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28 April 2023

Company Announcements Office
ASX Limited

QUARTERLY ACTIVITIES REPORT FOR THE PERIOD ENDED 31 MARCH 2023

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

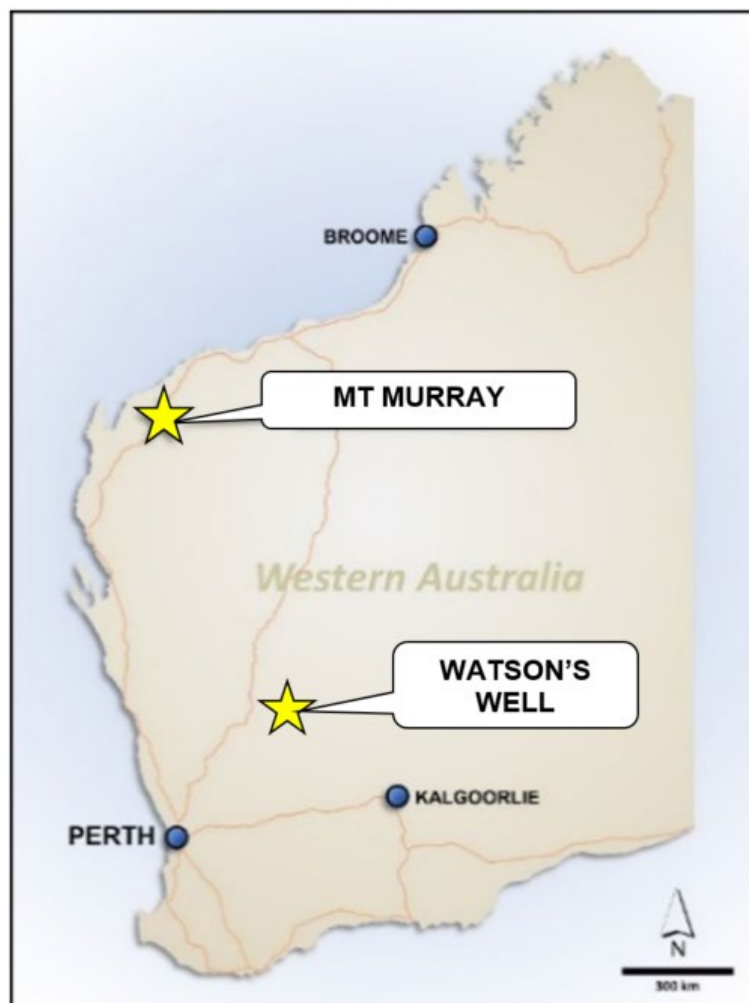


Figure 1: Project locations.

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

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

All ten drillholes intersected broad zones of strong magnetite with associated robust vanadium, titanium, and iron grades (Table 1). Multiple zones of mineralisation were intersected, ranging from 1m to 82m downhole width. The thickest zone, 84m, (0.2% V₂O₅ cut off) is in WWRC006 extending from 62m to 146m downhole grading 0.4% V₂O₅, 4.24% TiO₂, 20% Fe (Figures 2-4). These results were reported to ASX on 3 April 2023.

Table 1: RC drillhole Vanadium-Titanium-Iron intersections calculated with a 0.3% V2O5 cut-off grade, a minimum 3m width and 1m internal low grade.

