

27 April 2021

Company Announcements Office  
ASX Limited

**QUARTERLY ACTIVITIES REPORT**  
**FOR THE PERIOD ENDED 31 MARCH 2021**

During the quarter, Santa Fe Minerals Ltd (“**Santa Fe**”, “**SFM**” or “**the Company**”) continued the systematic evaluation of the exploration potential of the Challa Projects with respect to gold and vanadium mineralisation.

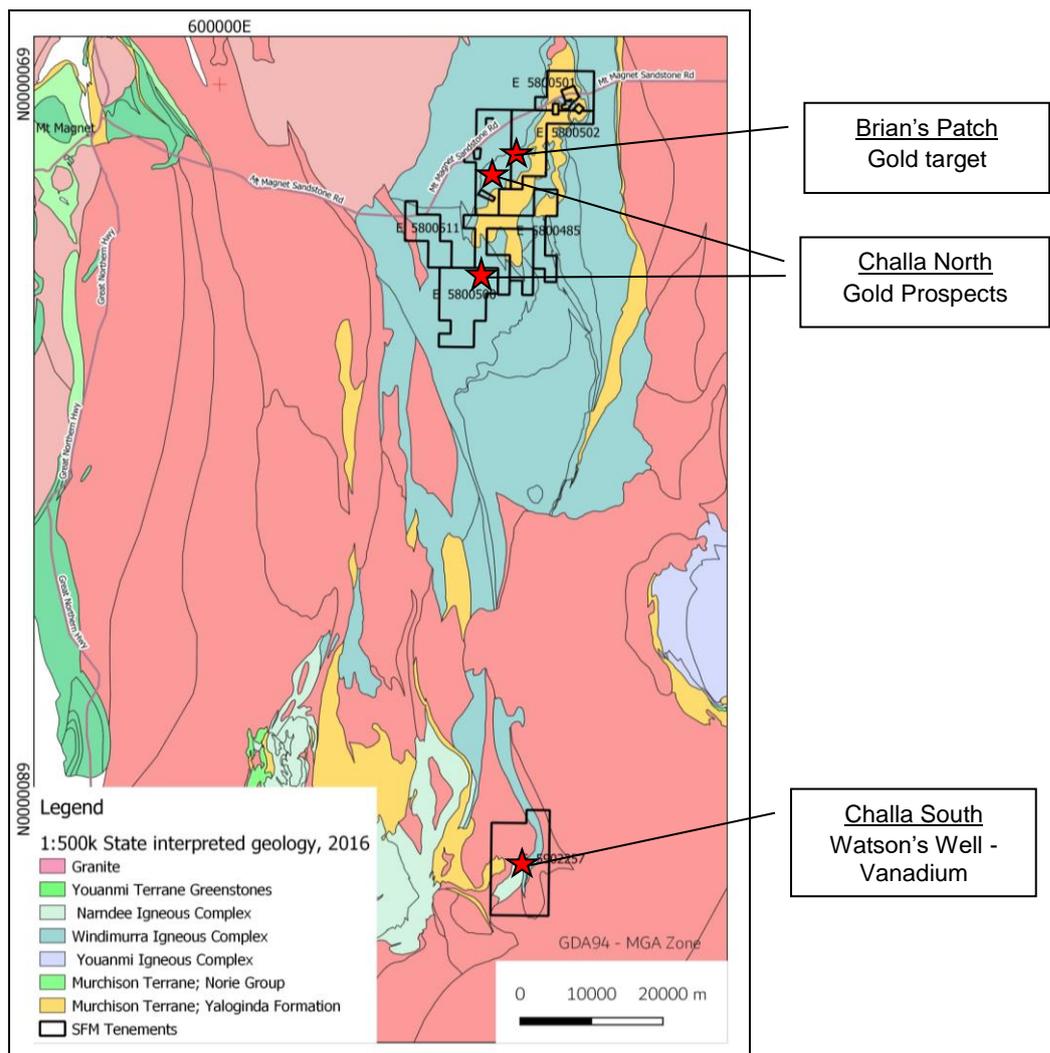


Figure 1 - Challa Project area.

## **Brian's Patch - Gold**

The Brian's Patch area is defined over 600m x 300m by a historic surface geochemistry gold anomaly and several gold nugget patches within laterite. The core of the gold anomaly at >10ppb Au is in two sections. The north section is 300m x 150m with a maximum gold result of 305ppb and the southern section is 250m x100m with a maximum gold result of 42ppb. There is no outcrop and the laterite cover is only 2-5m thick.

