

SANTANA

MINERALS LIMITED



ANNUAL
REPORT

2022

Content

CHAIRMAN'S LETTER	- 1 -
MANAGEMENT REVIEW – OPERATIONS	- 2 -
MINING TENEMENT SCHEDULE	- 18 -
CORPORATE GOVERNANCE STATEMENT	- 19 -
DIRECTORS' REPORT	- 27 -
LEAD AUDITOR'S INDEPENDENCE DECLARATION	- 39 -
CONSOLIDATED STATEMENT OF PROFIT AND LOSS	- 40 -
CONSOLIDATED STATEMENT OF OTHER COMPREHENSIVE INCOME	- 41 -
CONSOLIDATED STATEMENT OF FINANCIAL POSITION	- 42 -
CONSOLIDATED STATEMENT OF CHANGES IN EQUITY	- 43 -
CONSOLIDATED STATEMENT OF CASH FLOWS	- 44 -
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS	- 45 -
DIRECTORS' DECLARATION	- 70 -
INDEPENDENT AUDITOR'S REPORT	- 71 -
ADDITIONAL INFORMATION	- 76 -
SHAREHOLDING INFORMATION	- 77 -
CORPORATE DIRECTORY	- 78 -

Chairman's Letter

Dear Shareholders

It is with great satisfaction that I reflect on the progress our Company has made over the last 12 months. When we acquired the Bendigo-Ophir project from Matakanui Gold in November 2020 we were hopeful of building on the modest 252k ounce resource we inherited, and with the Project sitting in the historically fertile Otago gold fields, and some 90km north-west of the renowned Macraes Gold Mine, we had every reason to be optimistic about our exploration endeavours. Very pleasingly our drilling to date has more than exceeded our expectations with the Project now boasting a Mineral Resource Estimate (MRE) in excess of 2 million ounces with the potential to expand this further. To date much of the resource extension has come from following a series of north-easterly plunging shoots which at Rise and Shine (RAS) now extends over 1500 metres and remains open at depth.

This MRE represents a 6-fold increase in RAS inferred resources (to 1.7Moz) and 3-fold increase in overall global Rise and Shine Shear Zone (RSSZ) resources (to 2.1Moz). Importantly, all four Rise and Shine Shear Zone (RSSZ) Deposits remain open down plunge with our forward objectives being to add ounces and raise resource classification with continued drilling at known deposits and other prospects along the 30-kilometre Bendigo-Ophir mineralised trend. With the Company having recently completed a \$9.375 million capital raising we are now well funded to more aggressively drill these multiple targets along the RSSZ and rapidly build our resource inventory.

Once again, on behalf of the entire Board I would like to thank our New Zealand-based operations team for their ongoing commitment and dedication to the Project. The additional 1.8m ounces that have been added to the Company's resource base since acquiring the Project have been delivered at a discovery cost of approximately A\$3 per ounce.

As always, I would like to finish by thanking you, our shareholders, for your continuing support. It is your financial support and belief in our operations and management team that underpins our success, and we look forward to sharing with you further successes as we ready ourselves for another exciting next 12 months establishing Bendigo-Ophir as a world class gold province.

Sincerely



Norman Seckold

Management Review – Operations

Review of Operations

During the reporting period under review exploration activities were focused on the advancement of the Company's 100% owned Bendigo-Ophir Project ("the Project") in Central Otago, New Zealand (Figures 1 & 2). The Project covers 292km² kilometres and is located 90 kilometres northwest of the Oceana Gold world-class Macraes Gold Mine where previous production and current Mineral Resources total 10 million ounces of gold.

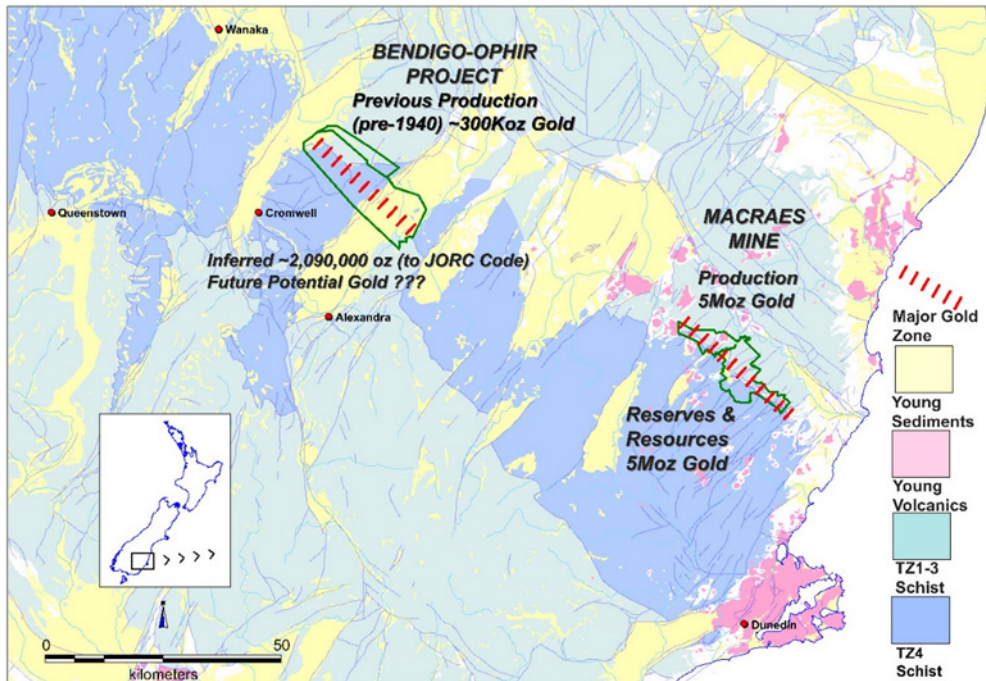


Figure 1: The Bendigo-Ophir Gold Project in the Otago Goldfields New Zealand



Figure 2: Bendigo-Ophir Gold Project, Rise and Shine Valley, Otago, New Zealand

The Company's exploration activities were centred around expanding the Project's prior 252,000-ounce JORC 2012 compliant inferred mineral resource defined in 2019 (2019 MRE) inherited upon the acquisition of Matakanui Gold Limited (MGL) in November 2020.

A total of 15,225 metres was drilled in 56 Diamond (DD) Drillholes during the year and metallurgical gravity-leach testwork was advanced.

Drilling activities across the period were highly successful, resulting in an upwardly revised Mineral Resource Estimate (MRE) in September 2021 followed by another materially increased MRE in July 2022.

The September 2021 inferred resource (to JORC Code 2012) contained 643,000 ounces of gold (uncut, minimum 0.25 g/t gold) at Come-in-Time (CIT), Rise and Shine (RAS), Shreks (SHR) and Shreks-East (SRE) deposits, based on drill assay results to June 2021.

Following this 2021 resource upgrade, drilling continued to be focused on the RAS deposit and its northward extension with substantial increases in the grade and tenor of mineralization becoming evident. These drilling activities at RAS systematically followed a north-easterly extension down plunge to deliver (post year-end in July 2022) a new 2-million-ounce global inferred resource across the four deposits (2022 MRE), representing a material upgrade to the Project's previous 643Koz September 2021 MRE.

2022 Mineral Resource Estimate (MRE)

Highlights of the updated 2022 MRE (Tables 1 & 2) are presented below.

- Drilling at RAS substantially increased Bendigo-Ophir Project Global Inferred Resources more than 3-fold over the September 2021 MRE at equivalent cut-off and top-cut grades.
- Global Resources now exceed 2 million ounces at a cut-off grade of 0.25 g/t gold

Table 1: Global Mineral Resource Estimate (MRE) July 2022)

RSSZ Global Mineral Resource by lower cutoff (top-cut)					
Deposit	cutoff (Au g/t)	category	tonnes (Mt)	Au grade (g/t)	ounces (koz)
GRAND TOTAL	1.5	Inferred	11.9	3.5	1,320
	0.5		33.4	1.8	1,920
	0.25		46.7	1.4	2,090

- 85 percent of the global gold resource is within the RAS deposit including higher grade resources of 10.6Mt containing 1.2 million ounces at an average grade of 3.6 g/t using a 1.5 g/t cut-off.

Table 2: RAS Mineral Resource Estimate (MRE) July 2022 (by lower cut-off)

RAS Mineral Resource by lower cutoff (top-cut)					
Deposit	cutoff (Au g/t)	category	tonnes (Mt)	Au grade (g/t)	ounces (koz)
RAS	1.5	Inferred	10.6	3.6	1,230
	0.5		27.2	1.9	1,680
	0.25		33.1	1.7	1,760

- The RAS deposit now extends over 1,500 metres down plunge and remains open at depth.
- All four Rise and Shine Shear Zone (RSSZ) Deposits remain open down plunge and forward objectives are to add ounces and raise resource classification with continued drilling at known deposits and other prospects along the 30-kilometre Bendigo-Ophir mineralised trend.
- The 1.8-million-ounce increase in inferred resources since acquiring the Bendigo-Ophir Project in late 2020 has been delivered at a discovery cost of approximately A\$3 per ounce.¹

The post year end July 2022 MRE update represents a 6-fold increase in RAS inferred resources (to 1.7Moz) and 3-fold increase in overall global Rise and Shine Shear Zone (RSSZ) resources (to 2.1Moz).

The four 2022 MRE deposits occur along the RSSZ over a strike length of 4 kilometres (Figure 1 and Table 4). The RSSZ is a major regional structure defined by geology, geochemistry, and geophysics over 7 kilometres of strike within the overall 30-kilometre NW-SE length of the Bendigo-Ophir Project.

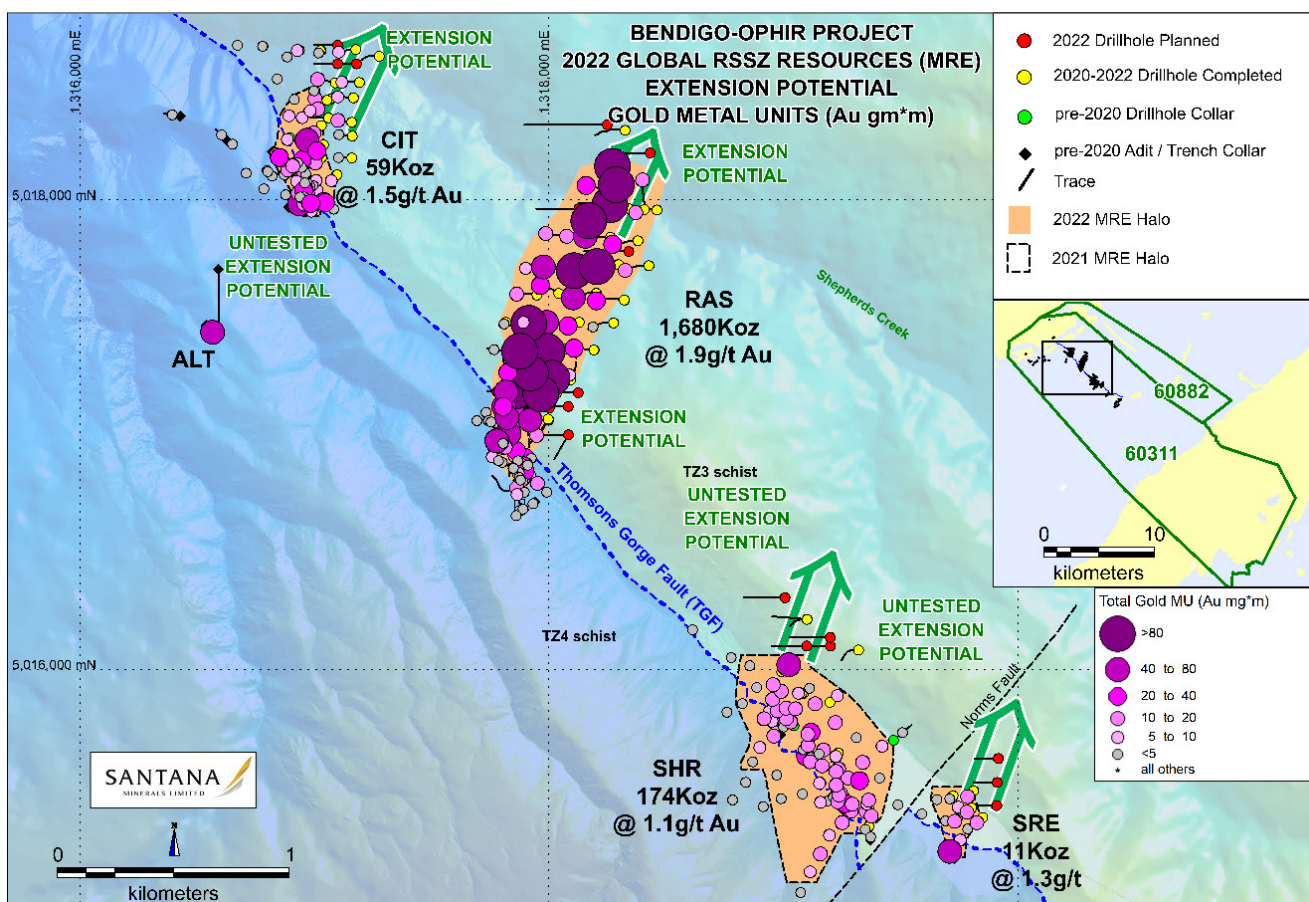


Figure 1 RSSZ 2022 MRE (top-cut, 0.50g/t Au lower cut-off) and drillhole gold (MU)

There has been no drilling between any of the deposits where RSSZ outcrop is concealed by colluvium and glacial loess, rendering soil geochemistry ineffective.

