25	1,140,310
3 November 2024	\$0.30	1,140,310
23 January 2026	\$0.885	500,000

(c) Nature and purpose of reserves**Foreign currency translation reserve**

The foreign currency translation reserve comprises all foreign currency differences arising from translation of the financial statements of foreign operations.

13. SEGMENT INFORMATION

Each area of interest represents an operating segment, however for reporting purposes areas of interest are aggregated where they are located in the same region and relate to the exploration of similar commodities. The Consolidated Entity's current areas of interest relate to the exploration of precious metals in Mexico and New Zealand and are therefore reported as separate segments. In reviewing segment results the Chief Executive Officer and Board consider total expenditure on exploration and evaluation activities (expensed and capitalised) and results of such activities.

	Consolidated 2023 \$	2022 \$
Mexico		
Exploration and evaluation expenditure expensed in profit or loss	126,727	111,983
Exploration and evaluation expenditure capitalised – see note 11	271,050	195,453
Total exploration and evaluation expenditure	397,777	307,436
Exploration and evaluation assets at 30 June	-	4,358,342
Impairment loss on exploration and evaluation - see note 11	5,632,033	-
New Zealand		
Exploration and evaluation expenditure capitalised – see note 11	9,046,402	3,757,390
Total exploration and evaluation expenditure	9,046,402	3,757,390
Exploration and evaluation assets at 30 June	21,671,389	12,441,892

14. COMMITMENTS

The Consolidated Entity does not have any contracted expenditure commitments at reporting date (2022: nil).

15. CONSOLIDATED ENTITIES

	Country of Incorporation	Ordinary Shares Percentage Owned	
		2023	2022
Parent Entity			
Santana Minerals Limited	Australia		
Subsidiaries			
Namiquipa Pty Ltd	Australia	100	100
Espiritu Santo Pty Ltd	Australia	100	100
Texrise Pty Ltd	Australia	100	100
Cuitaboca Pty Ltd	Australia	100	100
Carlin Resources Pty Ltd	Australia	100	100
Administración Integral Ceresour SA de CV	Mexico	100	100
Minera Cuitaboca SA de CV	Mexico	100	100
Minera Antoinetta SA de CV	Mexico	100	100
Matakanui Gold Limited	New Zealand	100	100

16. SHARE-BASED PAYMENTS

Employee share option program

In 2022, the Company, Santana Minerals Limited, established an Employee Incentive Securities Plan program that entitles key management personnel and senior employees to purchase shares in the Company through either the issue of options or performance rights.

In the 2023 year, options were granted to senior employees of Santana Minerals Limited employees. In accordance with these programs, options were granted and are exercisable at the exercise price that was determined at the date of grant. No performance rights have been issued under the Employee Incentive Securities Plan.

All employee share options issued are exercisable at any time after the vesting date and before the expiry date to acquire one fully paid ordinary share. Where the employment or office of the option holder is terminated, any options which have not reached their vesting date will lapse and any options which have reached their vesting date may be exercised within two months from the date of termination of employment.

The number and weighted average exercise price of options is as follows.

	Weighted average exercise price 2023	Number of options 2023	Weighted average exercise price 2022	Number of options 2022
Employee Share Options				
Outstanding at 1 July	-	-	-	-
Lapsed during the period	-	-	-	-
Granted during the period	0.885	500,000	-	-
Outstanding at 30 June	0.885	500,000	-	-
Exercisable at 30 June	-	-	-	-

The 500,000 options issued during the year were valued using the following key inputs:

- Underlying share price \$0.710
- Exercise price \$0.885
- Term 3.00 yrs
- Risk-free rate 3.033%
- Dividend yield Nil
- Volatility (rounded) 85.0%

There were 500,000 employee share options outstanding at 30 June 2023 (30 June 2022: nil).

17. FINANCIAL INSTRUMENTS

Exposure to credit risk, currency risk and liquidity risk arises in the normal course of the Consolidated Entity's operations.