Hole ID	From	To	Interval	Fe	TiO2	V2O5
	(m)	(m)	(m)	%	%	%
WWRC001	93	104	12	25.11	3.62	0.41
WWRC001	144	148	4	17.99	3.31	0.37
WWRC002	19	25	6	23.93	4.99	0.52
WWRC002	44	49	5	24.17	5.46	0.54
WWRC002	57	64	7	26.06	5.40	0.53
WWRC002	96	110	15	28.15	5.32	0.59
WWRC002	120	124	4	23.16	4.33	0.42
WWRC003	37	42	5	25.64	5.76	0.50
WWRC003	91	97	6	20.94	3.74	0.36
WWRC003	142	147	5	21.14	4.35	0.41
WWRC004	85	94	9	19.65	5.16	0.40
WWRC005	73	79	6	26.73	5.35	0.62
WWRC005	133	136	3	25.02	4.15	0.49
WWRC006	45	55	10	28.13	6.45	0.64
WWRC006	88	106	19	22.42	5.05	0.50
WWRC006	120	129	9	24.56	5.94	0.55
WWRC006	136	145	9	37.40	6.69	0.65
WWRC007	32	37	5	18.86	4.18	0.36
WWRC007	46	53	7	26.32	5.98	0.53
WWRC007	62	67	5	24.98	5.48	0.48
WWRC007	88	93	5	19.85	4.65	0.44
WWRC007	131	142	9	24.30	4.75	0.45
WWRC008	27	31	4	20.42	5.25	0.40
WWRC008	87	91	4	22.49	4.12	0.39
WWRC008	95	102	7	21.21	4.91	0.46
WWRC009	35	38	3	23.04	7.12	0.38
WWRC009	59	62	3	24.16	7.15	0.43
WWRC009	114	116	3	30.54	8.85	0.60
WWRC009	131	139	8	20.78	5.72	0.39
WWRC009	145	149 EOH	4	28.95	7.83	0.56
WWRC010	43	49	6	19.67	4.52	0.44
WWRC010	54	60	6	16.98	3.78	0.37