Within the RSSZ, mineralisation is concentrated in the strongly silicified and sheared top 10-20 metres. Higher-grade mineralisation lower in the RSSZ is within both silicified shear zones and stockwork vein swarms. The controls on shoot mineralisation geometry are as yet unclear.

¹ Based on New Zealand exploration costs from acquisition to 31 May 2022.

The MRE database includes 25,438 metres of drill data (Table 3) from 1986 which includes 17,300 metres of diamond and RC drilling that Santana has completed to May 2022 since acquiring the Bendigo-Ophir Project in November 2020. The focus since mid-2021 has been drilling the northerly down-plunge extensions of RAS.

Table 3: Summary of RSSZ Drilling available for new July 2022 MRE.

DH Campaign	Company	RAB Metres	RAB Holes	RC Metres	RC Holes	DD Metres	DD Holes	Total Metres	% Total
2022 (to May)	Santana/MGL					8,400	30	8,400	33
2020-2021	Santana/MGL			3,417	33	5,479	25	8,896	35
2018-2019	MGL			3,641	64			3,641	14
1986-2007	Legacy	315	21	4,186	48			4,501	18
TOTAL		315	21	11,244	145	13,879	55	25,438	100

* RAB holes were omitted from use in the 2022 RAS resource estimate.

The 2022 global MRE (Table 4) compiled by independent resource estimation consultant GeoModelling Limited (GML) Petone New Zealand is based on assays from RAS drillholes completed to May 2022 and includes mineral resources at the CIT, SHR and SRE deposits which remain unchanged from those reported by Wildfire Resources Pty Limited (WRPL), Perth, Western Australia to the ASX in an announcement on 28 September 2021.

Table 4: RSSZ Global MRE July 2022 by Deposits

RSSZ Global Mineral Resource by lower cutoff (top-cut)					
Deposit	cutoff (Au g/t)	category	tonnes (Mt)	Au grade (g/t)	ounces (koz)
RAS	1.5	Inferred	10.6	3.6	1,230
	0.5		27.2	1.9	1,680
	0.25		33.1	1.7	1,760
CIT	1.5	Inferred	0.5	2.4	36
	0.5		1.2	1.5	59
	0.25		3.2	0.8	81
SHR	1.5	Inferred	0.8	2.0	52
	0.5		4.7	1.1	174
	0.25		9.7	0.7	230
SRE	1.5	Inferred	0.0	2.1	2
	0.5		0.3	1.3	11
	0.25		0.7	0.7	15
*(RAS 2022 MRE), (CIT, SHR, SRE 2021 MRE)					
GRAND TOTAL	1.5	Inferred	11.9	3.5	1,320
	0.5		33.4	1.8	1,920
	0.25		46.7	1.4	2,090

(* figures rounded for reporting)

There is confidence in the continuity of Resources in each deposit, where mineralisation occurs in elongate northward plunging shoots up to 350 metres wide (RAS). The surface footprint at RAS is small compared to the other deposits, particularly SHR. Resources at SHR occur over a greater strike length but with no drilling at depth the down-plunge geometry of the mineralisation is still to be resolved.

The global 2022 MRE has been classified as “Inferred” by GML (and WRPL in 2021) due to grade estimation confidence being limited by irregularly, or widely spaced (>100*120 metre) drilling and high-grade variability (nugget effect). In addition, for the CIT, SHR and SRE 2021 MRE, trench and channel samples were used to fill data gaps in outcrop areas of oxide mineralisation which form 1.9% of the total Resource (Table 7). Trench and channel sample data has not been used in the RAS 2022 MRE update.

The new July 2022 RAS inferred resource (Figure 2, Table 5) was estimated by GML with top-cuts (to restrict the influence of higher grades) and reported at 0.25, 0.50 and 1.5 g/t Au lower cut-off grades constrained to within an indicative pit shell optimised using gravity-leach economics and recoveries established from laboratory scale metallurgical testwork.

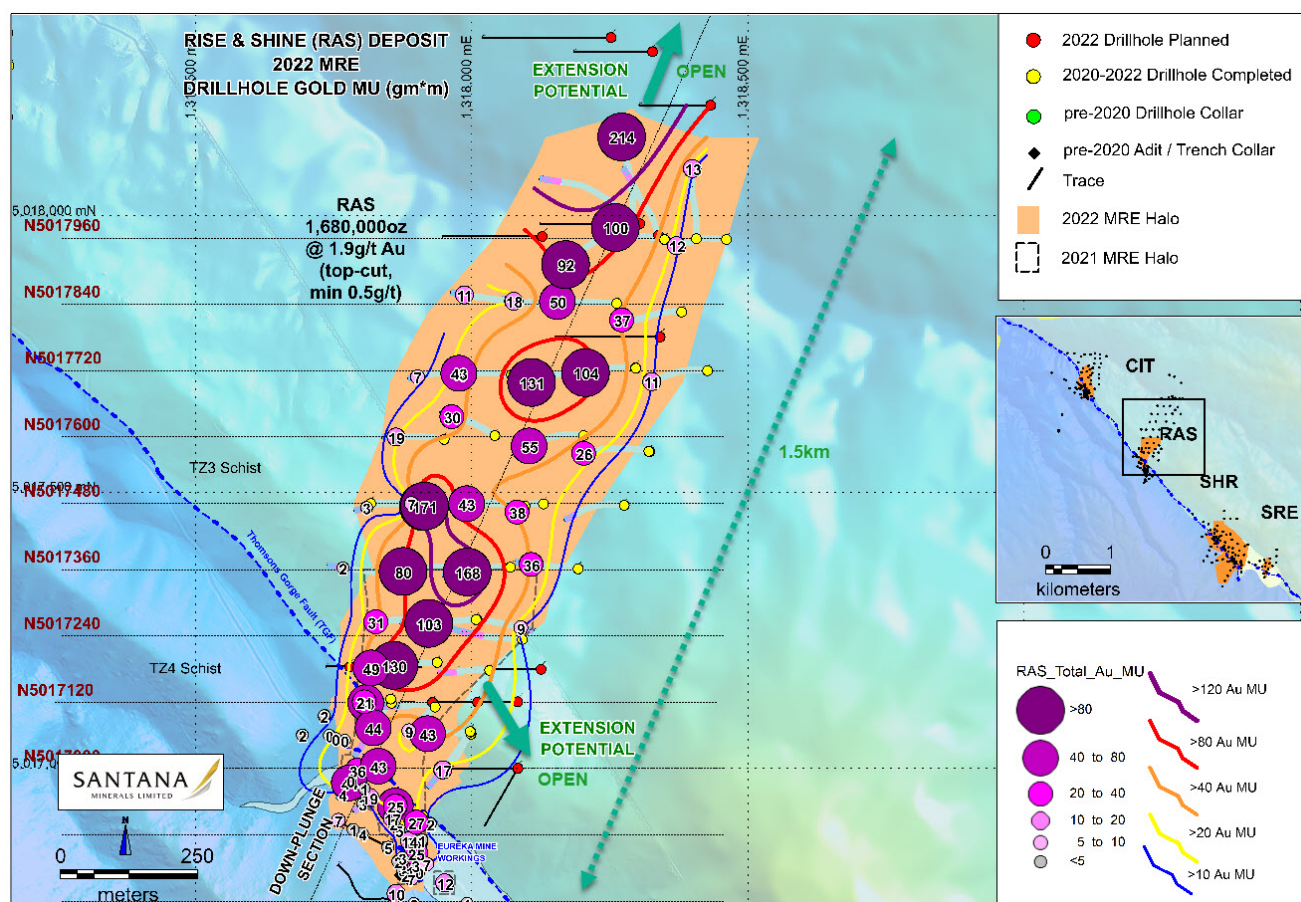


Figure 2 RAS 2022 MRE (top-cut, 0.50g/t Au lower cut-off) and drillhole gold (MU)

Table 5: Rise and Shine (RAS) Deposit July 2022 MRE Summary

RAS Mineral Resource by lower cutoff (top-cut)					
Deposit	cutoff (Au g/t)	category	tonnes (Mt)	Au grade (g/t)	ounces (koz)
RAS	1.5	Inferred	10.6	3.6	1,230
	0.5		27.2	1.9	1,680
	0.25		33.1	1.7	1,760

(* figures rounded for reporting)

The new 1,680Moz inferred RAS 2022 MRE (0.5g/t Au lower cut-off, top cut applied) is a 6-fold increase in contained gold over the RAS 2021 MRE (ASX announcement on 28 September 2021).

Santana drilling, that commenced in late 2020, has expanded the RAS resources dramatically from the 8Koz inferred resource at the time of acquisition of the Bendigo Ophir project (Figure 3) for an overall global 1.8Moz increase in resources, delivered at a discovery cost of approximately A\$3/oz.²

² Based on New Zealand exploration costs from acquisition to 31 May 2022.

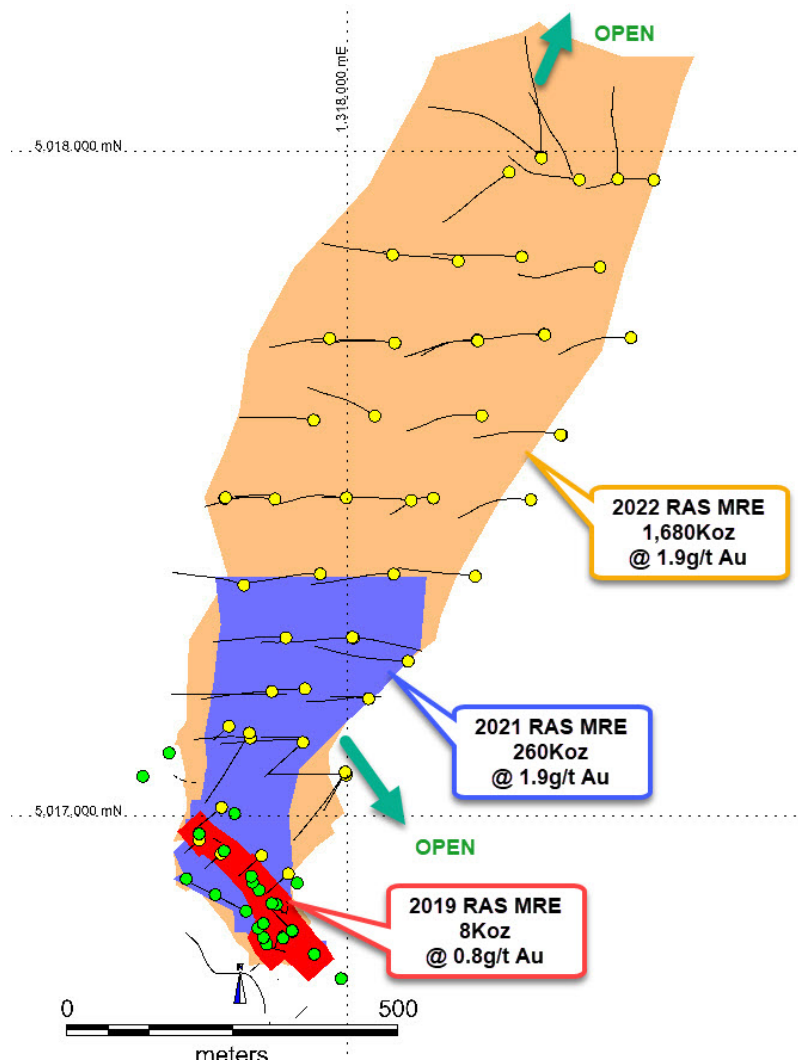


Figure 3 RAS MRE Evolution 2019-2022 (top-cut, 0.50g/t Au lower cut-off)

Significantly, a high-grade gold component has emerged at RAS with 73% (1,230Koz) of the total 1,680Koz RAS 2022 MRE averaging 3.6 g/t Au, (at 1.5 g/t Au lower cut-off, Tables 4 & 5).

The RAS MRE has been modelled as 6 stacked low-angle (~23° dip) tabular domains which have an average aggregate thickness of 51 metres (Table 6, Figures 4 & 5).

Table 6: Rise and Shine (RAS) Deposit July 2022 MRE Domains

RAS Mineral Resource by domain (lower 0.50 g/t cutoff)						
domain	cutoff (Au g/t)	category	avg thickness (m)	tonnes (Mt)	Au grade (g/t)	ounces (koz)
1	≥0.5	Inferred	14	13.7	2.7	1,190
2			11	9.7	1.2	370
3			8	2.0	0.8	50
4			6	1.3	1.4	62
5			6	0.3	1.3	13
6			6	0.2	0.6	3
Total	≥0.5	Inferred	51	27.2	1.9	1,680

(* figures rounded for reporting)

The upper most continuous domain with 1,190Koz of gold (domain 1, Table 6) extends ~1.5km NNE (018°T) down-plunge (Figures 2, 3, 4 & 5) and coincides with the hanging wall shear (HWS), a geological unit within the RSSZ lying immediately below similarly inclined regional Thomson Gorge Fault (TGF).