A total of 25 AC drillholes for 1323m were drilled on two lines to test for bedrock gold mineralisation beneath the Brian's Patch soil anomaly. All holes were angled to east and drilled to depths between 44m and 69m. Samples were nominally collected over 4m intervals down hole.

Gold distribution within the holes showed strong anomalism in the 0-4m range and at depth near the base of weathering. Anomalous gold values from the 0-4m sample interval range from 20-80ppb Au and occur within laterite gravels immediately above indurated and completely weathered bedrock. These gravels have been the host of gold nuggets reported from areas adjacent to the current drilling. Deeper anomalous gold results occur in CHAC007 (40-44m,109ppb Au), CHAC008 (40-44m, 145ppb Au), CHAC018 (28-32m, 111 ppb Au) and CHAC025 (40-44m, 236 ppb Au). These results occur above and near the base of weathering and do not appear to reflect the source of the gold nuggets. It is likely the source of the gold anomaly in the gravels is east of the current drilling.

**Table 1: Aircore drill-hole collar locations with maximum gold in ppb**

Hole_id	MGA_E	MGA_N	RL	Depth	Max Au ppb	From	To	Type	Dip	Az (mag)
CHAC001	642251	6891296	483	66	3	0	4	AC	-60	90
CHAC002	642225	68911297	490	52	6	0	4	AC	-60	90
CHAC003	642200	6891295	482	54	29	0	4	AC	-60	90
CHAC004	642176	6891297	486	60	46	0	4	AC	-60	90
CHAC005	642147	6891292	483	57	63	0	4	AC	-60	90
CHAC006	642125	6891295	480	57	29	0	4	AC	-60	90
CHAC007	642096	6891294	478	46	109	40	44	AC	-60	90
CHAC008	642074	6891295	475	48	145	40	44	AC	-60	90
CHAC009	642047	6891297	479	46	14	0	4	AC	-60	90
CHAC010	642024	6891301	478	48	13	0	4	AC	-60	90
CHAC011	641999	6891300	477	46	25	40	44	AC	-60	90
CHAC012	641977	6891296	476	45	5	0	4	AC	-60	90
CHAC013	641950	6891298	474	44	13	32	36	AC	-60	90
CHAC014	641930	6891297	470	48	15	0	4	AC	-60	90
CHAC015	641902	6891302	472	48	20	0	4	AC	-60	90
CHAC016	641875	6891305	471	60	37	0	4	AC	-60	90
CHAC017	642250	6890849	478	54	3	0	4	AC	-60	90
CHAC018	642224	6890850	477	54	111	28	32	AC	-60	90
CHAC019	642201	6890854	478	45	46	28	32	AC	-60	90
CHAC020	642178	6890849	476	69	53	0	4	AC	-60	90
CHAC021	642152	6890852	478	57	53	36	40	AC	-60	90
CHAC022	642126	6890854	479	60	27	0	4	AC	-60	90
CHAC023	642103	6890852	481	54	80	0	4	AC	-60	90
CHAC024	642078	6890852	476	54	61	0	4	AC	-60	90
CHAC025	642051	6890855	475	51	63	0	4	AC	-60	90
CHAC025	642051	6890855	475	51	236	40	44	AC	-60	90