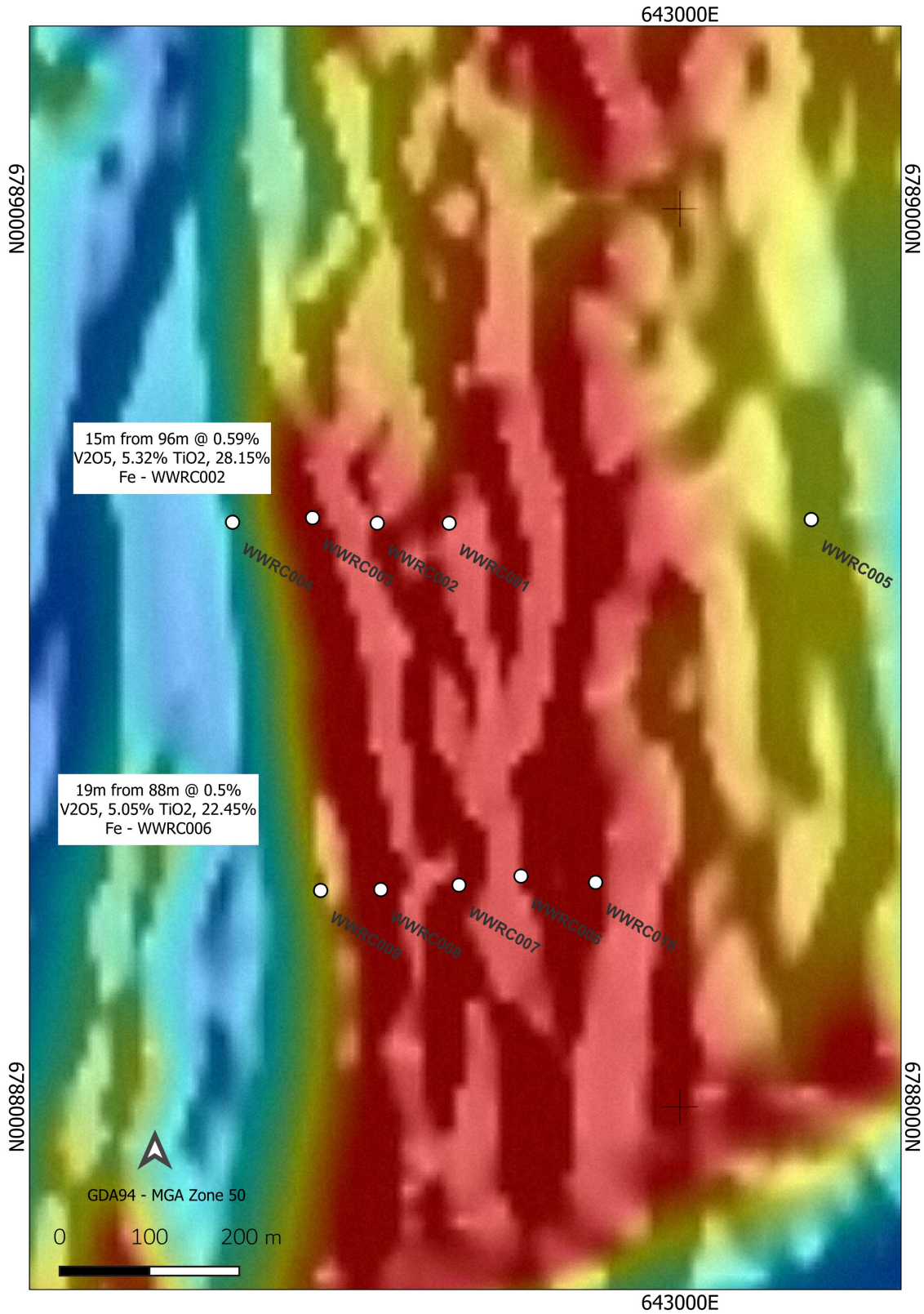


Figure 2 – Watsons Well airborne magnetics showing the middle of the 7km long magnetic anomaly, and the location of the completed RC drill hole collars highlighted with thick mineralised zones.

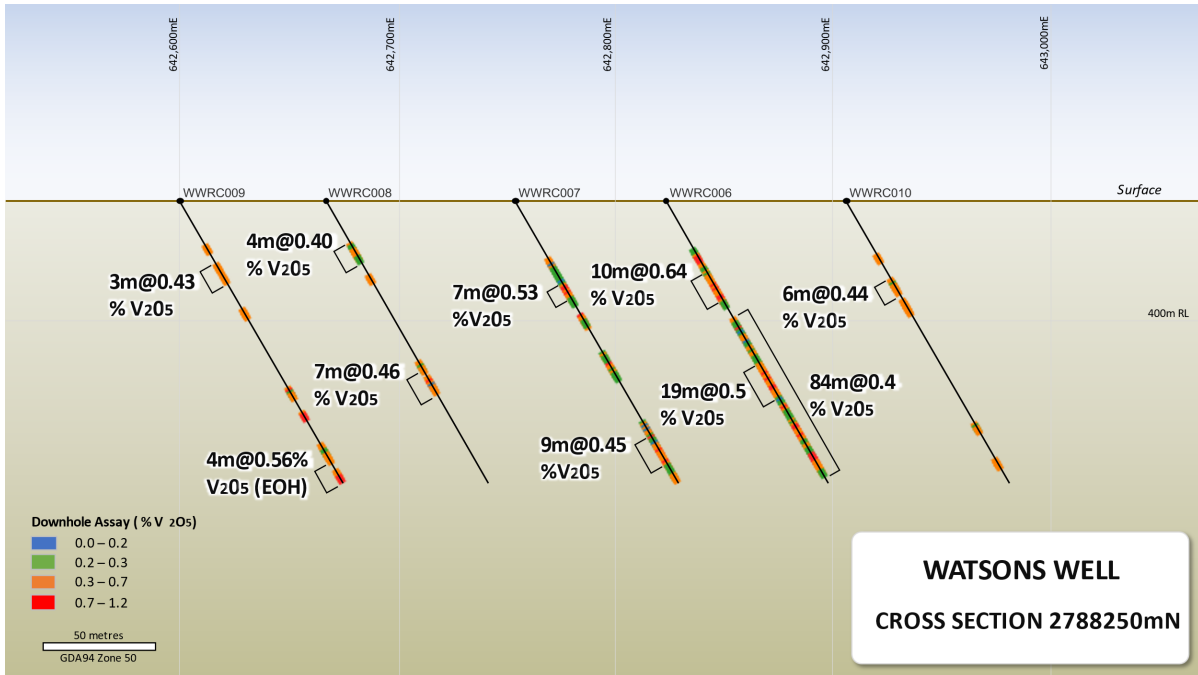


Figure 3: Watsons Well Southern RC drill section with highlighted V₂O₅ intersections.