Credit risk

At the balance sheet date there were no significant concentrations of credit risk.

The Consolidated Entity held cash and cash equivalents of \$17,214,669 at 30 June 2023 (2022: of \$2,450,528), which represents its maximum credit exposure on these assets. The cash and cash equivalents are held with bank and financial institution counterparties, which have a long term AA rating by Standard & Poor's.

The maximum exposure to credit risk is represented by the carrying amount of each financial asset in the balance sheet.

Interest rate risk

The Consolidated Entity is exposed to interest rate risk through its holding of cash and cash equivalents. At 30 June 2023 the weighted average interest rate on cash and cash equivalents was 1.55% (2022: 0.25%).

Sensitivity analysis

An increase of 50 basis points in interest rates would not have had a material impact on the Consolidated Entity's profit or loss.

Foreign currency risk

The Consolidated Entity's exposure to foreign currency risk at balance date was as follows, based on notional amounts:

<i>In AUD</i>	2023	2022
	\$	\$
Cash and cash equivalents – USD	7,360	14,008
Net exposure	7,360	14,008

The following significant exchange rates applied during the year:

	Average rate		Reporting date spot rate	
	2023	2022	2023	2022
AUD				
MXP	12.8299	14.7297	11.3225	13.8773
NZD	1.0926	1.069	1.0892	1.1053

Sensitivity analysis

A reasonably foreseeable movement in exchange rates would not have a material impact on the Consolidated Entity's profit or loss.

Liquidity risk

At reporting date there were no significant concentrations of liquidity risk. The Consolidated Entity's liquidity risk arises from its trade payables and other payables as presented in the statement of financial position at 30 June 2023. The maturity of these payables is less than 12 months.

Fair value

The carrying amounts of the Consolidated Entity's financial assets and financial liabilities approximate their fair values at 30 June 2023.

18. RECONCILIATION OF CASHFLOWS FROM OPERATING ACTIVITIES

	Consolidated	
	2023	2022
	\$	\$
Net loss	(6,872,038)	(1,040,005)
<i>Add/(less) non-cash items:</i>		
Depreciation	406	469
Share of loss of equity-accounted investees	33,705	48,849
Foreign exchange loss	6,688	4,275
Impairment of exploration and evaluation assets	5,632,033	
Share based payments	37,594	-
(Increase)/decrease in receivables	(67,801)	(253)
Increase/(decrease) in payables	27,406	(41,642)
(Increase)/decrease in prepayments	(15,830)	(14,421)
Net cash used in operating activities	(1,217,837)	(1,042,728)

19. RELATED PARTIES

Key management personnel disclosures

The following were the key management personnel of the Consolidated Entity at any time during the reporting period and unless otherwise indicated were key management personnel for the entire period:

Non-executive Directors

Mr NA Seckold (Chairman) – resigned 16 May 2023

Mr FJ Bunting

Mr WD Batt

Mr AJ McDonald

Executive Director

Mr RE Keevers

Executives

CJ McPherson (Company Secretary)

Key management personnel compensation disclosures

The key management personnel compensation included in 'personnel expenses' is as follows:

	Consolidated	
	2023	2022
	\$	\$
Salaries and Fees	207,000	207,000
Non-executive Directors' fees	199,167	205,000
	406,167	412,000

Information regarding individual directors and executives compensation is provided in the Remuneration Report section of the Directors' Report.

Loans to key management personnel and their related parties

The Consolidated Entity has not made any loans directly or indirectly to key management personnel during the current financial year.

Other key management personnel transactions

The key management personnel hold positions in other entities that result in them having control or significant influence over the financial or operating policies of those entities.

Key management personnel are able to receive remuneration directly through these entities. All amounts applicable to remuneration have been disclosed in the Remuneration Report section of the Directors' report.

During the year the Consolidated Entity paid MIS Corporate Pty Ltd, an entity associated with Mr NA Seckold, \$40,500 (2022: \$32,216) for investor relations services prior to his resignation as a director. At reporting date \$nil (2022: \$nil) was outstanding and payable to MIS Corporate Pty Ltd.