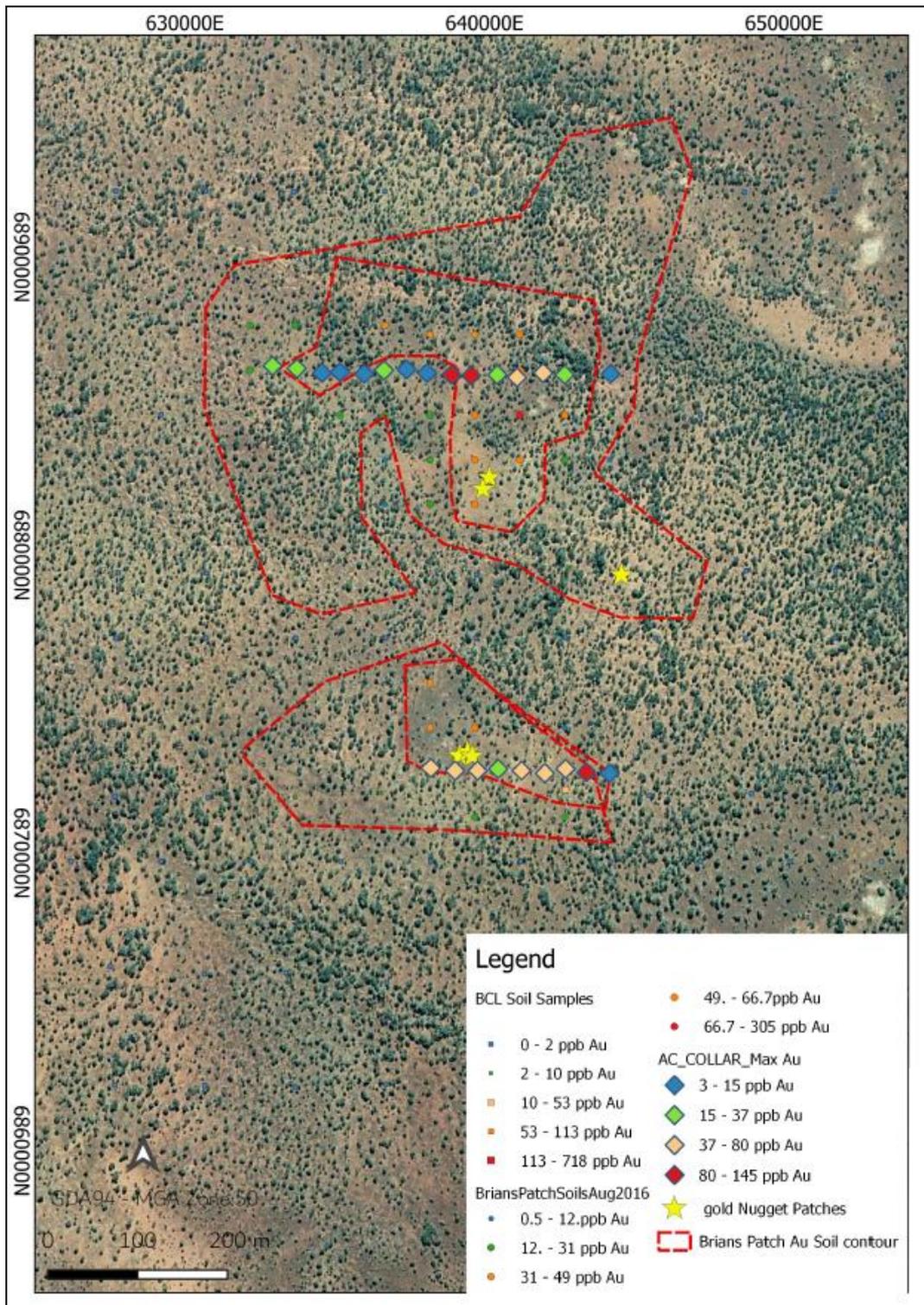


Figure 2: Brian's Patch Soil Sampling and AC drilling.

### **Challa North Prospects - Gold**

An ongoing evaluation of the Company's Challa Project database has highlighted several areas for additional gold exploration in covered areas along strike from known gold occurrences.

Previous gold exploration of the Company's tenure was restricted to areas of shallow soil cover adjacent to known gold occurrences. These areas were tested by soil sampling which highlighted

numerous areas of gold anomalism. Some of the gold anomalies were followed up by first pass slim-line reverse circulation drilling. The best result returned from this work was 3.74g/t gold (refer to the Company's ASX announcements dated 6 August 2018 and 14 November 2018).

These gold zones are associated with north and north-east trending structures which clearly extend under recent transported cover in areas with no effective exploration (Figure 3).