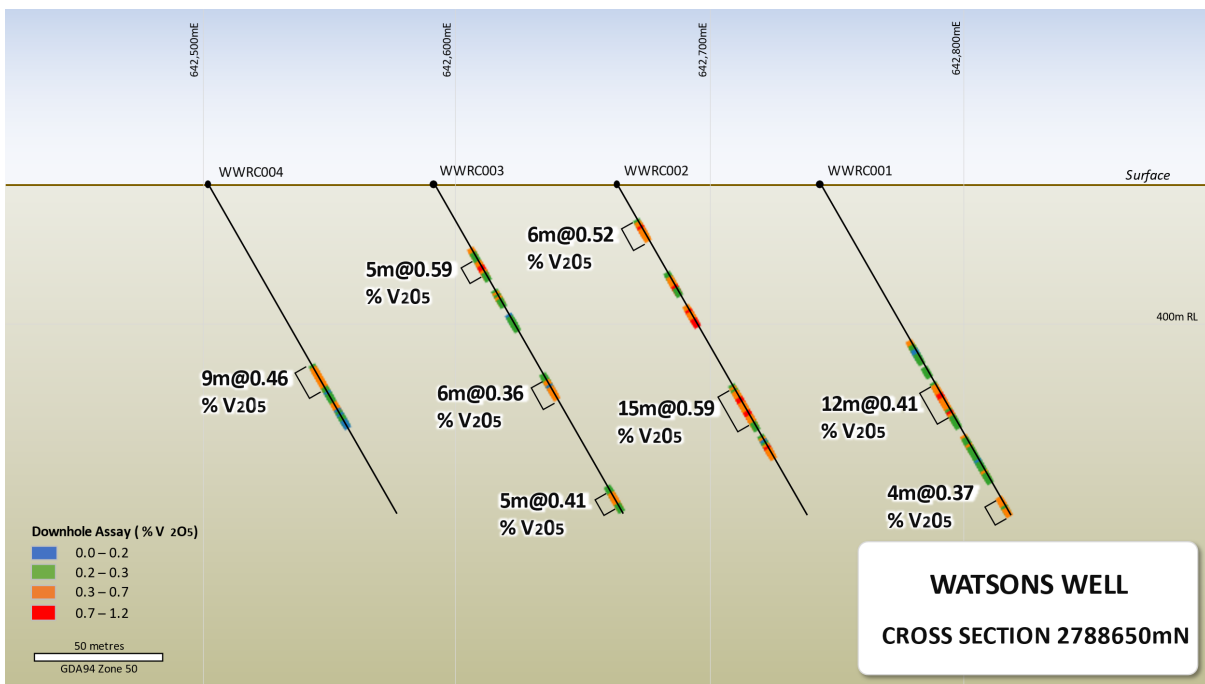


Figure 4: Watsons Well Northern RC drill section with highlighted V₂O₅ intersections.

Drilling Result Next Steps

The maiden RC drilling program at Watsons Well successfully located thick zones with robust grades of vanadium – titanium mineralisation associated with strong magnetite (iron) content over 400m strike within the central part of the 7km long Watsons Well magnetic anomaly. One hole was drilled 400m further east than the rest of the drilling (Figure 2) to test a small outcrop of

massive magnetite. This hole, WWRC005, intersected two zones of mineralisation, 6m @ 0.62% V₂O₅, 5.35% TiO₂, 26.73% Fe and 3m @ 0.49 V₂O₅, 4.15% TiO₂, 25.02% Fe indicating the mineralised magnetite rich gabbro may be up to 600m wide whereas the current drilling has tested only 300m width.