During the year the Consolidated Entity paid Minex Resources Limited, an entity associated with Mr F Bunting, \$164,627 (2022: \$152,257) for consulting fees and hire of equipment. At reporting date there was \$27,344 (2022: \$26,265) outstanding amount payable to Minex Resources Limited.

During the year the Consolidated Entity paid Waikaia Gold Limited, an entity associated with Mr W Batt, \$10,136 (2022: \$54,876) for equipment hire and geological staff reimbursement. At reporting date there was \$nil (2022: \$2,873) outstanding amount payable to Waikaia Gold Limited.

During the year the Consolidated Entity paid Mustang Resources Limited, an entity associated with Mr W Batt, \$nil (2022: \$3,810) for consulting services. At reporting date there was \$Nil (2022: \$Nil) outstanding amount payable to Mustang Resources Limited.

During the year the Consolidated Entity paid MH Private Pty Ltd, an entity associated with Mr McPherson, \$4,800 (2022 \$4,800) for bookkeeping services. At reporting date there was no amount outstanding (2022: \$nil) payable to MH Private Pty Ltd.

During the 2015 financial year the Consolidated Entity entered into agreements allowing it to earn 80% of the Cuitaboca Project from an entity associated with Mr NA Seckold. Under the terms of the agreements, the Consolidated Entity made a payment of A\$100,000 and has committed to meeting 100% of expenditure, thereby providing the Consolidated Entity with management of the Cuitaboca Project through an initial 100% ownership of Minera Cuitaboca S.A. de C.V. (Project Company).

Apart from the details disclosed in this note, no director has entered into a material contract with the Company or the Consolidated Entity and there were no material contracts involving directors' interests existing at year-end.

20. PARENT ENTITY

As at, and throughout, the financial year ended 30 June 2023 the parent entity of the Group was Santana Minerals Limited.

<i>In thousands AUD</i>	2023	2022
Results of the parent entity		
Loss for the year	(5,779,588)	(1,187,144)
Other comprehensive income	-	-
Total comprehensive income for the year	<u>(5,779,588)</u>	<u>(1,187,144)</u>
Financial position of the parent entity at year end		
Current assets	17,173,008	2,402,812
Total assets	39,078,770	19,329,682
Current liabilities	79,413	53,862
Total liabilities	79,413	53,862
Total equity of the parent entity comprising of:		
Share capital	77,995,032	52,491,906
Retained earnings	(38,995,674)	(33,216,086)
Total capital	<u>38,999,358</u>	<u>19,275,820</u>

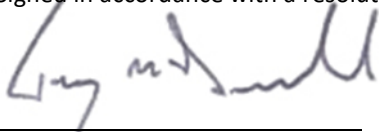
21. SUBSEQUENT EVENTS

Since the end of the financial year and to the date of this report no matter or circumstance has arisen which has significantly affected, or may significantly affect, the operations of the Consolidated Entity, the results of those operations or the state of affairs of the Consolidated Entity in subsequent financial years.

Directors' declaration

1. In the opinion of the directors of Santana Minerals Limited (the Company)
 - a) the consolidated financial statements and notes that are set out on pages 43 to 70 and the Remuneration report in section 3 of the Directors' report are in accordance with the Corporations Act 2001, including:
 - i) giving a true and fair view of the Consolidated Entity's financial position as at 30 June 2023 and of its performance for the financial year ended on that date; and
 - ii) complying with Australian Accounting Standards and the Corporations Regulations 2001; and
 - b) there are reasonable grounds to believe that the Company will be able to pay its debts as and when they become due and payable.
2. The directors have been given the declarations required by Section 295A of the Corporations Act 2001 from the Chief Executive Officer and Chief Financial Officer for the financial year ended 30 June 2023.
3. The directors draw attention to note 1 (b) to the consolidated financial statements which include a statement of compliance with International Financial Reporting Standards.