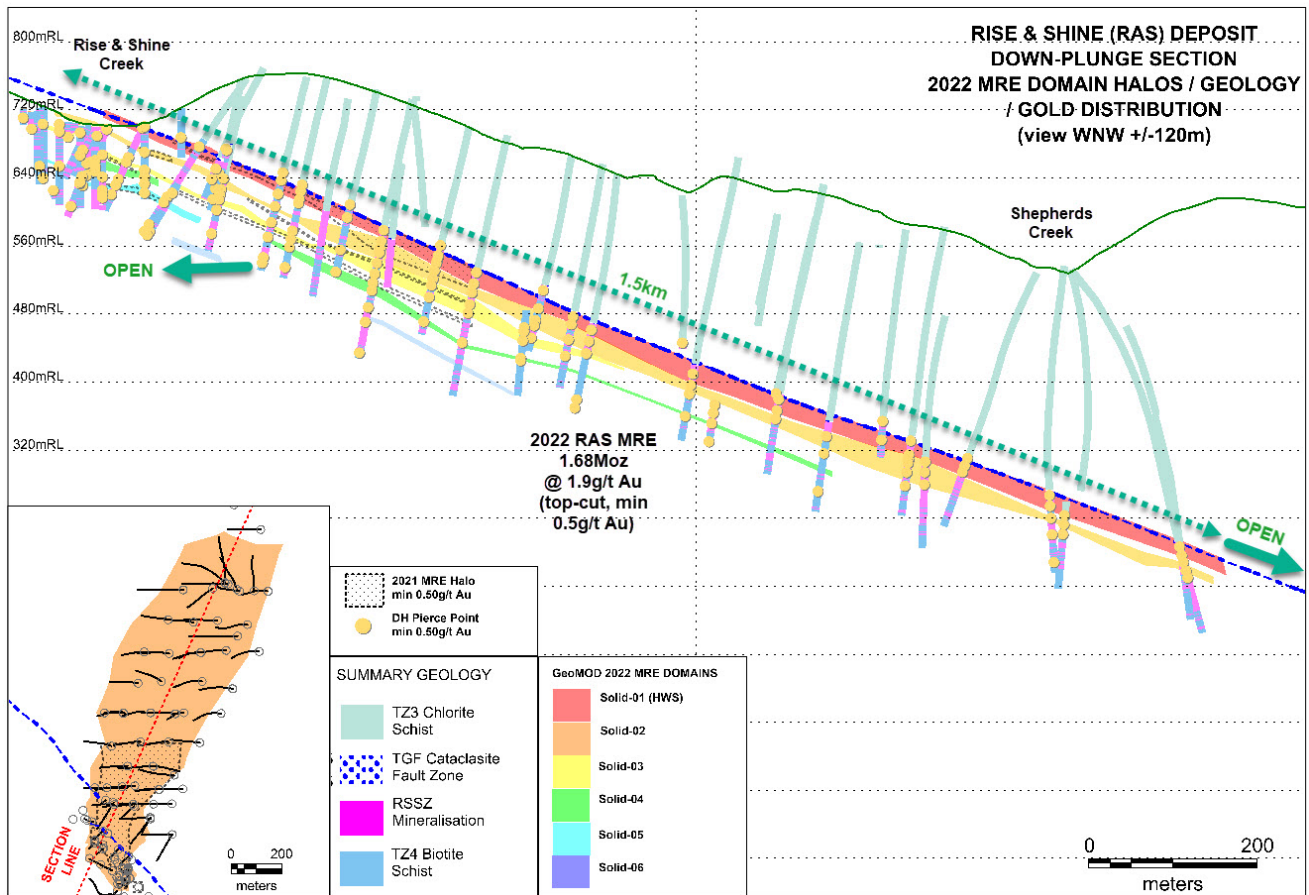


Figure 4 RAS Deposit Down-Plunge Section 2022 MRE Domain Halos (view WNW).

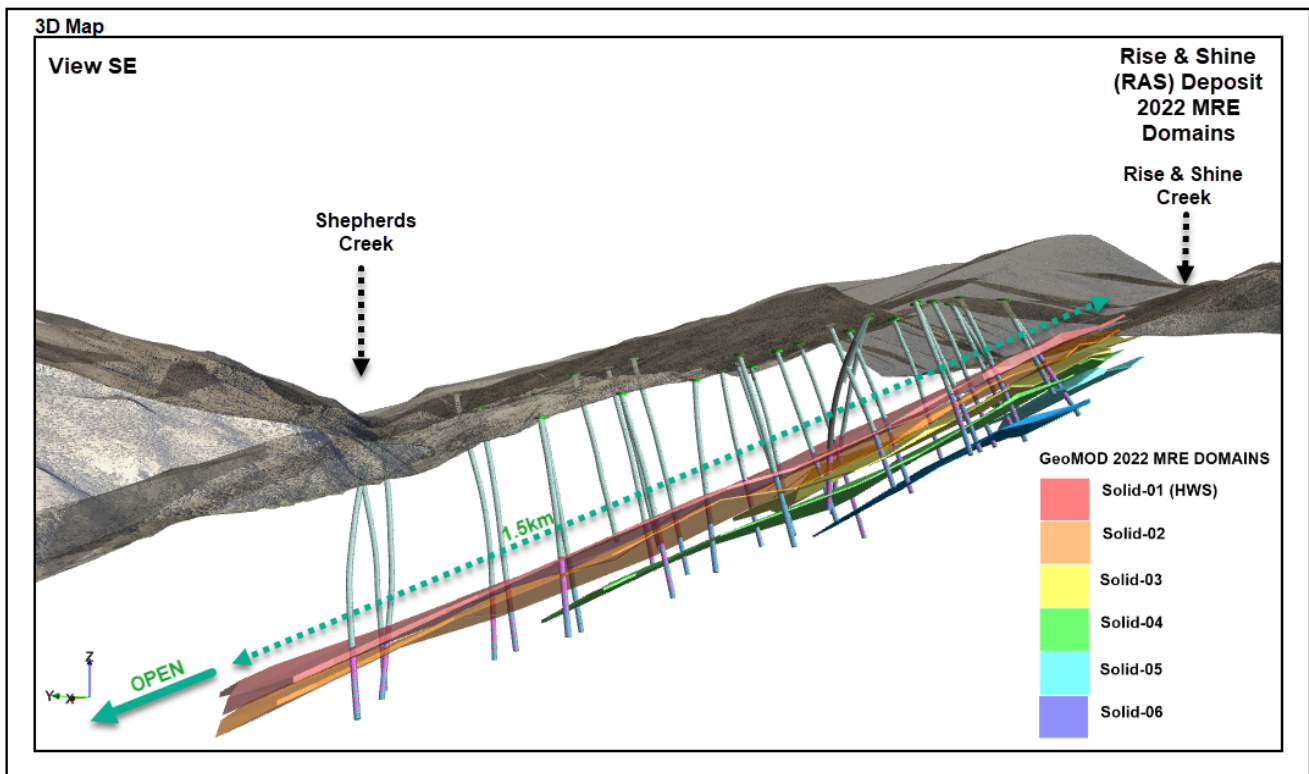


Figure 5 RAS Down-plunge Domains & Resource Extension Potential (3D view SE)

Most of the Global MRE (97%) contains gold associated with fresh sulphide mineralisation due to the increased component of down-plunge resources at RAS where the oxide resource is only 0.1% (Table 7). CIT and SHR Deposits have the highest oxide components, 16.8% and 10.8% respectively where down-plunge resources presently being explored have not been re-estimated. All Inferred Resources are above 460 metres vertical depth from the natural surface and daylight south of Thomson Gorge Fault (Figure 1).

Table 7: July 2022 MRE Summary by Oxidation State (0.50g/t Au lower cut-off grade)

Global RSSZ Mineral Resource by Oxidation (top-cut, min 0.25 g/t cutoff)							
Deposit	OX zone	cutoff (Au g/t)	category	tonnes (Mt)	Au grade (g/t)	ounces (koz)	ounces (%)
RAS	Oxide	0.25	Inferred	0.1	0.6	1	0.1%
	Transition			0.1	0.6	2	0.1%
	Fresh			33.0	1.7	1,754	99.8%
CIT	Oxide	0.25	Inferred	0.4	1.0	14	16.8%
	Transition			0.6	0.7	7	8.5%
	Fresh			2.5	0.8	61	74.8%
SHR	Oxide	0.25	Inferred	1.1	0.7	25	10.8%
	Transition			0.7	0.7	15	6.6%
	Fresh			7.9	0.7	190	82.6%
SRE	Oxide	0.25	Inferred	0.0	0.3	0	0.7%
	Transition			0.0	0.3	0	0.0%
	Fresh			0.7	0.7	15	99.3%
*(RAS 2022 MRE), (CIT, SHR, SRE 2021 MRE)							
Total	Oxide	0.25	Inferred	1.6	0.8	40	1.9%
	Transition			1.4	0.6	25	1.2%
	Fresh			44.0	1.4	2,020	97.1%

(* figures rounded for reporting)

RAS Tonnages (Tables 2, 3, 5, 6 & 7, Figure 6) are assigned on a dry basis from density measurements of drill core for fresh and transition rock and surface rock samples for oxide rock.

Oxide rock	2.30g/cm ³	Transitional rock	2.65g/cm ³	Fresh rock	2.70g/cm ³
------------	-----------------------	-------------------	-----------------------	------------	-----------------------

Tonnages and density measurements for CIT, SHR and SHR deposits used for the 2021 MRE are unchanged from those previously reported.

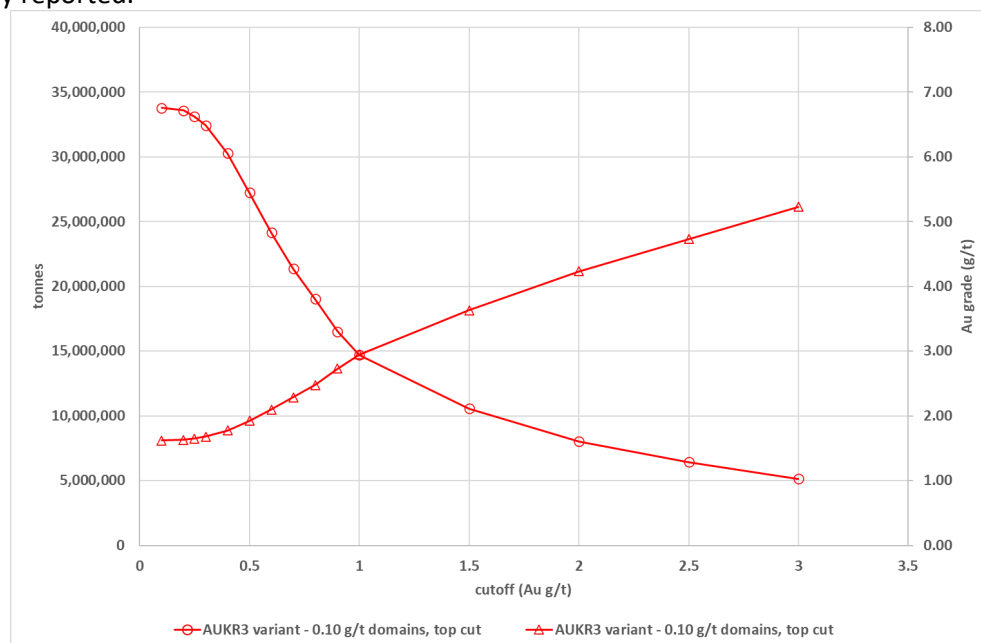


Figure 6 RAS Inferred Resource (top-cut) Grade Tonnage Curve

RSSZ Deposits and Resource Geometry

CIT deposit daylights at the north-westernmost outcrop of the RSSZ around a shallow pit mined in the 1930's and has a strike length of 400 metres. The 2021 CIT MRE extends 500 metres down-plunge (ASX announcement on 28 September 2021) and has been drilled a further 200 metres down plunge where assays are pending (ASX announcement on 2 June 2022). The NNE-trending shoot is at least 150 metres wide but has not been closed off to the north or east (Figure 1). 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.

RAS deposit is located 1.4 kilometres south-east of CIT and outcrops in the south where the Rise and Shine valley narrows, with a strike length of 300 metres (Figures 1 & 2). Mineralisation plunges NNE in a shoot up to 350 metres wide in stacked zones over a vertical interval of 80 metres. The shoot extends at least 1,500 metres down plunge and remains open with strong grades to the north. Overlying barren waste rock (TZ3 schist) extends to 405 metres vertical depth at the northern end of the MRE where topography climbs north of Shepherds Creek (Figures 4, 5). Drilling is ongoing.

SHR deposit is 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 1). 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. Drilling to the north has commenced.

SRE deposit was newly defined in 2021, 350 metres east of SHR, after first identified in 2019 as faulted off from the main SHR mineralisation (Figure 1). 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.

Material Results received after 2022 MRE Update and Year End

After the 2022 MRE update and year end, significant assay results from four RAS drillholes were received that have positive implications for future resource growth.

This quartet of drillholes are in the SE sector of RAS (Figure 7) and have broad aggregate gold intercepts (Table 8) with multiple bonanza grades (>10g/t Au).