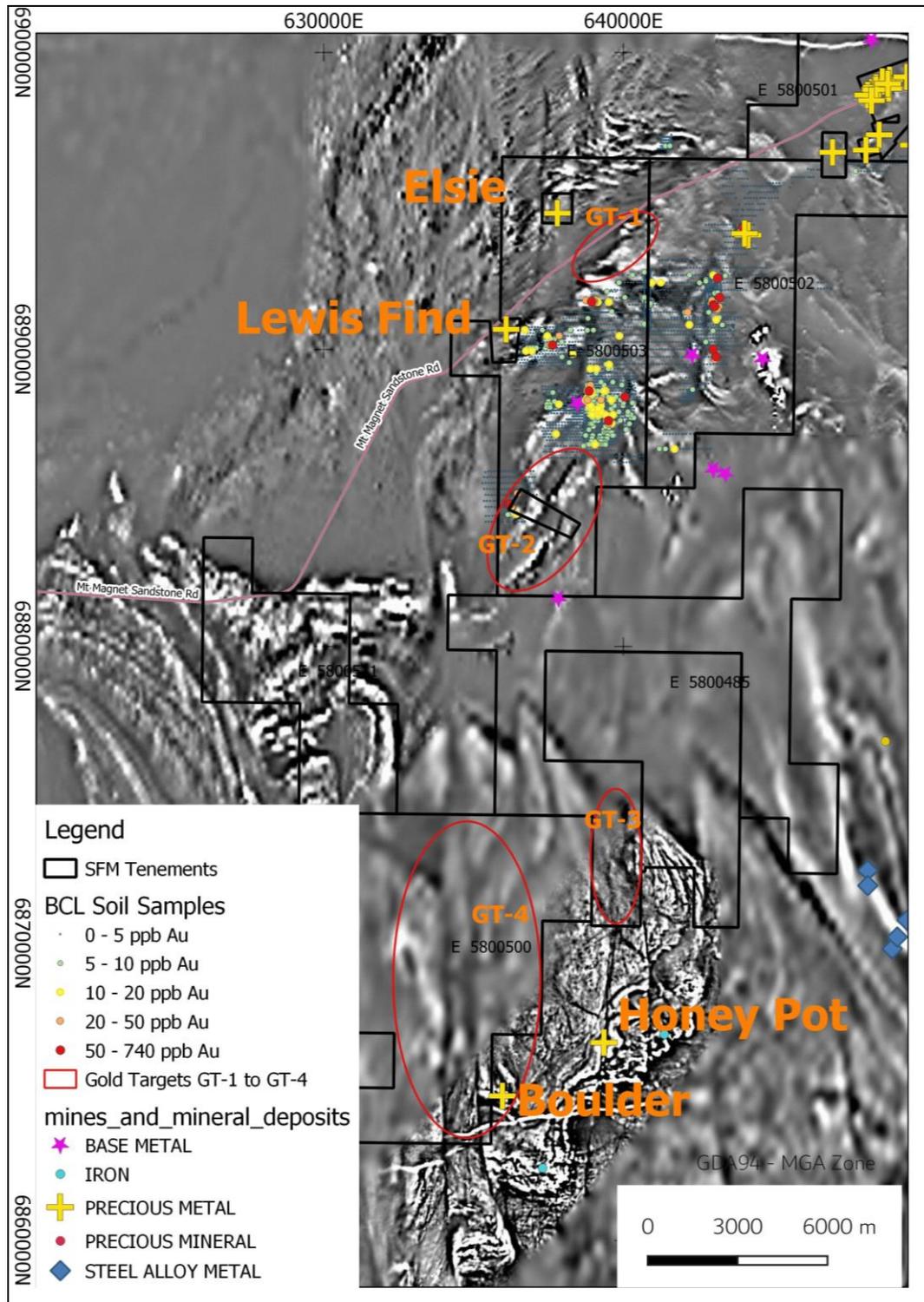


Figure 3 - Challa North regional gold exploration targets (GT1-4) and historic excised prospects - Elsie, Lewis Find, Honey Pot and Boulder.

The Company's southern two gold target areas in E58/500 and E58/485, are located along the strike of north trending structures associated with the Boulder and Honey Pot gold prospects (excised) which returned drilling results up to 8m @ 2.03g/t Au from 12 m in HAC022 (refer to Flinders Mines Limited ASX announcement on 31 July 2015). These are large targets with 10km and 5km of strike respectively, containing multiple potentially gold mineralised structures. A 700 sample auger drilling program to test these structures was completed in mid April 2021 (Figure 4). Samples have been submitted to the laboratory and results will be reported in the June Quarter.