Signed in accordance with a resolution of the directors:



Tony McDonald
Director

Dated at Brisbane this 22nd day of September 2023



Independent Auditor's Report

To the shareholders of Santana Minerals Limited

Report on the audit of the Financial Report

Opinion

We have audited the **Financial Report** of Santana Minerals Limited (the Company).

In our opinion, the accompanying Financial Report of the Company 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 2023 and of its financial performance for the year ended on that date; and
- complying with *Australian Accounting Standards* and the *Corporations Regulations 2001*.

The **Financial Report** comprises:

- Consolidated statement of financial position as at 30 June 2023;
- Consolidated statement of profit or loss, consolidated statement of other comprehensive income, consolidated statement of changes in equity, and consolidated statement of cash flows for the year then ended;
- Notes including a summary of significant accounting policies; and
- Directors' Declaration.

The **Group** consists of the Company and the entities it controlled at the year-end or from time to time during the financial year.

Basis for opinion

We conducted our audit in accordance with Australian Auditing Standards. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Our responsibilities under those standards are further described in the *Auditor's responsibilities for the audit of the Financial Report* section of our report.

We are independent of the Group in accordance with the *Corporations Act 2001* and the ethical requirements of the *Accounting Professional and Ethical Standards Board's APES 110 Code of Ethics for Professional Accountants (including Independence Standards)* (the Code) that are relevant to our audit of the Financial Report in Australia. We have fulfilled our other ethical responsibilities in accordance with these requirements.

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Key Audit Matters

The **Key Audit Matters** we identified are:

- Exploration and evaluation expenditure of Bendigo-Ophir (New Zealand) and Cuitaboca (Mexico) projects; and
- Going concern basis of accounting.

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.

Exploration and evaluation expenditure of Bendigo-Ophir (New Zealand) and Cuitaboca (Mexico) projects (\$21,671,389)

Refer to Note 11 to the Financial Report

The key audit matter	How the matter was addressed in our audit
<p>Exploration and evaluation expenditure of Bendigo-Ophir (New Zealand) and Cuitaboca (Mexico) projects (collectively, E&E) capitalised is a key audit matter due to:</p> <ul style="list-style-type: none"> • the significance of E&E activities to the Group's business, with the balance of capitalised E&E expenditure being 54% of total assets; and • the greater level of audit effort required to evaluate the Group's application of the requirements of the industry specific accounting standard AASB 6 <i>Exploration for and Evaluation of Mineral Resources</i> (AASB 6), in particular, the conditions allowing capitalisation of relevant expenditure and the presence of impairment indicators. The presence of impairment indicators would necessitate a detailed analysis by the Group of the value of E&E, therefore given the criticality of this to the scope and depth of our work, we involved senior team members to challenge the Group's determination of the existence of indicators of impairment. <p>In assessing the conditions allowing capitalisation of relevant expenditure, we focused on:</p> <ul style="list-style-type: none"> • the Group's determination of the areas of interest; • documentation available regarding rights to tenure, via licensing and contractual arrangements, and compliance with relevant conditions, to maintain current rights to an area of interest and the Group's intention and capacity to continue the relevant E&E 	<p>Our audit procedures included:</p> <ul style="list-style-type: none"> • evaluating the Group's accounting policy applicable to capitalising E&E expenditure as assets using the criteria in the accounting standard; • assessing the Group's determination of its areas of interest for consistency with the definition in the accounting standard. This involved analysing the licences in which the Group holds an interest and the exploration programmes planned for those licences for consistency with documentation such as licence conditions, joint venture arrangements and planned work programmes; • assessing the Group's current rights to tenure for each area of interest by corroborating the ownership of the relevant licence to government registers or other supporting documentation and evaluating agreements in place with other parties. We also tested for compliance with licence conditions, such as minimum expenditure requirements on a sample of licences; • testing the E&E expenditure capitalised to areas of interest for the year by evaluating a statistical sample of recorded expenditure for consistency to underlying records, the capitalisation requirements of the Group's accounting policy and the requirements of the accounting standard; • evaluating Group documents, such as minutes of Directors meetings, the Group's analysis of impairment indicators and the