- **MDD051 with 49.9m @ 6.4 g/t Au from 152.1m** at 0.5 g/t Au lower cut-off grade in 4 zones including:
 - **30.9m @ 9.0 g/t Au from 152.1m**
 - **9.0m @ 3.2 g/t Au from 184m**
 - **3.0m @ 2.6 g/t Au from 206m**
 - **7.0m @ 0.6 g/t Au from 238m** including:
 - **20m @ 11.8g/t Au (1.5g/t lower cut-off) from 161m with seven individual 1-metre grades of 10.4, 12.9, 13.6, 13.9, 36.1, 63.0, 65.7 g/t Au**
- **MDD054 "jewellery box" with 43.3m @ 11.2 g/t Au from 165.8m** at 100g/t Au top-cut, 0.5 g/t Au lower cut-off grade in 3 zones including:
 - **29.3m @ 13.8 g/t Au from 165.8m**
 - **8.0m @ 5.2 g/t Au from 200m**
 - **6.0m @ 6.7 g/t Au from 216m** including:
 - **20.3m @ 18.3 g/t Au from 165.8m at a 1.5 g/t Au cut-off) from 165.8m with nine 1 metre grades of 14.7, 14.5, 1,400, 127, 65.5, 14.8, 11.4, 22.6 and 38.1 g/t Au**

- **MDD061 with 33.1m @ 4.1 g/t Au from 150.9m** at 0.5 g/t Au lower cut-off grade in 5 zones including
 - **17.1m @ 5.8 g/t Au from 150.9m**
 - **6.0m @ 0.8 g/t Au from 170m**
 - **2.0m @ 1.0 g/t Au from 178m**
 - **3.0m @ 3.9 g/t Au from 193m**
 - **5.0m @ 3.6 g/t Au from 228m with two 1-metre grades of 79.3 g/t from 179m and 10.9 g/t from 228m)**
- **MDD064 with 20.0m @ 5.0 g/t Au from 176.0m** at 0.5 g/t Au lower cut-off grade including:
 - **11.0m @ 4.4 g/t Au from 176m**
 - **9.0m @ 5.7 g/t Au from 189m with three 1-metre grades of 21.6 g/t from 179m, 23.1 g/t from 189m and 15.1 g/t from 190m)**

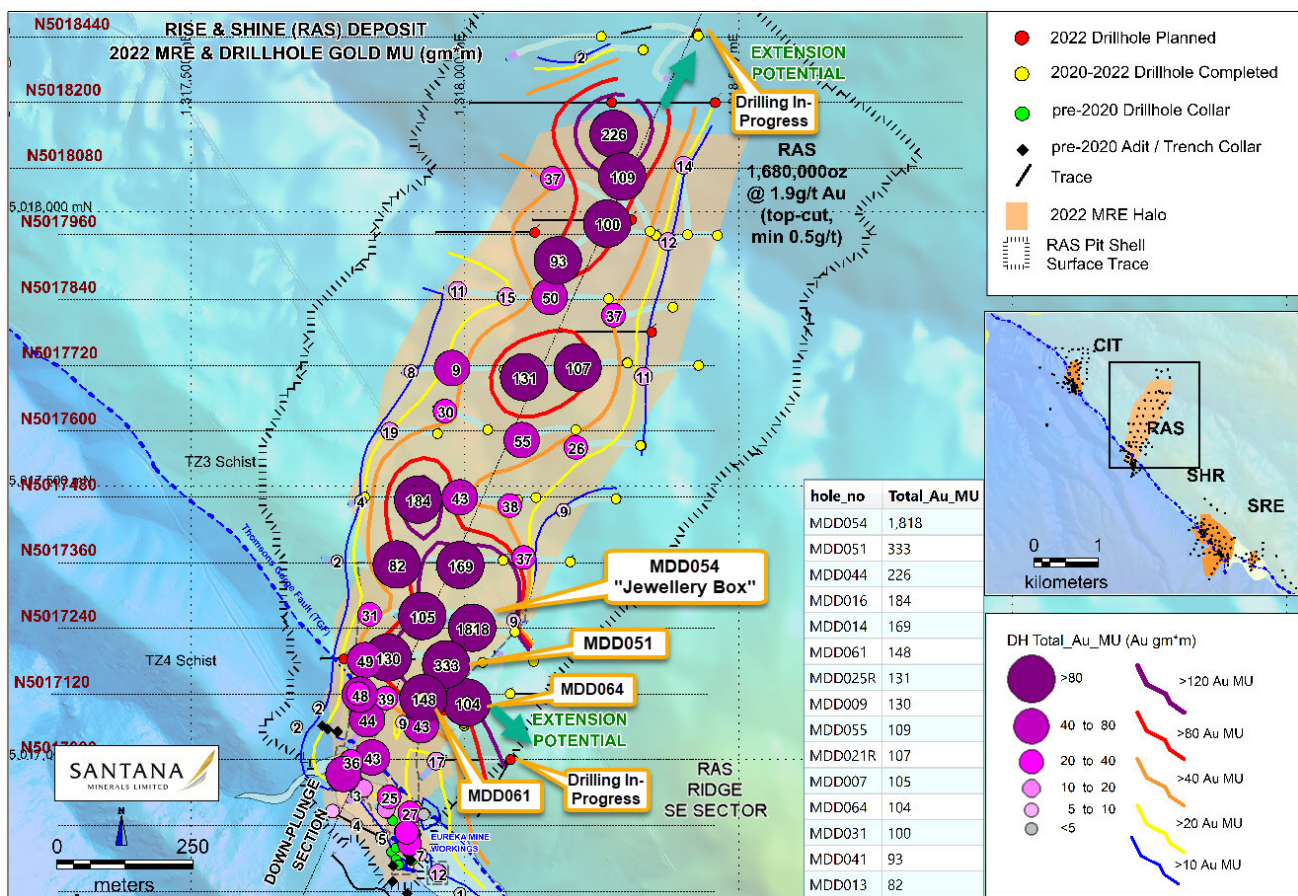


Figure 7 RAS Resource Extension Drilling - New Results / Gold Distribution

Drillhole MDD054 was deservedly titled "jewellery box" when significant coarse visible gold (VG) was logged (Figure 8) and the associated 1,400 g/t Au grade and overall total hole 1,818 MU (Au grams* metres, Figure 7) are the highest from the project area to date.



Figure 8 RAS Drillhole MDD054 coarse visible gold (VG) @ 180 m

The quartet of post 2022 MRE drillholes lie towards the inferred eastern margin of the RAS shoot within a zone of higher-grade mineralisation defined by the 80 m.mg/t (MU) isopach that trends NNW across the axis of the shoot (Figure 7). The zone, combined with clustering of higher-grade holes down plunge, suggests potential for an en-echelon series of high-grade zones separated by lower grade zones going down the axis of the RAS shoot. This has significant implications for drilling down plunge at Shreks and other exploration targets.

Highest-grade mineralisation occurs in the uppermost 20 metres (Table 8, Figure 9) within the hanging wall zone (HWS) of the RSSZ associated with flood silica and laminated arsenopyrite fill veinlets.

Significantly greater widths and grade of mineralisation are reported in these four drillholes than resource modelling in the MRE 2022 would imply which suggests potential upside in future resource estimates within the MRE 2022 resource envelope (E-W cross-sections Figures 10, 11 & 12) with mineralisation open to the east at cross-section northings N5017120 and N5017180.

Table 8: RAS Drillholes MDD061 & MDD064 – Composite Intercepts

Deposit	EW Section	Drillhole	From (m)	Drill intercept (m)	Average Gold Grade (g/t) (min 0.50 g/t Au)	Comments
RAS	N5017180	MDD051	152.1	30.9	9.04	
			184.0	9.0	3.18	
			206.0	3.0	2.60	
			238.0	7.0	0.63	
			Aggregate	49.9	0.36	(over 92.9m)
	N5017240	MDD054	165.8	29.3	13.80	Two FAA505 >100 g/t Au over limit assays were re-assayed by FAD52V method for 1,400g/t Au and FAD505 method for 127g/t Au. A 100g/t Au top-cut is used in the composite grade calculation
			200.0	8.0	5.24	
			216.0	6.0	6.72	
			Aggregate	43.3	2.29	(over 56.2m)
	N5017120	MDD061	150.9	17.1	5.85	
			170.0	6.0	0.76	
			178.0	2.0	1.03	
			193.0	3.0	3.92	
			228.0	5.0	3.55	
			Aggregate	33.1	4.11	(over 82.1m), partial, 66.6m pending
		MDD064	176.0	11.0	4.35	
			189.0	9.0	5.72	
			Aggregate	20.0	4.97	(over 22.0m), partial, 67.6m pending

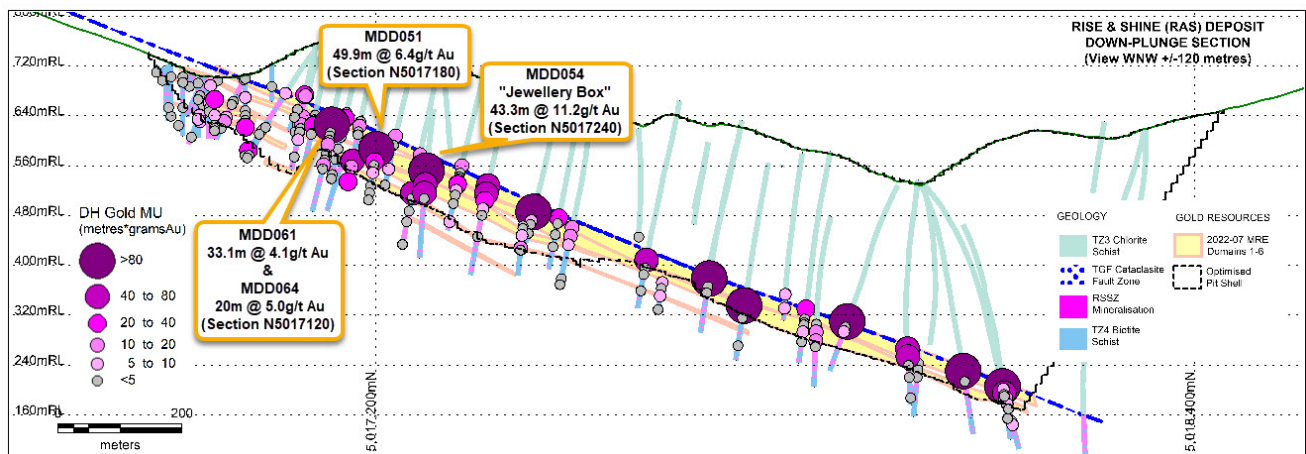
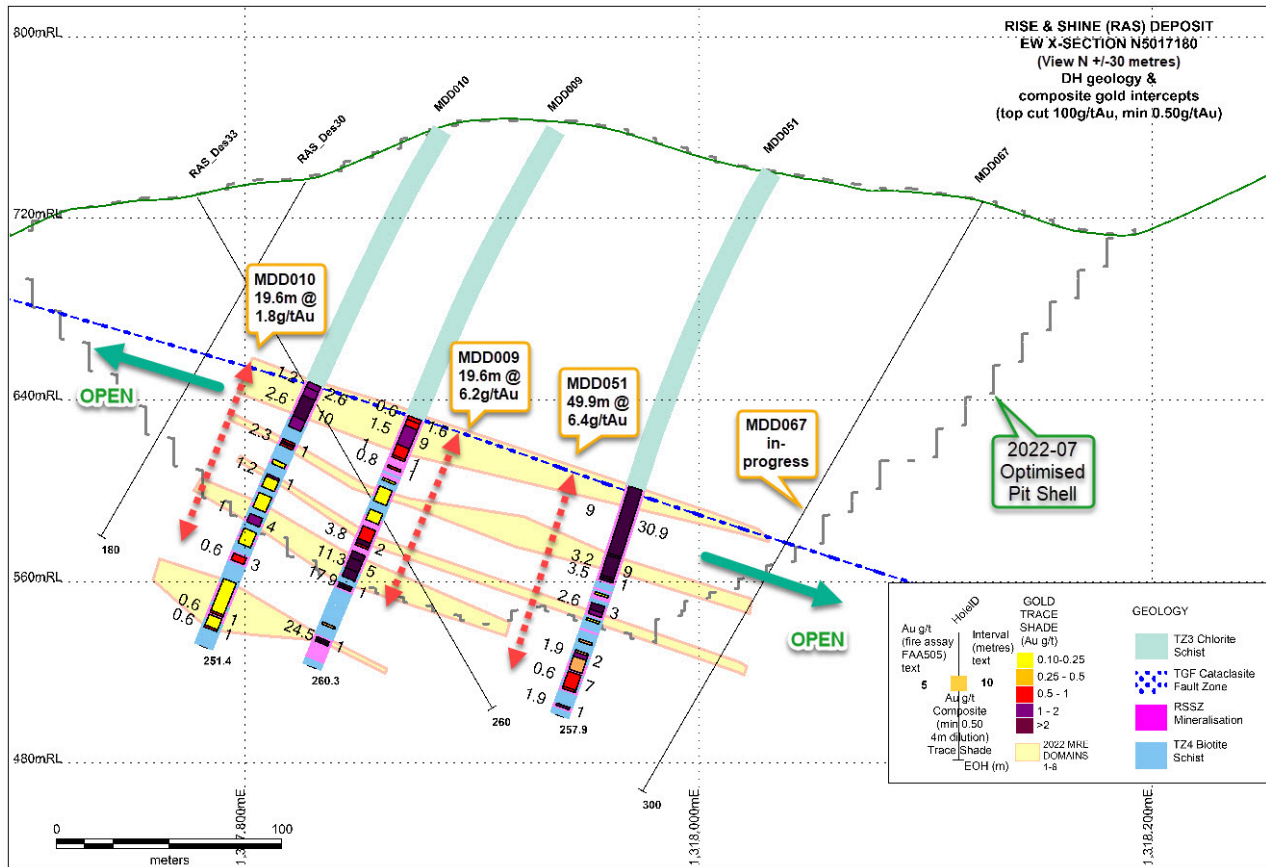
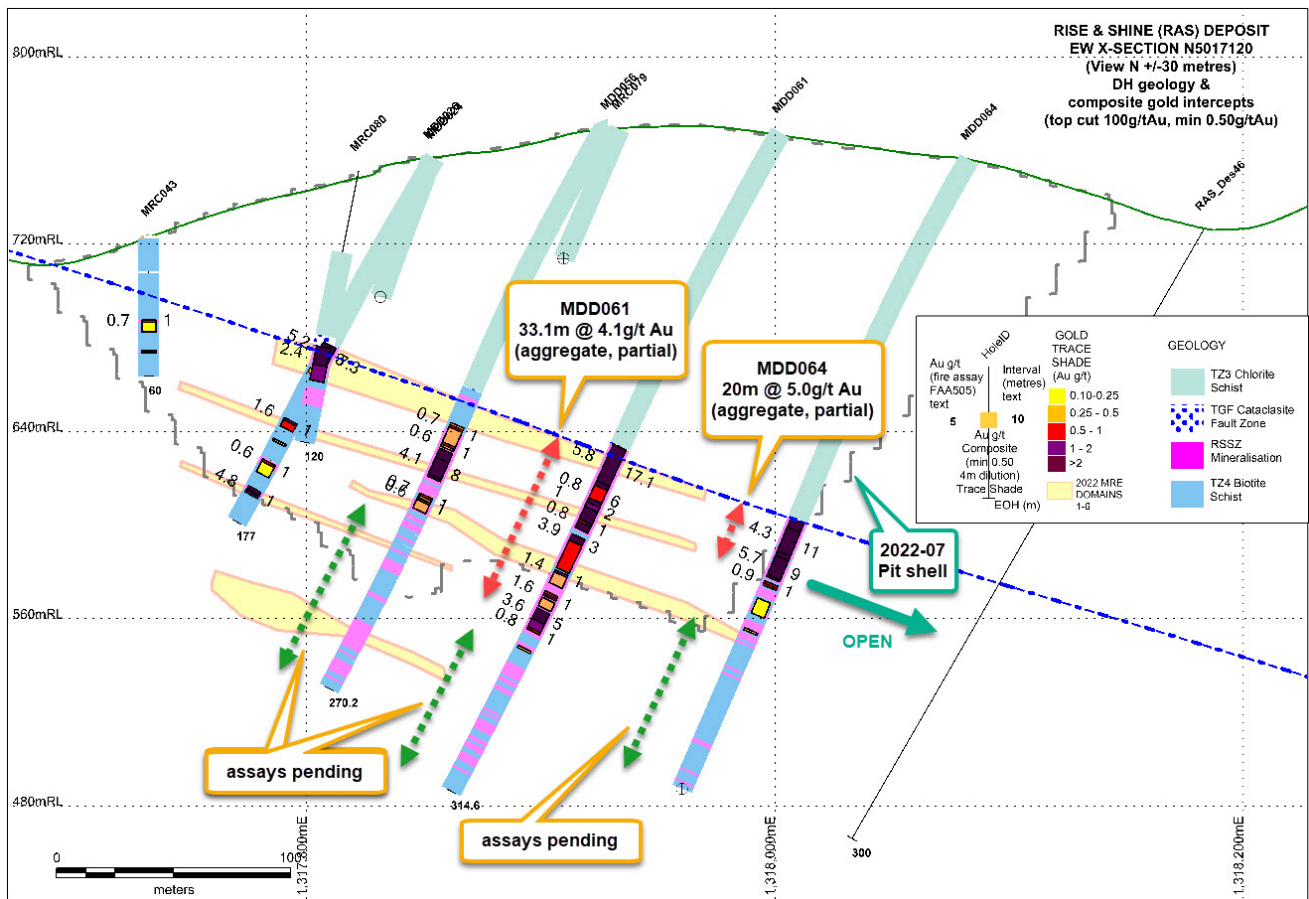