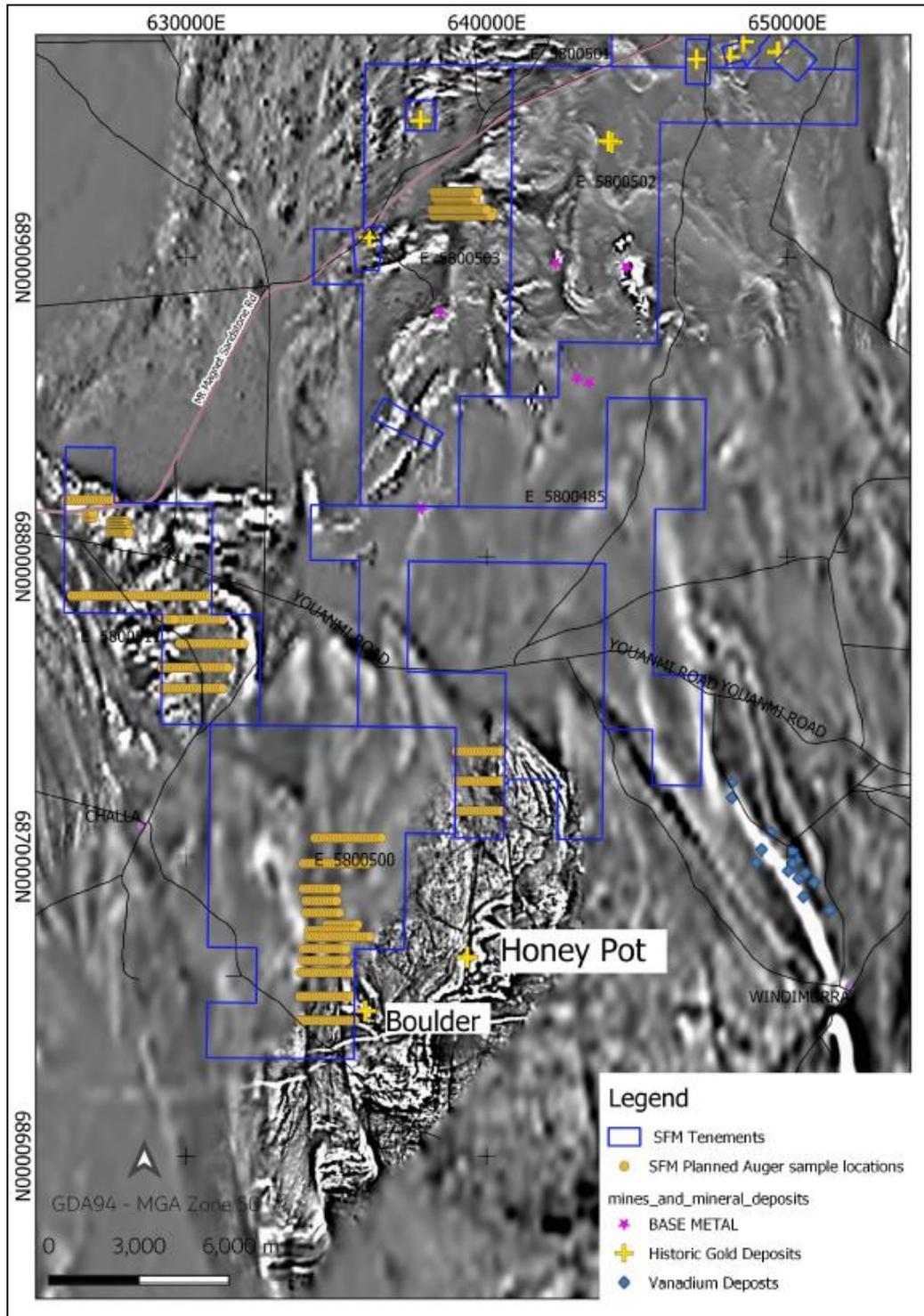


Figure 4 – April 2021 Auger sample locations.

## Challa South (Watson's Well) - Vanadium

Previous mapping by the Company discovered meta-gabbro outcrop and magnetite banding at Watson's Well. A preliminary MAGLAG and rock chip sampling program revealed a peak rock chip assay returning 1.64% Vanadium Pentoxide (V<sub>2</sub>O<sub>5</sub>) (refer to the Company's ASX announcement dated 15 May 2018).

In 2018, an initial mapping and surface sampling program was conducted across the priority zones of the anomaly. MagLag sampling on a 250m by 100m grid was undertaken over a 2.4km<sup>2</sup> area. Rock chip samples were also taken from outcropping magnetite. Assay results from the September program are shown in Figures 5 and 6 below (refer to the Company's ASX announcement dated 14 November 2018).