<p>activities; and</p> <ul style="list-style-type: none"> the Group's determination of whether the E&E expenditure capitalised is expected to be recouped through successful development and exploitation of the area of interest, or alternatively, by its sale. <p>In assessing the presence of impairment indicators, we focused on those that may draw into question the commercial continuation of E&E activities for areas of interest where significant capitalised E&E exists. In addition to the assessments above, and given the financial position of the Group, we paid particular attention to:</p> <ul style="list-style-type: none"> the strategic direction of the Group and their intent and capacity to continue exploration activities in each area of interest; the ability of the Group to fund the continuation of activities in each area of interest; and results from latest activities regarding the reasonable assessment of the existence or otherwise of economically recoverable reserves for each area of interest. <p>Where impairment indicators are present, the Group's determination of the recoverable value of the areas of interest is based on assumptions which require judgement. In the current year the Group determined that there were indicators of impairment in relation to the Cuitaboca project. Based on the Group's consideration of exploration results for the areas of interest, the overall current economic environment, its strategic direction and best use of the Group's resources, the carrying value of the Cuitaboca project was fully impaired at 30 June 2023.</p>	<p>Group's cash flow projections, for consistency with their stated intentions and ability to fund continuing exploration and evaluation activities in certain areas. We corroborated this through interviews with key personnel, observable market data such as forecast silver prices and our understanding of the industry;</p> <ul style="list-style-type: none"> comparing the results from the Group's internal geologist regarding the reasonable assessment of the existence of reserves for consistency with the treatment of E&E and the requirements of the accounting standard; and evaluating the Group's determination of recoverable value of the Cuitaboca area of interest through testing the status of the Group's tenure and documented planned future activities, reading board minutes, considering the results of exploration programmes completed to date, and discussion with key personnel.
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Going concern basis of accounting

Refer to Note 1(r) to the Financial Report

The key audit matter

The Group's use of the going concern basis of accounting and the associated extent of uncertainty is a key audit matter due to the high level of judgement required by us in evaluating the Group's assessment of going concern and the events or conditions that may cast significant doubt on their ability to continue as a going concern. These are outlined in Note 1(r).

The Directors have determined that the use of the going concern basis of accounting is appropriate in preparing the financial report. Their assessment of going concern was based on cash flow projections. The preparation of these projections incorporated a number of assumptions and significant judgements, and the Directors have concluded that the range of possible outcomes considered in arriving at these judgements does not give rise to a material uncertainty casting significant doubt on the Group's ability to continue as a going concern.

We critically assessed the levels of uncertainty, as it related to the Group's ability to continue as a going concern, within these assumptions and judgements, focusing on the following:

- the Group's significant cash inflow assumptions particularly, the Group's ability to raise additional funds from shareholders and the projected timing thereof; and
- the Group's planned levels of operational and capital expenditures, and the ability of the Group to manage cash outflows within available funding.

In assessing this key audit matter, we involved senior audit team members who understand the Group's business, industry and the economic environment it operates in.

How the matter was addressed in our audit

Our procedures included:

- Analysing the cash flow projections by:
 - Evaluating the underlying data used to generate the projections. We specifically looked for their consistency with other information tested by us, their consistency with the Group's intentions, as outlined in Directors minutes and the Group's market announcements lodged with the Australian Securities Exchange, and our understanding of their comparability to past practices;
 - Assessing the planned levels of operating and capital expenditures for consistency of relationships and trends to the Group's historical results, results since year end, and our understanding of the business, industry and economic conditions of the Group;
 - Assessing significant non-routine forecast cash inflows and outflows for feasibility, quantum and timing. We used our knowledge of the Group, its industry and financial position to assess the level of associated uncertainty; and
- Evaluating the Group's going concern disclosures in the financial report by comparing them to our understanding of the matter, the events or conditions incorporated into the cash flow projection assessment, the Group's plans to address those events or conditions, and accounting standard requirements.