Figure 9 RAS Deposit – Down-Plunge Section (View WNW)



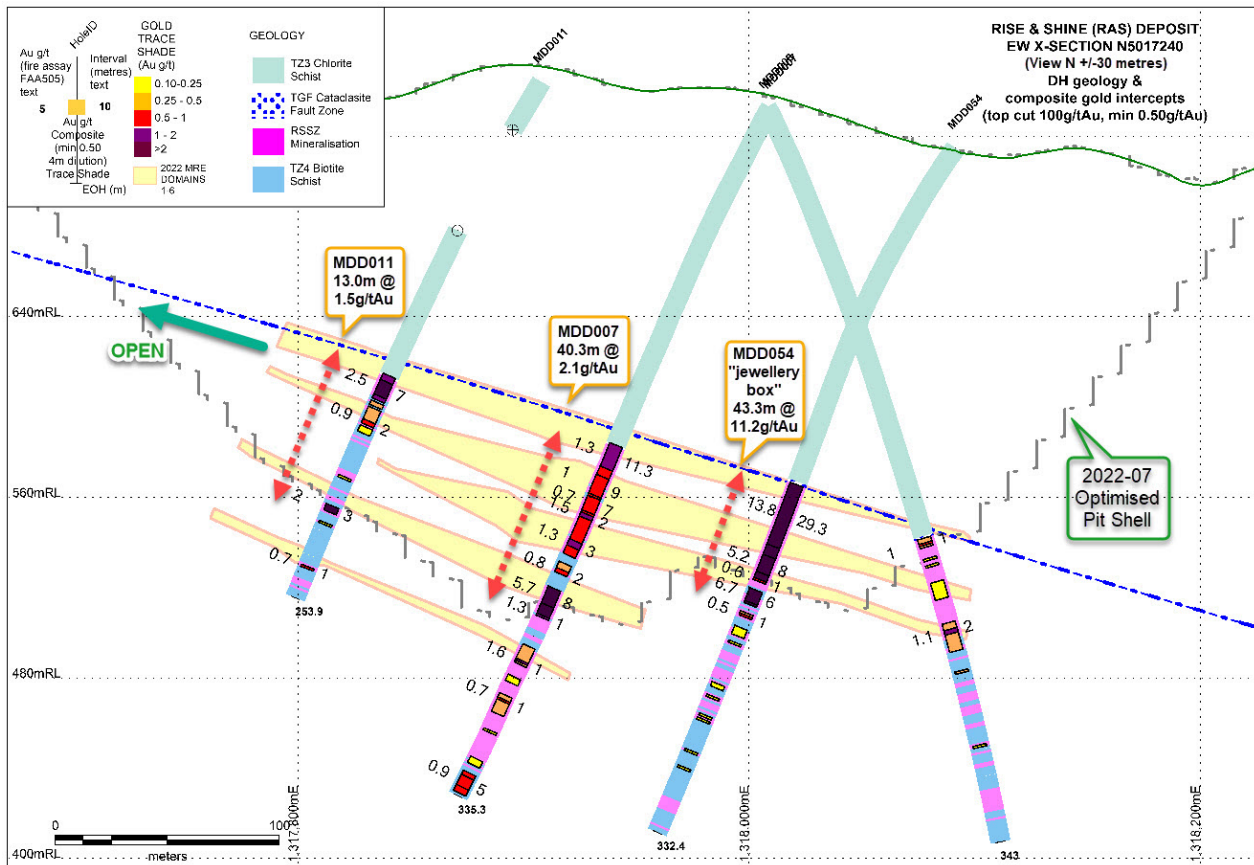


Figure 12 RAS Deposit – East-West X-Section N5107240 (View N)



Figure 13 RAS Deposit – Dunstan Range (View south)

Ongoing Metallurgical Testwork

Stage 3 testwork following on from earlier gravity-leach tests that showed 90% largely non-refractory recoverable gold, recorded gold recoveries to 99% (ASX announcement on 11th May 2022). Preliminary results for the programme designed by KCAA consultants and undertaken at ALS Metallurgical Laboratory Perth increase the understanding of the RAS non-refractory / refractory mineralisation distribution.

Six composited drillhole samples, representative of the RAS shoot, were subjected to standard gravity-cyanide leach test work to establish total recoverable gold responses (Table 9).

Table 9: Metallurgical Gold Recovery Testwork vs variable arsenic / sulphide mineralisation

Sample No	Sample Source (Drillholes)	Composite Type	Head Assays Measured		Testwork Gold Recovered			
			As %	S %	Calc Au g/t	Gravity %	Leach %	Total %
RAS-01	MDD014, MDD021R	Hi As, S, Au	1.44	0.66	7.40	32%	62%	94%
RAS-02	MDD014, MDD015, MDD021R, MDD022	Hi As, S, Au	2.12	0.92	4.36	17%	47%	64%
RAS-03	MDD022	Med As, S, Au	0.88	0.46	1.37	12%	68%	80%
RAS-04	MDD009, MDD022	Med As, S, Au	0.60	0.30	7.89	54%	43%	97%
RAS-05	MDD013, MDD014, MDD015	Lo As, S, Au	0.12	0.14	4.40	61%	38%	99%
RAS-06	MDD009, MDD013, MDD014, MDD015	Lo As, S, Au	0.10	0.10	2.76	75%	23%	98%

Gold head grades ranged between 1.4 g/t and 7.9 g/t Au for the following recoveries.

- **94% to 99% overall gold recovery for four samples (RAS-1, RAS-4, RAS-5, RAS-6)**
- **64% to 80% overall gold recovery for two samples (RAS-2, RAS-3)**

Intensive leach tests on residues with lower gold recoveries (RAS-2, RAS-3) is ongoing to determine the reason and establish methods to improve recoveries. Mineralogical work and Photon Assaying is underway to complete this Stage 3 testwork.

Key Conclusions & Forward Programme

The significant 2022 MRE upgrade to 2Moz of gold has been complimented by significant higher-grade mineralised intercepts building on a high-grade zone in the south-east sector of the RAS shoot. The quartet of drillhole results bolster the 2022 MRE domains and grade in this area which have further eastern extension possibilities.

Similar excellent recent results encountered in MDD044 (1 kilometre to the north of MDD054) have RAS mineralisation extending 1,500m down-plunge from outcrop and remaining open to the north.

Extension diamond drilling is continuing at RAS deposit with reconnaissance holes also in progress to test the down plunge extensions of SHR deposit (the largest surface footprint of the 3 main deposits). Recent drilling results have added continued weight to the impressive RSSZ multi-million-ounce system potential.

Snoul Project Cambodia - Emerald Resources NL earning 70%

In an area previously exploited by local artisan gold miners, five prospects were located by aeromagnetic surveys prior to the 2021-22 year, where the magnetic data defined a cluster of predominately granodiorite intrusions, with gold in small veins associated with sulphides pyrite, chalcopyrite with some galena, sphalerite and arsenopyrite, also containing specular haematite and magnetite. The form of this mineralization, its geochemistry and selvages of propylitic and phyllic alteration, located in the cluster of granitic intrusions, appears to relate to porphyry-style copper /gold mineralization with potential for large accumulations of this well established model. This is supported by the results of previous RC drilling of 33 drill holes for a total of 1673m, which includes 5m @ 6.23 g/t Au from 14m, 8m @ 1.37 g/t Au from 34m, 3m @ 2.67 g/t Au from 24m, 1m @ 2.85 g/t Au from 3m, 1m @ 1.41 g/t Au from 53m and 1m @ 1.32 g/tr Au from 38m.

After reviewing all of the previous soil geochemistry, areomagnetics and RC drilling, the operator Emerald Resources NL has planned IP surveys as a further discrimination tool to define more drilling targets. Emerald operate the Okvau gold mine in Cambodia and also have an active exploration programme primarily for gold. The scheduling of the planned IP surveys and possible follow-up drilling in the Snoul area must fit in with Emerald's other activities to avoid high mobilization costs. Exploration is also seasonal with wet season field work restricted. Emerald has not advanced the planned IP surveys in this 2021-22 year.

Phnom Khtong Project Cambodia - Emerald Resources NL earning 70%

In the Phnom Ktong area, gold is also associated with quartz and sulphide veins associated with the contact aureoles, including a skarn, related to small to medium sized diorite and quartz-diorite intrusions. At the Oh Tron prospect, small alluvial gold mining by local artisan miners, exploits gold shedding from a contact skarn. In the 2020-21 year, Emerald Resources completed 33 RC drill holes for an aggregate of 1,429m where the intersections achieved included 10m @1.08 g/t Au from 4m, 4m @ 1.43 g/t Au from surface, 3m @1.11 g/t Au from 20m and 2m @ 1.312 g/t Au from 32m.

Emerald Resources now plan IP to follow-up the gold mineralization in this area but these surveys have not proceeded this year.

Cuitaboca Project, Mexico

The Company continued its review of its Cuitaboca Silver Project in Mexico during the year aimed to take advantage of current precious metals prices. 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, Mr Kim Bunting who are Fellows of The Australasian Institute of Mining and Metallurgy (AusIMM) and Mr Warren Batt who is a Member of the AusIMM. Mr Keevers is an Executive Director, Mr Bunting a Director and Bendigo-Ophir Project Manager and Mr Batt a Director of the Company who 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, Mr Bunting and Mr Batt 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 28 September 2022

Name	Number	Area	Status	Interest
Bendigo Ophir, New Zealand				
Bendigo-Ophir	EP60311	252 km2	Granted	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	85 [#]
Snoul	Exploration Licence	198.0 Km2	Granted	85 [#]

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.