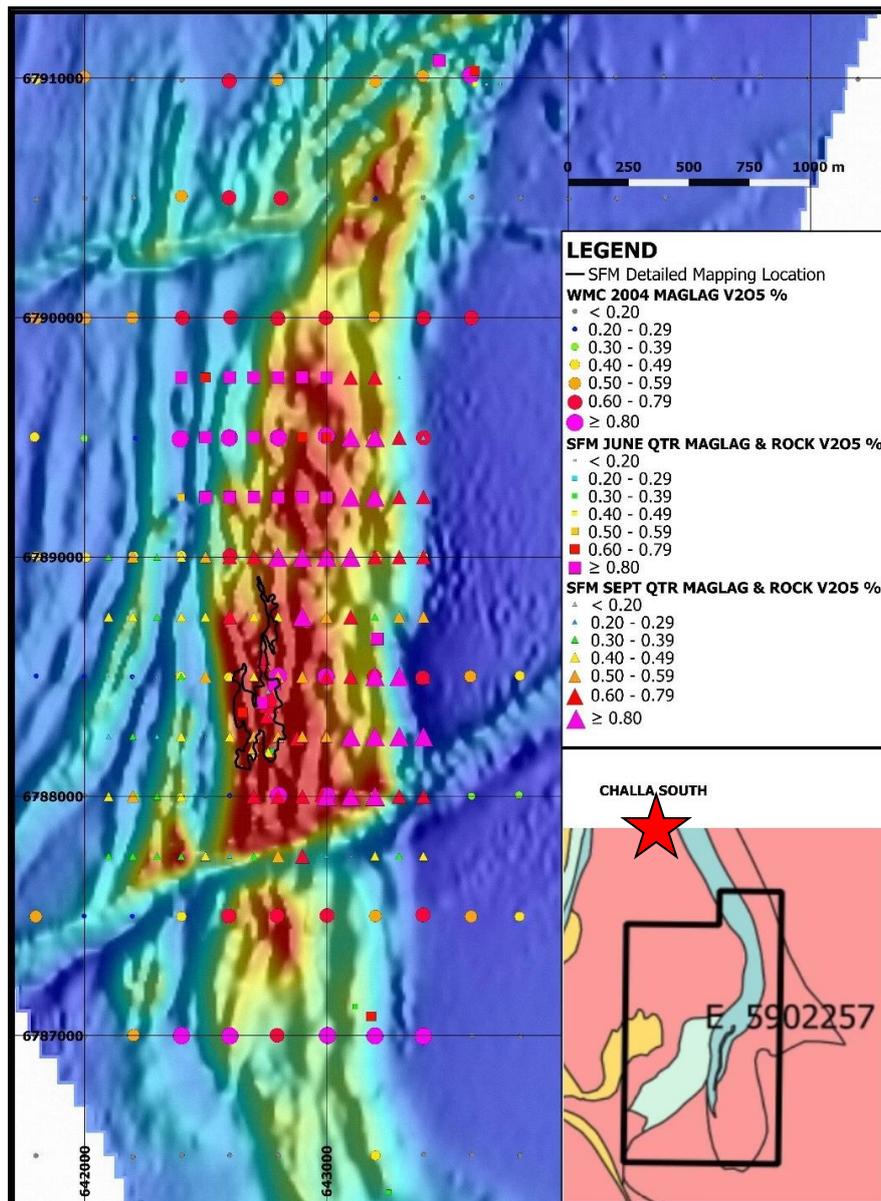


Figure 5 - V<sub>2</sub>O<sub>5</sub> MagLag and rock chip sampling assay results and location of detailed mapping location at Watson's Well Prospect.

Detailed mapping of available outcrop along the south western section of the magnetic surface anomaly confirmed multiple 0.1m to 0.5m true thickness and strike continuous magnetite layers within layered 3m to 10m thick meta-gabbro and several late-stage strike continuous pegmatite sills. The majority of the magnetic anomaly area is covered by transported alluvium and duricrust consisting of transported cover and residual magnetite scree.

Multiple outcrops across the magnetic anomaly of resistant quartz and pegmatites confirm the lateral continuity of the pegmatites. There is no continuous outcrop across the magnetic anomaly to create a complete stratigraphic profile of the magnetite rich layers; only drilling beneath the transported cover will be able to define the geology profile of the package.

The Company's geochemical data (MagLag and rock chip V<sub>2</sub>O<sub>5</sub> content) does not show a direct correlation with the magnetic intensity image. The strongest magnetic intensity is not associated with the highest V<sub>2</sub>O<sub>5</sub> assay grade and is more likely reflecting regolith dispersion of the magnetite scree by weathering and surface transport processes.

The MagLag samples completed across the magnetic anomaly display a consistent elevated >0.60% V<sub>2</sub>O<sub>5</sub> anomaly. Grade variation from insitu rock chip data collected to date for the cumulate magnetite layers vary between 1.64% and 0.31% V<sub>2</sub>O<sub>5</sub> (22 samples); meta-gabbro containing minor magnetite vary between 0.09% to 0.03% V<sub>2</sub>O<sub>5</sub> (9 samples) and meta-gabbro containing common magnetite vary between 0.69% to 0.13% V<sub>2</sub>O<sub>5</sub> (12 samples).

Based on previous field mapping, the magnetite layering is dipping at -75 degrees towards the West; if the unit is not structurally overturned, the lower magnetite units are on the eastern side of the magnetic anomaly.