Other Information

Other Information is financial and non-financial information in Santana Minerals Limited's annual reporting which is provided in addition to the Financial Report and the Auditor's Report. The Directors are responsible for the Other Information.

Our opinion on the Financial Report does not cover the Other Information and, accordingly, we do not express an audit opinion or any form of assurance conclusion thereon, with the exception of the Remuneration Report and our related assurance opinion.

In connection with our audit of the Financial Report, our responsibility is to read the Other Information. In doing so, we 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.

We are required to report if we conclude that there is a material misstatement of this Other Information, and based on the work we have performed on the Other Information that we obtained prior to the date of this Auditor's Report, we have nothing to report.

Responsibilities of the Directors for the Financial Report

The Directors are responsible for:

- preparing a Financial Report that gives a true and fair view in accordance with *Australian Accounting Standards* and the *Corporations Act 2001*;
- implementing necessary internal control to enable the preparation of a Financial Report that gives a true and fair view and is free from material misstatement, whether due to fraud or error; and
- assessing the Group and Company's ability to continue as a going concern and whether the use of the going concern basis of accounting is appropriate. This includes disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless they either intend to liquidate the Group and Company or to cease operations, or have no realistic alternative but to do so.

Auditor's responsibilities for the audit of the Financial Report

Our objective is:

- 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 *Australian Auditing Standards* will always detect a material misstatement when it exists.

Misstatements can arise from fraud or error. They are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of this Financial Report.

A further description of our responsibilities for the audit of the Financial Report is located at the Auditing and Assurance Standards Board website at: https://www.auasb.gov.au/admin/file/content102/c3/ar1_2020.pdf. This description forms part of our Auditor's Report.



Report on the Remuneration Report

Opinion

In our opinion, the Remuneration Report of Santana Minerals Limited for the year ended 30 June 2023, complies with *Section 300A* of the *Corporations Act 2001*.

Directors' 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 responsibilities

We have audited the Remuneration Report included in Section 3 of the Directors' Report for the year ended 30 June 2023.

Our responsibility is to express an opinion on the Remuneration Report, based on our audit conducted in accordance with *Australian Auditing Standards*.

KPMG

Simon Crane
Partner

Brisbane
22 September 2023

Additional Information Required by the Listing Rules as at 15 September 2023

List of the 20 Largest Shareholders

Rank	Name	Shares Held	% of Total Shares
1	DEPOT CORPORATION LIMITED	13,440,373	7.61%
2	HSBC CUSTODY NOMINEES (AUSTRALIA) LIMITED	7,878,521	4.46%
3	MUSTANG RESOURCES LIMITED	7,703,198	4.36%
4	CITICORP NOMINEES PTY LIMITED	6,831,480	3.87%
5	CALM HOLDINGS PTY LTD <CLIFTON SUPER FUND A/C>	5,700,000	3.23%
6	UBS NOMINEES PTY LTD	5,378,143	3.04%
7	LONERGAN FOUNDATION PTY LTD <LONERGAN FOUNDATION A/C>	3,698,000	2.09%
8	GOLDSTREAM FINANCE LIMITED	3,435,727	1.94%
9	BUTTONWOOD NOMINEES PTY LTD	3,247,929	1.84%
10	SHARESIES NOMINEE LIMITED	3,046,747	1.72%
11	MR NILS BISCHOFF	2,844,311	1.61%
12	ALL-STATES FINANCE PTY LIMITED	2,800,000	1.58%
13	LONWAY PTY LIMITED	2,788,000	1.58%
14	MR CHRISTOPHER JOHN LEE & MRS GIOVANNA LEE	2,397,765	1.36%
15	MARFORD GROUP PTY LTD	2,387,483	1.35%
16	DONALD IAN WHITE & D ROSS DANIEL MOORE <ROSCO FAMILY A/C>	2,210,931	1.25%
17	MR MARK DAVID ALDRIDGE & MRS JUDITH ANNE ALDRIDGE & MR PETER JOHN ALDRIDGE <TIMA KAHHA A/C>	2,150,605	1.22%
18	CHESTER NOMINEES WA PTY LTD <M W WILSON SUPER FUND A/C>	2,100,000	1.19%
19	FAIRCLOUGH HOLDINGS LTD	1,690,000	0.96%
20	ELPHINSTONE HOLDINGS PTY LTD	1,577,381	0.89%
TOTAL OF TOP 20 SHAREHOLDERS		83,306,594	47.15
BALANCE OF REGISTER		93,384,604	52.85
TOTAL SHAREHOLDERS		176,691,198	100.00