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 Executive Director 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 30% (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 28.

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 none of whom are 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 28 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 Executive Director is responsible and accountable to the Board for the Consolidated Entity's management.

The office of Chairman is held by Norman A. Seckold, who is not considered independent in accordance with Recommendation 2.5 of the Corporate Governance Council. However, the board considers that the office of Chairman is best served by Mr Seckold due to his extensive experience in the industry.

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 Executive Director, 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 Executive Director. The Consolidated Entity has adopted an internal control and risk management framework within which it operates.

The Executive Director 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 Executive Director 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, Recommendation 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 executive directors 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 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 2022 and the auditor's report thereon.

Contents of Directors' Report

	Page
1. CORPORATE DIRECTORY	28 -
2. DIRECTORS' MEETINGS.....	29 -
3. REMUNERATION REPORT - AUDITED	30 -
PRINCIPLES OF COMPENSATION - AUDITED	30 -
KEY MANAGEMENT PERSONNEL REMUNERATION - AUDITED	32 -
EQUITY INSTRUMENTS - AUDITED	32 -
4. PRINCIPAL ACTIVITIES	34 -
5. OPERATING AND FINANCIAL REVIEW	34 -
6. DIVIDENDS.....	35 -
7. EVENTS SUBSEQUENT TO REPORTING DATE.....	36 -
8. LIKELY DEVELOPMENTS.....	36 -
9. ENVIRONMENTAL REGULATION AND PERFORMANCE	36 -
10. CHANGES IN STATE OF AFFAIRS	36 -
11. DIRECTORS' INTERESTS.....	37 -
12. SHARE OPTIONS.....	37 -
13. OFFICERS' INDEMNITIES AND INSURANCE	37 -
14. NON-AUDIT SERVICES.....	38 -
15. LEAD AUDITOR'S INDEPENDENCE DECLARATION.....	39 -



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 Norman A Seckold, Non-Executive Chairman

Appointed 15 January 2013

Mr Seckold graduated with a Bachelor of Economics from the University of Sydney in 1970. He has spent more than 40 years in the full time management of natural resource companies, both in Australia and overseas.

Mr Seckold is currently Chairman and Director of each of ASX listed companies Sky Metals Limited (director since December 2001), Alpha HPA Limited (director since November 2009) and is Deputy Chairman of Nickel Mines Limited (director since 12 September 2007).

He has been Chairman of Bolnisi Gold NL, Palmarejo Silver and Gold Corporation, Moruya Gold Mines NL, Pangea Resources Limited, Timberline Minerals, Inc., Perseverance Corporation Limited, Valdora Minerals NL, Viking Gold Corporation, Mogul Mining NL, San Anton Resource Corporation Inc., Cockatoo Coal Limited, Equus Mining Limited and Cerro Resources NL.

Mr Richard E Keevers, Executive Director

Appointed 15 January 2013 and Executive Director from 16 December 2020

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).

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 ten 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	8	7
Mr RE Keevers	8	8
Mr FJ Bunting	8	8
Mr WD Batt	8	8
Mr AJ McDonald	8	8

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 Executive and Staff Option Plan (the Plan) to grant options over shares 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 to be issued the Board sets an exercise price greater than the current share price 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 option holder is terminated, any options which have not reached their vesting date will lapse and any options 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.

	2018	2019	2020	2021	2022
Total exploration expenditure (\$)	1,904,155	1,196,527	1,925,556	2,842,253	2,986,490
Net assets (\$)	6,753,815	4,963,477	8,527,920	16,750,981	19,275,820
Share Price at Year-end (\$)	0.011	0.003	0.002	0.082	0.675
Net loss for the year (\$)	926,051	2,832,520	1,465,806	6,352,848	1,040,005
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 2018 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:

Mr Richard Keevers was appointed Executive Director in December 2020 on an interim basis. The agreement with Mr Keevers is informal and has no fixed term. Mr Keevers will be paid a fee of \$9,750 per month (including statutory superannuation) whilst he acts 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. Both parties 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 are presently \$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)	2022	70,000	-	-	-	70,000	-
	2021	70,000	-	-	-	70,000	-
FJ Bunting ¹	2022	45,000	-	-	-	45,000	-
	2021	30,000	-	-	-	30,000	-
WD Batt ¹	2022	45,000	-	-	-	45,000	-
	2021	30,000	-	-	-	30,000	-
AJ McDonald ²	2022	45,000	-	-	-	45,000	-
	2021	39,672	-	-	-	39,672	-
Executive Directors							
RE Keevers ³	2022	106,363	10,637	-	-	117,000	-
	2021	73,973	7,027	-	-	81,000	-
Executive							
CJ McPherson	2022	90,000	-	-	-	90,000	-
	2021	90,000	-	-	-	90,000	-
Total	2022	401,363	10,637	-	-	412,000	
	2021	333,645	7,027	-	-	506,362	

1. Mr Bunting and Mr Batt were appointed Non-executive Directors on 3 November 2020
2. Mr McDonald resigned as a director on 3 November 2020 and was re-appointed as a director on 16 December 2020.
3. Mr Keevers was a Non-executive Director until his appointment as Executive Director on 16 December 2020.

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.

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 2021	Paid up/ purchased	Sold/ transferred	Held at 30 June 2022
<i>Non-executive Directors</i>				
NA Seckold	2,930,683	-	-	2,930,683
FJ Bunting	13,392,373	-	-	13,392,373
WD Batt	7,655,198	-	-	7,655,198
AJ McDonald	1,988,229	-	-	1,988,229
<i>Executive Director</i>				
RE Keevers	70,292	-	-	70,292
<i>Executives</i>				
CJ McPherson	156,891	-	-	156,891

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, \$32,216 (2021: \$24,375) for investor relations services. At reporting date \$nil (2021: \$2,062) 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, \$152,257 (2021: \$119,257) for consulting fees and hire of equipment. At reporting date there was \$26,265 (2021: \$61,950) outstanding amount payable to Minex Resources Limited.

During the year the Consolidated Entity paid Waikaia Gold Limited, an entity associated with Mr W Batt, \$54,876 (2021: \$Nil) for equipment hire and geological staff reimbursement. At reporting date there was \$2,873 (2021: \$Nil) outstanding amount payable to Waikaia Gold Limited.

During the year the Consolidated Entity paid Mustang Resources Limited, an entity associated with Mr W Batt, \$3,810 (2021: \$Nil) for consulting services. At reporting date there was \$Nil (2021: \$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 (2021 \$2,800) for bookkeeping services. At reporting date there was no amount outstanding (2021: \$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 2 of this annual report and forms part of the directors' report.

Financial review

At the end of the financial year the Consolidated Entity had \$2,450,528 (2021: \$3,930,780) in cash and at call deposits. Capitalised mineral exploration and evaluation expenditure carried forward was \$16,800,234 (2021: \$12,838,632).

The Consolidated Entity had net assets of \$19,275,820 (2021: \$16,750,981).

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 get 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 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.

- **Social Licence to Operate** – the ability of the Consolidated Entity to secure and undertake exploration and development activities within prospective areas is also reliant upon satisfactory resolution of native title and (potentially) overlapping tenure. To address this risk, the Consolidated Entity develops strong, long term effective relationships with landholders 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 2022.

7. Events subsequent to reporting date

On 22 July 2022, the Company announced that it has received commitments to raise \$9.375m through the issue of 15,000,000 fully paid ordinary shares at \$0.625 per share (Placement Shares).

The Placement was completed in 2 tranches. 9,800,000 Placement Shares (first tranche) were issued on 27 July 2022 under the Company's existing placement capacity as provided for by ASX Listing Rule 7.1. The issue of a further 5,200,000 Placement Shares (second tranche) were subject to shareholder approval at a meeting held on 2 September 2022 and subsequently issued on 9 September 2022.

Other than as outlined, 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 2021 were as follows:

- On 9 November 2021, the Company announced that it had completed a placement of 18,604,652 fully paid ordinary shares at \$0.215 to raise \$4m.

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*
Norman A. Seckold	2,930,683
Richard E. Keevers	70,292
Frederick J. Bunting	13,392,373
Warren D. Batt	7,655,198
Anthony J. McDonald	1,988,229

* 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 2022	\$0.20	1,140,310
3 November 2023	\$0.25	1,140,310
3 November 2024	\$0.30	1,140,310

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, no 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	
	2022	2021
	\$	\$
Audit Services		
Audit and review of financial reports	85,750	92,500
	<u>85,750</u>	<u>92,500</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 39 and forms part of the directors' report for the financial year ended 30 June 2022.

This report is made with a resolution of the directors:



NA Seckold
Chairman

Dated at Brisbane this 28th day of September 2022.



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 2022 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.

KPMG

Simon Crane
Partner

Brisbane
28 September 2022

KPMG, an Australian partnership and a member firm of the KPMG global organisation of independent member firms affiliated with KPMG International Limited, a private English company limited by guarantee. All rights reserved. The KPMG name and logo are trademarks used under license by the independent member firms of the KPMG global organisation. Liability limited by a scheme approved under Professional Standards Legislation.

Consolidated Statement of Profit or Loss for the Year Ended 30 June 2022

	Note	30 June 2022 \$	30 June 2021 \$
Continuing operations			
Government grant received		-	37,500
General and administrative expenses		(879,681)	(1,074,808)
Exploration and evaluation expenses	13	(111,983)	(188,151)
Results from operating activities		(991,664)	(1,225,459)
Financing income	3	717	1,027
Financing expenses	3	(209)	(17,940)
Net financing income/(expense)		508	(16,913)
Impairment of equity-accounted investees, net of tax	9	-	(1,088,852)
Share of loss of equity accounted investments, net of tax	9	(48,849)	(36,478)
Loss before income tax benefit		(1,040,005)	(2,367,702)
Income tax benefit	6	-	-
Loss from continuing operations		(1,040,005)	(2,367,702)
Loss from discontinued operations	13	-	(3,985,146)
Loss for the year – attributable to Shareholders of the Company		(1,040,005)	(6,352,848)
Earnings per share			
Basic loss per share	7	(0.82) cents	(7.19) cents
Diluted loss per share	7	(0.82) cents	(7.19) cents
Earnings per share – continuing operations			
Basic loss per share	7	(0.82) cents	(2.68) cents
Diluted loss per share	7	(0.82) cents	(2.68) 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 2022

	30 June 2022 \$	30 June 2021 \$
Net loss for the year	<u>(1,040,005)</u>	<u>(6,352,848)</u>
Other comprehensive income		
<i>Items that may subsequently be reclassified to profit or loss:</i>		
Foreign exchange translation differences	(147,139)	(188,414)
Reclassification of foreign currency differences on sale of controlled entities	-	509,321
Other comprehensive income for the year, net of income tax	<u>(147,139)</u>	<u>329,907</u>
Total comprehensive income for the year – attributable to Shareholders of the Company	<u><u>(1,187,144)</u></u>	<u><u>(6,022,941)</u></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 2022

		Consolidated	
	Note	2022	2021
		\$	\$
Current assets			
Cash and cash equivalents		2,450,528	3,930,780
Trade and other receivables	8	249,718	63,016
Prepayments		57,199	42,778
Total current assets		<u>2,757,445</u>	<u>4,036,574</u>
Non-current assets			
Equity accounted investees	9	151,151	200,000
Property, plant and equipment	10	209,612	67,083
Exploration and evaluation expenditure	11	16,800,234	12,838,632
Total non-current assets		<u>17,160,997</u>	<u>13,105,715</u>
Total assets		<u>19,918,442</u>	<u>17,142,289</u>
Current liabilities			
Trade and other payables		642,622	391,308
Total current liabilities		<u>642,622</u>	<u>391,308</u>
Total liabilities		<u>642,622</u>	<u>391,308</u>
Net assets		<u>19,275,820</u>	<u>16,750,981</u>
Equity			
Share capital	12	52,491,906	48,779,923
Reserves		(367,183)	(220,044)
Accumulated losses		(32,848,903)	(31,808,898)
Total equity		<u>19,275,820</u>	<u>16,750,981</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 2022

	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/(loss)	-	(147,139)	-	(147,139)
<i>Total comprehensive income for the year</i>	-	(147,139)	(1,040,005)	(1,187,144)
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

	Issued capital	Foreign currency translation reserve	Accumulated losses	Total equity
Opening balance at 1 July 2020	35,071,891	(549,951)	(25,994,020)	8,527,920
Loss for the year	-	-	(6,352,848)	(6,352,848)
Other comprehensive income	-	329,907	-	329,907
<i>Total comprehensive income for the year</i>	-	329,907	(6,352,848)	(6,022,941)
Transactions with owners recorded directly in equity				
Share-based payments (net of tax)	-	-	537,970	537,970
Shares issued	14,755,913	-	-	14,755,913
Share issue costs	(1,047,881)	-	-	(1,047,881)
<i>Total transactions with owners</i>	13,708,032	-	537,970	14,246,002
Balance at 30 June 2021	48,779,923	(220,044)	(31,808,898)	16,750,981

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 2022

	Note	30 June 2022 \$	30 June 2021 \$
Cash flows from operating activities			
Cash paid to suppliers and employees		(931,462)	(1,109,710)
Cash paid for exploration and evaluation expenditure expensed		(111,983)	(610,090)
Interest received		717	1,027
Net cash used in operating activities	18	<u>(1,042,728)</u>	<u>(1,718,773)</u>
Cash flows from investing activities			
Payments for exploration and evaluation expenditure capitalised		(3,972,784)	(2,139,592)
Bonds received		-	1,350
Acquisition of property, plant and equipment		<u>(172,658)</u>	<u>(69,597)</u>
Net cash used in investing activities		<u>(4,145,442)</u>	<u>(2,207,839)</u>
Cash flows from financing activities			
Proceeds from issue of shares		4,000,000	7,500,000
Share issue costs		<u>(288,017)</u>	<u>(474,199)</u>
Net cash provided by financing activities		<u>3,711,983</u>	<u>7,025,801</u>
Net (decrease)/increase in cash and cash equivalents held		(1,476,187)	3,099,189
Effects of exchange rate fluctuations on cash held		(4,065)	633
Cash and cash equivalents at 1 July		<u>3,930,780</u>	<u>830,958</u>
Cash and cash equivalents at 30 June		<u><u>2,450,528</u></u>	<u><u>3,930,780</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 2022

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 2022 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 28 September 2022.