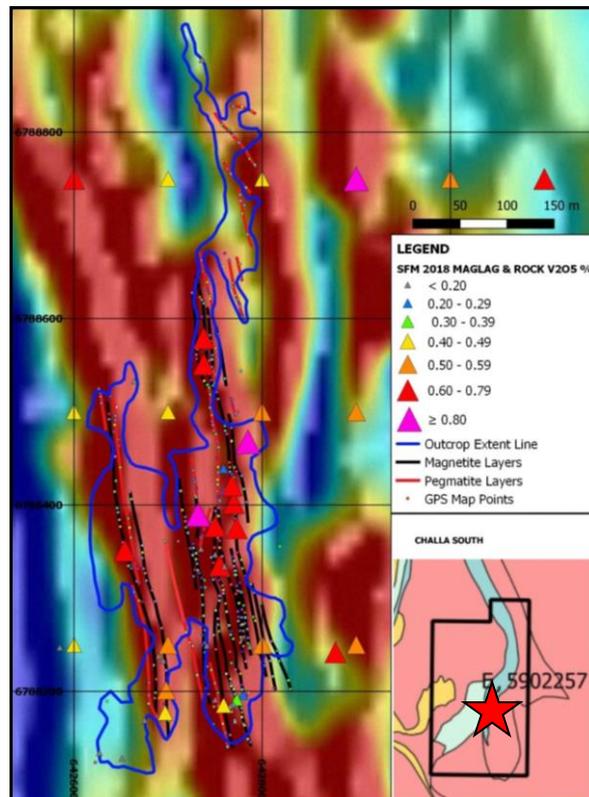


Figure 6 - V<sub>2</sub>O<sub>5</sub> MagLag and rock chip sampling assay results and detailed outcrop mapping at Watson's Well Prospect

The eastern side of the magnetic anomaly is proposed to represent the lower section of the Shephards Discordant Zone (SDZ) that contains higher V<sub>2</sub>O<sub>5</sub> weight content magnetite relative to TiO<sub>2</sub> weight content. Due to the transported cover and surface dispersion of the residual soils, the magnetic image is not reflecting the true location or intensity of the highest V<sub>2</sub>O<sub>5</sub>% grade magnetite layers. The lower zone of the SDZ on the eastern side of the magnetic anomaly has the potential of being the more prospective side; however only drill testing can confirm the interpretation and provide representative assay data.

The exposed western magnetite layers may represent the more evolved upper magnetite units with potentially lower V<sub>2</sub>O<sub>5</sub> weight content relative to TiO<sub>2</sub> weight content magnetite units of the SDZ.

The Company plans to complete a RC drilling program to determine the thickness and grade of the vanadium rich magnetite zones.

### **Financial Position and Corporate**

As at 31 March 2021, the Company had a balance of \$4,121,035 in liquid assets comprising of \$3,603,280 of cash and shares held in listed entities with a market value of \$517,755. At the date of this report, the shares held by the Company had a market value of \$789,331.

The Company continues to assess a number of opportunities in the resources sector.

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

**- ENDS -**

For further information, please contact:

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**Managing Director**  
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### **COMPLIANCE STATEMENT**

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

*All technical information in this report has previously been released to ASX, see the following announcements: 12 March, 2021 – "Aircore drilling Completed at Brian's Patch Gold Target" and 28 January 2021 – "Quarterly Activities Report for the period ended 31 December 2020". The Company is not aware of any new information or data that materially affects the information included in the above.*

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

### Tenements held at the end of the quarter

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

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

The Company did not acquire or dispose of any mining tenements nor did it enter into any farm-in or farm-out agreements during the quarter.

### Related Party Payments

During the quarter ended 31 March 2021, the Company made payments of \$60,225 to related parties and their associates. These payments relate to existing remuneration arrangements being director fees and superannuation.

## Appendix 5B

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

Name of entity

Santa Fe Minerals Limited

ABN

59 151 155 734

Quarter ended ("current quarter")

31 March 2021

<b>Consolidated statement of cash flows</b>	<b>Current quarter \$A'000</b>	<b>Year to date (9 months) \$A'000</b>
<b>1. Cash flows from operating activities</b>		
1.1 Receipts from customers	-	-
1.2 Payments for		
(a) exploration & evaluation	(67)	(161)
(b) development	-	-
(c) production	-	-
(d) staff costs	(60)	(184)
(e) administration and corporate costs	(63)	(211)
1.3 Dividends received (see note 3)	-	-
1.4 Interest received	3	18
1.5 Interest and other costs of finance paid	-	-
1.6 Income taxes paid	-	-
1.7 Government grants and tax incentives	-	43
1.8 Other (provide details if material)	-	-
<b>1.9 Net cash from / (used in) operating activities</b>	<b>(187)</b>	<b>(495)</b>
<b>2. Cash flows from investing activities</b>		
2.1 Payments to acquire or for:		
(a) entities	-	-
(b) tenements	-	-
(c) property, plant and equipment	-	-
(d) exploration & evaluation	-	-
(e) investments	-	(299)
(f) other non-current assets	-	-