Substantial Shareholders

Name	Shares Held	% of Total Shares
REGAL FUNDS MANAGEMENT PTY LTD	13,659,126	7.87%
DEPOT CORPORATION LIMITED	13,440,373	7.61%

Distribution of Shareholder's Holdings

Ordinary Shares Held	Number of Shareholders	Number of Shares
1 – 1,000	2,127	190,401
1,001 – 5,000	312	864,403
5,001 – 10,000	210	1,640,280
10,001 – 50,000	453	11,334,053
50,001 – 100,000	124	9,407,504
100,001 and over	204	153,254,557
TOTAL	3,430	176,691,198
Unmarketable Parcels	2,079	144,556

Details of Unlisted Options

Details	Number of Holders	Number of Options
3 NOVEMBER 2023 (Exercisable at \$0.25)	1	1,140,310
3 NOVEMBER 2024 (Exercisable at \$0.30)	1	1,140,310
22 JANUARY 2026 (Exercisable at \$0.885)	1	500,000

Shareholding Information

Enquiries

Shareholders with enquiries about any aspect of your shareholding should contact the Company's Share Registry as follows:

Link Market Services Limited

Telephone: 1300 554 474

Facsimile: +61 2 9287 0303

Website: www.linkmarketservices.com.au

Electronic Announcements and Reports

Shareholders, who wish to receive announcements made to the ASX as well as electronic copies of the Annual Report and Half Year Report, are invited to provide their email address to the Company. This can be done by writing to the Company Secretary or via the Company's website.

Change of Name/Address

Shareholders should advise the share registry promptly of any change of name and/or address so that correspondence with them does not go astray. All such changes must be advised in writing and cannot be accepted by telephone. Forms can be found on the Share Registry website or obtained by contacting the Share Registry.

Shareholders who hold their shares via a broker should instruct their sponsoring broker in writing to notify the Share Registry of any change of name and/or address.

In the case of a name change, the written advice must be supported by documentary evidence.

Consolidation of Shareholdings

Shareholders who wish to consolidate their separate shareholdings into one account should write to the Share Registry or their sponsoring broker, whichever is applicable.

Stock Exchange Listing

The Company's shares are listed on the ASX. Details of share transactions and prices are published in the financial papers of daily capital city newspapers under the code SMI.

Corporate Directory

Australian Business No.	37 161 946 989
Directors	Richard E Keevers, Non-executive Director Frederick J Bunting, Non-Executive Director Warren D Batt, Non-Executive Director Anthony J McDonald, Non-Executive Director
Chief Executive Officer	Damian Spring
Corporate Secretary	Craig J McPherson
Registered Office	Level 1 371 Queen Street Brisbane, QLD 4000 Phone: +61 7 3221 7501 Email: admin@santanaminerals.com Website: www.santanaminerals.com
Postal Address	P O Box 1305 Brisbane Qld 4001
Auditors	KPMG Level 16 Riparian Plaza 71 Eagle Street Brisbane, Qld 4000
ASX Code	SMI
Share Registrars	Australia Link Market Services Limited Level 21 10 Eagle Street Brisbane, QLD 4000
Exchange	Australian Stock Exchange Level 8 Exchange Plaza 2 The Esplanade Perth, WA 6000