(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 2022 of \$5,188,170 (2021: \$3,926,612).

At 30 June 2022, the Consolidated Entity had cash balances of \$2,450,528 (2021: \$3,930,780) and net working capital (current assets less current liabilities) of \$2,114,823 (2021: \$3,645,266).

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. Subsequent to the end of the reporting period the Consolidated Entity announced that it had completed a placement of \$9.375m through the issue of 15,000,000 fully paid ordinary shares at \$0.625 per share.

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.

These conditions give rise to a material uncertainty that may cast doubt upon the Consolidated Entity's ability to continue as a going concern. 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.

(s) Government Grants

Government grants are assistance by government in the form of transfers of resources to an entity in return for past or future compliance with certain conditions relating to the operating activities of the entity.

Government grants are recognised at fair value when there is reasonable assurance that the Consolidated Entity will comply with the conditions attaching to them and the grants will be received. Fair value is the amount for which an asset could be exchanged between a buyer in an arm's length transaction.

Government grants are presented separately in the consolidated statement of profit or loss. Grants in recognition of specific expenses are recognised in the consolidated statement of profit or loss in the same period.

(t) Discontinued Operations

A discontinued operation is a component of the consolidated entity that has been disposed of or is classified as held for sale and that represents a separate major line of business or geographical area of operations, is part of a single coordinated plan to dispose of such a line of business or area of operations, or is a subsidiary acquired exclusively with a view to resale. The results of discontinued operations are presented separately on the face of the statement of profit or loss and other comprehensive income.



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	
	2022	2021
	\$	\$
Interest income	717	1,027
Financing income	717	1,027
Foreign exchange loss	(209)	(17,940)
Financing expense	(209)	(17,940)
Net financing income/(expense)	508	(16,913)

4. PERSONNEL EXPENSES

	Consolidated	
	2022	2021
	\$	\$
Non-executive Directors' Fees	208,750	190,358
Salaries and wages	229,626	360,893
Superannuation contributions	13,963	24,400
Share based payments	-	(35,713)
Total personnel expenses	452,339	539,938

5. AUDITOR'S REMUNERATION

	Consolidated	
	2022	2021
	\$	\$
Audit services		
Audit and review of financial reports - KPMG	85,750	92,500
	85,750	92,500
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	
	2022	2021
	\$	\$
Loss before tax	(1,040,005)	(2,367,702)
Income tax using domestic corporation tax rate 25% (2021: 30%)	(260,001)	(710,311)
(Increase)/decrease in tax benefit due to:		
Sundry items	(83)	(20,122)
Share based payments	-	(9,821)
Difference in tax rate in foreign jurisdictions	(6,808)	(202,948)
Deferred tax assets not brought to account	266,892	943,202
Income tax benefit on continuing operations	-	-

(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	
	2022	2021
	\$	\$
Deductible temporary differences	1,543,000	1,491,000
Tax Losses	5,400,492	4,196,734
Capital Losses	203,766	224,143
	<u>7,147,258</u>	<u>5,911,877</u>

(c) Expiry of tax losses

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

At 30 June 2022, the Consolidated Entity has income tax loss carry forward amounts expiring as follows:

	Australia	Mexico	New Zealand	Total
	\$	\$	\$	\$
2024	-	14,633	-	14,633
2025	-	40	-	40
2026	-	24,343	-	24,343
2027	-	75,373	-	75,373
2028	-	76,460	-	76,460
2029	-	-	-	-
2030	-	81,885	-	81,885
2031	-	351,204	-	351,204
2032	-	77,401	-	77,401
2033	-	11,576	-	11,576
Does not expire	2,363,559	-	2,324,018	4,687,577
30 June 2022	<u>2,363,559</u>	<u>712,915</u>	<u>2,324,018</u>	<u>5,400,492</u>
30 June 2021	<u>2,347,862</u>	<u>591,572</u>	<u>1,257,301</u>	<u>4,196,735</u>

(d) Recognised deferred tax assets and liabilities

Deferred tax assets and liabilities are attributable to the following:

Consolidated	Assets		Liabilities		Net	
	2022	2021	2022	2021	2022	2021
Exploration expenditure	-	-	-	-	-	-
Other items	-	-	12,000	-	-	-
Tax loss carry-forwards	(12,000)	-	-	-	-	-
Tax (assets) liabilities	-	-	12,000	-	-	-
Set off of tax	12,000	-	(12,000)	-	-	-
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 2022 was based on the loss attributable to ordinary shareholders of \$1,040,005 (2021: \$6,352,848) and a weighted average number of ordinary shares outstanding during the financial year ended 30 June 2022 of 126,367 (2021: 88,319,000), calculated as follows:

<i>Reconciliation of earnings used in the calculation of loss per share</i>	Consolidated	
	2021	2021
Loss from continuing operations used in calculation of basic and diluted loss per share – continuing operations	\$1,040,005	\$2,367,705
Loss attributed to ordinary shareholders used in the calculation of basic and diluted loss per share	\$1,040,005	\$6,352,848

<i>Weighted average number of ordinary shares</i>	Consolidated No ('000)	
	2022	2021
Issued ordinary shares at 1 July	114,032	38,344
Effect of shares issued November 2020	-	49,975
Effect of shares issued November 2021	12,335	-
Weighted average number of ordinary shares at 30 June	126,367	88,319

8. TRADE AND OTHER RECEIVABLES

	Consolidated	
	2022 \$	2021 \$
<i>Current</i>		
Other receivables	6,946	6,741
GST Receivable	242,772	56,275
	249,718	63,016

9. EQUITY-ACCOUNTED INVESTEEES

	30 June 2022	30 June 2021
	\$	\$
Interests in associate – Southern Gold (Asia) Pty Ltd	151,151	200,000

The Consolidated Entity owns 100% of the ordinary share capital of Southern Gold (Asia) Pty Ltd (equity accounted associate).

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, SGA has a 85% unincorporated joint venture interest in the CELs, with SGL having 15% interest 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.

At 30 June 2022 Renaissance is earning, but has yet to earn, a shareholding in SGA. Under the Farm-out Agreement the Consolidated Entity currently retains 100% of equity in SGA but 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 2022	30 June 2021
	\$	\$
Percentage ownership interest	100%	100%
Non-current assets	3,824,046	2,703,839
Current assets	230,426	138,807
Non-current liabilities	-	-
Current liabilities	(1,333)	(73,075)
Net assets (100%)	4,053,139	2,769,571
Consolidated entity’s share of net assets	100%	100%
Carrying amount of interest in associate ^{1,2}	151,151	200,000
Revenue	-	-
Loss from continuing operations (100%)	(48,849)	(36,478)
Total comprehensive income/(loss) (100%)	(48,849)	(36,478)
Consolidated entity’s share of total comprehensive income/(loss)	(48,849)	(36,478)

1. In accordance with the Farm-Out Agreement, Renaissance is earning a possible 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.

2. During the prior reporting period, the Consolidated Entity assessed its capitalised value of the equity accounted investee for impairment in light of the exploration results and recorded an impairment loss of \$1,088,852 in relation to the Cambodian project. Recoverable amount is estimated based on the expected proceeds in an orderly disposal and a non-binding indicative offer from an unrelated party, being fair value less cost of disposal (level 3 fair value).

10. PROPERTY, PLANT AND EQUIPMENT

	Fixtures & Fittings \$	Plant & Equipment \$	Motor Vehicles \$	Total \$
Costs				
Balance at 1 July 2020	10,675	18,588	29,854	59,117
Acquisitions	-	69,597	-	69,597
Disposals	-	-	-	-
Effect of movements in foreign exchange	332	1,128	1,812	3,272
Balance at 30 June 2021	11,007	89,313	31,666	131,986
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
Depreciation and impairment losses				
Balance at 1 July 2020	(8,794)	(12,809)	(21,831)	(43,434)
Depreciation charge for the year	(988)	(10,802)	(6,860)	(18,650)
Disposals	-	-	-	-
Effect of movements in foreign exchange	(305)	(924)	(1,590)	(2,819)
Balance at 30 June 2021	(10,087)	(24,535)	(30,281)	(64,903)
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)
Carrying amounts				
At 30 June 2021	920	64,778	1,385	67,083
At 30 June 2022	4,516	205,096	-	209,612



11. EXPLORATION AND EVALUATION EXPENDITURE

	Consolidated 2022 \$	2021 \$
Capitalised exploration and evaluation expenditure		
Exploration and evaluation phase – at cost		
Mexico - Cuitaboca	4,358,342	3,907,438
Bendigo-Ophir – New Zealand	12,441,892	8,931,193
	<u>16,800,234</u>	<u>12,838,631</u>
<u>Reconciliations</u>		
Mexico – Cuitaboca		
Opening balance at beginning of year	3,907,438	3,478,935
Expenditure for the year	195,453	217,408
IVA Recovered	(42,788)	-
Effect of foreign exchange movement	298,239	211,095
Closing balance at end of year	<u>4,358,342</u>	<u>3,907,438</u>
Bendigo-Ophir – New Zealand		
Opening balance at beginning of year	8,931,193	-
Fair value at acquisition	-	7,255,913
Expenditure for the year	3,757,390	1,746,768
Effect of foreign exchange movement	(246,691)	(71,488)
Closing balance at end of year	<u>12,441,892</u>	<u>8,931,193</u>
Chile – Becker (discontinued operation)		
Opening balance at beginning of year	-	975,856
Impairment	-	(1,007,943)
Effect of foreign exchange movement	-	32,087
Closing balance at end of year	<u>-</u>	<u>-</u>
Laos – Sayabouly (discontinued operation)		
Opening balance at beginning of year	-	2,118,880
Expenditure for the year	-	298,091
Impairment	-	(2,076,047)
Effect of foreign exchange movement	-	(340,924)
Closing balance at end of year	<u>-</u>	<u>-</u>

Becker, Chile (discontinued operation)

On 4 June 2018 the Consolidated Entity announced that it had completed a share purchase agreement for the acquisition of the Becker Project by acquiring 100% of the shares in Carlin Resources Pty Ltd ('Carlin'), which holds rights to earn into the Becker Project.

During the prior reporting period, the Consolidated Entity assessed its capitalised exploration and evaluation expenditure assets for impairment and recorded an impairment loss of \$1,007,943 in relation to the Becker Project. The impairment follows the Consolidated Entity's analysis of results of drilling and assay in light of current and forecast commodity prices. Based on this analysis the Consolidated Entity has subsequently withdrawn from the Joint Venture and retains no further interest in the Becker Project.

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\$2,785,168 in option fees remains payable by the Project Company to the Concession Holder as at 30 June 2022. 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.

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 Matakani 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. The NSR Agreement provides that a minimum of \$3m is to be spend on exploration on the project within 2 years following completion of the Acquisition, which occurred on 2 November 2020. During the year the Consolidated Entity met the minimum \$3m spend on exploration at the project as provided for by the NSR Agreement.