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

Consolidated statement of cash flows		Current quarter \$A'000	Year to date (9 months) \$A'000
2.2	Proceeds from the disposal of:	-	-
	(a) entities	-	-
	(b) tenements	-	-
	(c) property, plant and equipment	-	-
	(d) investments	-	-
	(e) other non-current assets	-	-
2.3	Cash flows from loans to other entities	-	-
2.4	Dividends received (see note 3)	-	-
2.5	Other (provide details if material)	-	-
<b>2.6</b>	<b>Net cash from / (used in) investing activities</b>	-	<b>(299)</b>
<b>3.</b>	<b>Cash flows from financing activities</b>		
3.1	Proceeds from issues of equity securities (excluding convertible debt securities)	-	-
3.2	Proceeds from issue of convertible debt securities	-	-
3.3	Proceeds from exercise of options	-	-
3.4	Transaction costs related to issues of equity securities or convertible debt securities	-	-
3.5	Proceeds from borrowings	-	-
3.6	Repayment of borrowings	-	-
3.7	Transaction costs related to loans and borrowings	-	-
3.8	Dividends paid	-	-
3.9	Other (provide details if material)	-	-
<b>3.10</b>	<b>Net cash from / (used in) financing activities</b>	-	-
<b>4.</b>	<b>Net increase / (decrease) in cash and cash equivalents for the period</b>		
4.1	Cash and cash equivalents at beginning of period	3,790	4,397
4.2	Net cash from / (used in) operating activities (item 1.9 above)	(187)	(495)
4.3	Net cash from / (used in) investing activities (item 2.6 above)	-	(299)
4.4	Net cash from / (used in) financing activities (item 3.10 above)	-	-

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

<b>Consolidated statement of cash flows</b>		<b>Current quarter \$A'000</b>	<b>Year to date (9 months) \$A'000</b>
4.5	Effect of movement in exchange rates on cash held	-	-
<b>4.6</b>	<b>Cash and cash equivalents at end of period</b>	<b>3,603</b>	<b>3,603</b>

<b>5.</b>	<b>Reconciliation of cash and cash equivalents</b> at the end of the quarter (as shown in the consolidated statement of cash flows) to the related items in the accounts	<b>Current quarter \$A'000</b>	<b>Previous quarter \$A'000</b>
5.1	Bank balances	59	146
5.2	Call deposits	3,544	3,644
5.3	Bank overdrafts	-	-
5.4	Other (provide details)	-	-
<b>5.5</b>	<b>Cash and cash equivalents at end of quarter (should equal item 4.6 above)</b>	<b>3,603</b>	<b>3,790</b>

<b>6.</b>	<b>Payments to related parties of the entity and their associates</b>	<b>Current quarter \$A'000</b>
6.1	Aggregate amount of payments to related parties and their associates included in item 1	60
6.2	Aggregate amount of payments to related parties and their associates included in item 2	-
<i>Note: if any amounts are shown in items 6.1 or 6.2, your quarterly activity report must include a description of, and an explanation for, such payments.</i>		

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

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

<b>8. Estimated cash available for future operating activities</b>	<b>\$A'000</b>
8.1 Net cash from / (used in) operating activities (item 1.9)	(187)
8.2 (Payments for exploration & evaluation classified as investing activities) (item 2.1(d))	-
8.3 Total relevant outgoings (item 8.1 + item 8.2)	(187)
8.4 Cash and cash equivalents at quarter end (item 4.6)	3,603
8.5 Unused finance facilities available at quarter end (item 7.5)	-
8.6 Total available funding (item 8.4 + item 8.5)	3,603
8.7 <b>Estimated quarters of funding available (item 8.6 divided by item 8.3)</b>	<b>19.27</b>
<i>Note: if the entity has reported positive relevant outgoings (ie a net cash inflow) in item 8.3, answer item 8.7 as "N/A". Otherwise, a figure for the estimated quarters of funding available must be included in item 8.7.</i>	
8.8 If item 8.7 is less than 2 quarters, please provide answers to the following questions:	
8.8.1 Does the entity expect that it will continue to have the current level of net operating cash flows for the time being and, if not, why not?	
Answer: Not applicable.	
8.8.2 Has the entity taken any steps, or does it propose to take any steps, to raise further cash to fund its operations and, if so, what are those steps and how likely does it believe that they will be successful?	
Answer: Not applicable.	

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

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

Answer: Not applicable.

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

## Compliance statement

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

Date: 27 April 2021

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

## Notes

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