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 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>

30 June 2021	Number of ordinary shares	Issue price \$	Share capital \$
Balance at 1 July 2020	2,683,945,564		35,071,891
Share consolidation October 2020 (1:70)	(2,645,601,945)		-
Share issue November 2020 (cash)	37,500,000	0.20	7,500,000
Share issue November 2020 (non-cash)	38,189,017	0.19	7,255,913
Share issue costs	-		(1,047,881)
Balance at 30 June 2021 – fully paid	<u>114,032,636</u>		<u>48,779,923</u>

(b) Options over ordinary shares

The Company has issued the following options over ordinary shares:

	Number of options 2022	Number of options 2021
Options issued as part of the Matakanui Transaction – Nov 2020	3,420,930	3,420,930
Total options over ordinary shares currently issued	<u>3,420,930</u>	<u>3,420,930</u>
Reconciliation		
Total options over ordinary shares – 1 July	3,420,930	152,362,352
Share consolidation October 2020 (1:70)	-	(143,778,584)
Options lapsed during the year	-	(8,583,768)
Options issued November 2020	-	3,420,930
Total options over ordinary shares – 30 June	<u>3,420,930</u>	<u>3,420,930</u>

Details of options on issue:

Expiry Date	Exercise Price	Number of Shares
3 November 2022	\$0.20	1,140,310
3 November 2023	\$0.25	1,140,310
3 November 2024	\$0.30	1,140,310

(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	
	2022	2021
	\$	\$
Mexico		
Exploration and evaluation expenditure expensed in profit or loss	111,983	188,151
Exploration and evaluation expenditure capitalised – see note 11	195,453	217,408
Total exploration and evaluation expenditure	<u>307,436</u>	<u>405,559</u>
Exploration and evaluation assets at 30 June	4,358,342	3,907,438
New Zealand		
Exploration and evaluation expenditure capitalised – see note 11	3,757,390	1,746,768
Total exploration and evaluation expenditure	<u>3,757,390</u>	<u>1,746,768</u>
Exploration and evaluation assets at 30 June	12,441,892	8,931,193
Chile (discontinued operation)		
Exploration and evaluation expenditure expensed in profit or loss	-	109,655
Total exploration and evaluation expenditure	<u>-</u>	<u>109,655</u>
Impairment loss on exploration and evaluation assets	-	1,007,943
Impairment loss on exploration and evaluation assets	-	1,007,943
Exploration and evaluation expenditure expensed in profit or loss	-	109,655
Foreign currency translation differences transferred from reserves	-	139,404
Loss from discontinued operation	<u>-</u>	<u>1,257,002</u>
Laos (discontinued operation)		
Exploration and evaluation expenditure expensed in profit or loss	-	282,180
Exploration and evaluation expenditure capitalised – see note 11	-	298,091
Total exploration and evaluation expenditure	<u>-</u>	<u>580,271</u>
Laos (discontinued operation) – continued		
Impairment loss on exploration and evaluation assets	-	2,076,047
Exploration and evaluation expenditure expensed in profit or loss	-	282,180
Foreign currency translation differences transferred from reserves	-	369,917
Tax expense/(benefit)	-	-
Loss from discontinued operation	<u>-</u>	<u>2,728,144</u>
Cash used in discontinued operation:		
Net cash used in operating activities	-	(391,835)
Net cash using in investing activities	-	(298,091)
Net cash flow for the year	<u>-</u>	<u>(689,926)</u>

	2022 cents	2021 cents
Loss per share for discontinued operations – basic and diluted	-	(4.51)

During the previous reporting period the Consolidated Entity sold Dominion Metals Pty Ltd, a subsidiary of Santana Minerals Limited which indirectly owned the Sayabouly Project. The Sayabouly Project was the sole project in Laos and has been recognised as a discontinued operation with the above amounts separately disclosed throughout this report. Further, during 2021, the consolidated entity has withdrawn from the Becker project in Chile, which is also separately disclosed as a discontinued operation.

14. COMMITMENTS

The Consolidated Entity does not have any contracted expenditure commitments at reporting date (2021: nil).

15. CONSOLIDATED ENTITIES

	Country of Incorporation	Ordinary Shares Percentage Owned	
		2022	2021
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 ³	New Zealand	100	100

16. SHARE-BASED PAYMENTS

Employee share option program

In 2013, the Company, Santana Minerals Limited, established an employee share option program that entitles key management personnel and senior employees to purchase shares in the Company. Each option is exercisable to acquire one ordinary share of the Company.

In 2013, 2016, 2017 and the 2020 year, grants were offered to these groups of Santana Minerals Limited employees. In accordance with these programs, options are exercisable at the exercise price determined at the date of grant.

All employee share options 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.

During the prior period all options granted under the employee share option plan either lapsed or were forfeited.

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

	Weighted average exercise price 2022	Number of options 2022	Weighted average exercise price 2021	Number of options 2021
Employee Share Options				
Outstanding at 1 July	-	-	0.0124	106,500,000
Consolidation of options (1:70)	-	-	0.868	(98,571,428)
Lapsed during the period	-	-	0.868	(7,928,572)
Granted during the period	-	-	-	-
Outstanding at 30 June	-	-	-	-
Exercisable at 30 June	-	-	-	-

There were no employee share options outstanding at 30 June 2022 or 30 June 2021.

Other share-based payment transactions

From time to time the Consolidated Entity may settle payment for services received from non-employees by way of issuing shares in lieu of settlement by cash. The following non-employee transactions have been settled by issuing of shares:

	Consolidated	
	2022	2021
	\$	\$
November 2020 – 3,420,930 options issued to brokers as part of the completion of the capital raising for the Matakanui transaction – see also Note 12	-	573,682
	-	573,682

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 \$2,450,528 at 30 June 2022 (2021: of \$3,930,780), 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 2022 the weighted average interest rate on cash and cash equivalents was 0.25% (2021: 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>	2022	2021
	\$	\$
Cash and cash equivalents – USD	14,008	7,302
Net exposure	14,008	7,302

The following significant exchange rates applied during the year:

	Average rate		Reporting date spot rate	
<i>AUD</i>	2022	2021	2022	2021
MXP	14.7297	15,5143	13.8773	14.9365
NZD	1.069	1.07	1.1053	1.075
CLP	-	556.33	-	558.36
LAK	-	6,986.32	-	7,032.90

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 2022. 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 2022.

18. RECONCILIATION OF CASHFLOWS FROM OPERATING ACTIVITIES

	Consolidated	
	2022	2021
	\$	\$
Net loss	(1,040,005)	(6,352,848)
<i>Add/(less) non-cash items:</i>		
Depreciation	469	12,077
Share of loss of equity-accounted investees	48,849	36,478
Impairment of equity-accounted investees	-	1,088,852
Loss from discontinued operation	-	3,593,311
Foreign exchange loss	4,275	17,308
Share based payments	-	(35,713)
(Increase)/decrease in receivables	(253)	(24,544)
Increase/(decrease) in payables	(41,642)	(17,115)
Increase/(decrease) in employee benefits	-	(29,473)
(Increase)/decrease in prepayments	(14,421)	(7,106)
Net cash used in operating activities	(1,042,728)	(1,718,773)

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)

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	
	2022	2021
	\$	\$
Salaries and Fees	207,000	351,717
Non-executive Directors' fees	205,000	190,358
Share Based Payments	-	(35,713)
	<u>412,000</u>	<u>506,362</u>

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, \$32,216 (2021: \$24,375) for investor relations services. At reporting date \$nil (2021: \$2,062) 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, \$152,257 (2021: \$119,257) for consulting fees and hire of equipment. At reporting date there was \$26,265 (2021: \$61,950) outstanding amount payable to Minex Resources Limited.

During the year the Consolidated Entity paid Waikaia Gold Limited, an entity associated with Mr W Batt, \$54,876 (2021: \$Nil) for equipment hire and geological staff reimbursement. At reporting date there was \$2,873 (2021: \$Nil) outstanding amount payable to Waikaia Gold Limited.

During the year the Consolidated Entity paid Mustang Resources Limited, an entity associated with Mr W Batt, \$3,810 (2021: \$Nil) for consulting services. At reporting date there was \$Nil (2021: \$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 (2021: \$2,800) for bookkeeping services. At reporting date there was no amount outstanding (2021: \$Nil) payable to MH Private Pty Ltd.

During 2015 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 2022 the parent entity of the Group was Santana Minerals Limited.

<i>In thousands AUD</i>	2022	2021
Results of the parent entity		
Loss for the year	(1,187,144)	(5,126,961)
Other comprehensive income	-	-
Total comprehensive income for the year	<u>(1,187,144)</u>	<u>(5,126,961)</u>
Financial position of the parent entity at year end		
Current assets	2,402,812	3,799,990
Total assets	19,329,682	16,828,962
Current liabilities	53,862	77,981
Total liabilities	53,862	77,981
Total equity of the parent entity comprising of:		
Share capital	52,491,906	48,779,923
Retained earnings	(33,216,086)	(32,028,942)
Total capital	<u>19,275,820</u>	<u>16,750,981</u>

21. SUBSEQUENT EVENTS

On 22 July 2022, the Company announced that it has received commitments to raise \$9.375m through the issue of 15,000,000 fully paid ordinary shares at \$0.625 per share (Placement Shares).

The Placement was completed in 2 tranches. 9,800,000 Placement Shares (first tranche) were issued on 27 July 2022 under the Company's existing placement capacity as provided for by ASX Listing Rule 7.1. The issue of a further 5,200,000 Placement Shares (second tranche) were subject to shareholder approval at a meeting held on 2 September 2022 and subsequently issued on 9 September 2022.

Other than as outlined, 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 40 to 69 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 2022 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 2022.
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:



NA Seckold
Chairman

Dated at Brisbane this 28th day of September 2022



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 2022 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 2022;
- 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.

KPMG, an Australian partnership and a member firm of the KPMG global organisation of independent member firms affiliated with KPMG International Limited, a private English company limited by guarantee. All rights reserved. The KPMG name and logo are trademarks used under license by the independent member firms of the KPMG global organisation. Liability limited by a scheme approved under Professional Standards Legislation.



Material uncertainty related to going concern

We draw attention to Note 1(r), "Going Concern" in the Financial Report. The conditions disclosed in Note 1(r), indicate a material uncertainty exists that may cast significant doubt on the Group's ability to continue as a going concern and, therefore, whether it will realise its assets and discharge its liabilities in the normal course of business, and at the amounts stated in the Financial Report. Our opinion is not modified in respect of this matter.

In concluding there is a material uncertainty related to going concern we evaluated the extent of uncertainty regarding events or conditions casting significant doubt on the Group's assessment of going concern. This included:

- analysing the cash flow projections by:
 - evaluating the underlying data used to generate the projections for consistency with other information tested by us, our understanding of the Group's intentions, and past results and practices; and
 - 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;
- 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. We specifically focused on the principal matters giving rise to the material uncertainty.

Key Audit Matters

Key Audit Matters are those matters that, in our professional judgment, 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.

In addition to the matter described in the *Material uncertainty related to going concern* section, we have determined the matter described below to be a Key Audit Matter.



Exploration and evaluation expenditure of Bendigo-Ophir (New Zealand) and Cuitaboca (Mexico) projects (\$16,800,234)

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 85% 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 that no such indicators existed. <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 activities; and 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>	<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 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; and 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.



- 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.

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 2022, 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 2022.

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
28 September 2022

Additional Information Required by the Listing Rules as at 26 September 2022

List of the 20 Largest Shareholders

Rank	Name	Shares Held	% of Total Shares
1	DEPOT CORPORATION LIMITED	13,392,373	9.07
2	MERRILL LYNCH (AUSTRALIA) PTY LIMITED	9,239,124	6.26
3	MUSTANG RESOURCES LIMITED	7,655,198	5.19
4	CS FOURTH NOMINEES PTY LTD <HSBC CUST NOM AU LTD 11 A/C>	6,635,855	4.49
5	CALM HOLDINGS PTY LTD <CLIFTON SUPER FUND A/C>	3,620,000	2.45
6	GOLDSTREAM FINANCE LIMITED	3,435,727	2.33
7	CITICORP NOMINEES PTY LIMITED	3,395,034	2.30
8	MR NILS BISCHOFF	2,823,904	1.91
9	ALL-STATES FINANCE PTY LIMITED	2,800,000	1.90
10	SHARESIES NOMINEE LIMITED <CHILD A/C>	2,368,576	1.60
11	MARK DAVID ALDRIDGE & JUDITH ANNE ALDRIDGE & PETER JOHN ALDRIDGE <TIMA KAH>	2,142,915	1.45
12	CHESTER NOMINEES WA PTY LTD <M W WILSON SUPER FUND A/C>	2,100,000	1.42
13	DONALD IAN WHITE & D ROSS DANIEL MOORE	2,050,931	1.39
14	MARFORD GROUP PTY LTD	2,037,483	1.38
15	MR CHRISTOPHER JOHN LEE & MRS GIOVANNA LEE	2,007,765	1.36
16	HSBC CUSTODY NOMINEES (AUSTRALIA) PTY LIMITED	1,785,137	1.21
17	UBS NOMINEES PTY LTD	1,629,780	1.10
18	LONERGAN FOUNDATION PTY LTD <LONERGAN FOUNDATION A/C>	1,620,000	1.10
19	ELPHINSTONE HOLDINGS PTY LTD	1,577,381	1.07
20	SMT INVESTMENTS WA PTY LTD <SMT SUPER FUND A/C>	1,400,000	0.95
TOTAL OF TOP 20 SHAREHOLDERS		73,717,176	49.93
BALANCE OF REGISTER		73,920,112	50.07
TOTAL SHAREHOLDERS		147,637,288	100.00

Substantial Shareholders

Name	Shares Held	% of Total Shares
DEPOT CORPORATION LIMITED	13,392,373	9.07%
REGAL FUNDS MANAGEMENT PTY LTD	10,571,949	7.16%
MUSTANG RESOURCES LIMITED	7,655,198	5.19%

Distribution of Shareholder's Holdings

Ordinary Shares Held	Number of Shareholders	Number of Shares
1 – 1,000	2,163	191,976
1,001 – 5,000	296	830,486
5,001 – 10,000	172	1,352,501
10,001 – 50,000	364	9,049,476
50,001 – 100,000	96	7,037,414
100,001 and over	159	129,175,438
TOTAL	3,250	147,637,288
Unmarketable Parcels	2,101	136,050

Details of Unlisted Options

Details	Number of Holders	Number of Options
3 NOVEMBER 2022 (Exercisable at \$0.20)	1	1,140,310
3 NOVEMBER 2023 (Exercisable at \$0.25)	1	1,140,310
3 NOVEMBER 2023 (Exercisable at \$0.30)	1	1,140,310

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	Norman A Seckold, Chairman Richard E Keevers, Executive Director Frederick J Bunting, Non-Executive Director Warren D Batt, Non-Executive Director Anthony J McDonald, Non-Executive Director
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