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

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

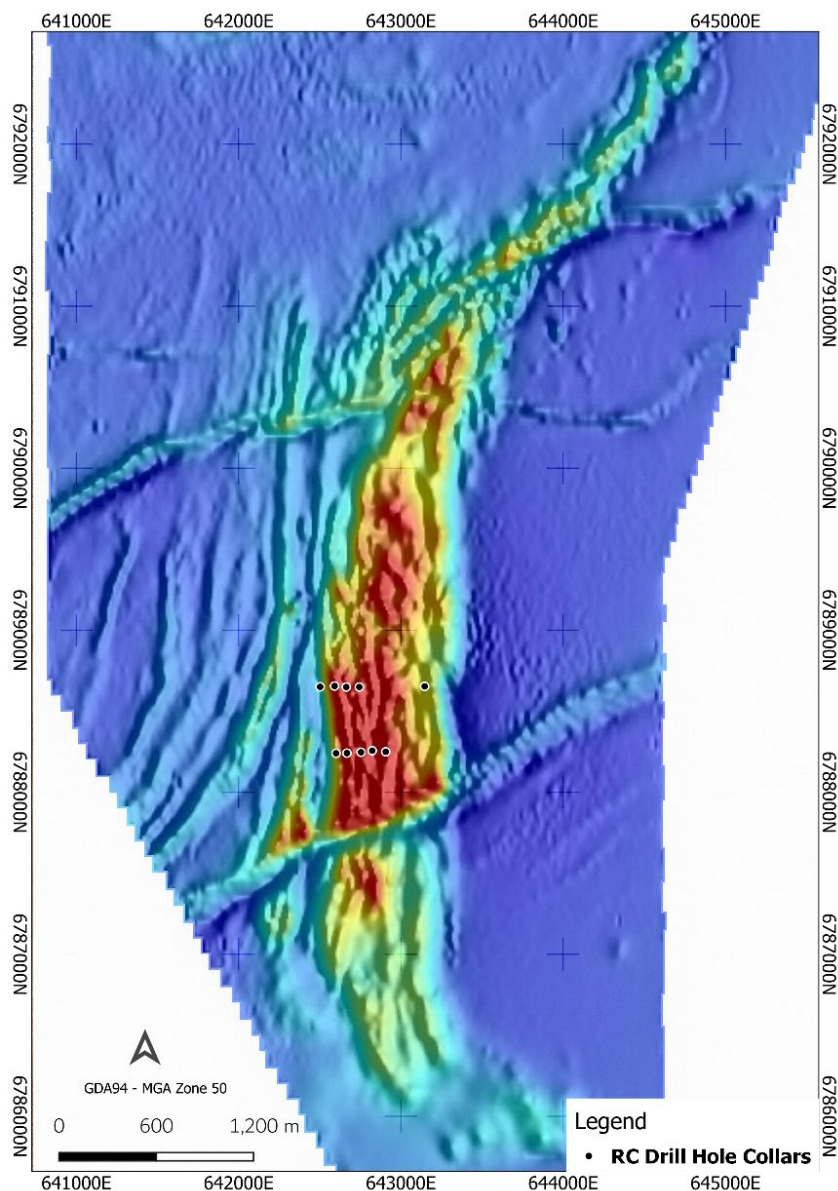


Figure 5: Watsons Well 7km long magnetic complex with SFM RC drill-hole collars.

Mt Murray Base Metal Project (SFM earning 80%)

SFM is exploring the Mt Murray Project for both nickel-copper-palladium-platinum mineralization and base metal copper-lead-zinc-silver-gold mineralization where UFF geochemistry has defined 3 high priority target areas for immediate follow up exploration.

El Paso Target

The El Paso target is a large 5km long magnetic high area interpreted as a mafic-ultramafic intrusive complex prospective for Ni-Cu-PGE mineralization. The target is mostly concealed with only a small outcrop of ultramafic rocks within extensive sand plans.

Ultra Fine Fraction (UFF) soil sampling defined an 800m long zone of strong coincident Ni-Cu-Cr-Mg anomaly central to the interpreted complex close to the outcrop areas. The highest results were 490ppm Ni, 73ppm Cu, 558ppm Cr and 11,100ppm Mg.

There is a second 800m long zone of strong coincident Ni-Cu-Cr-Mg located 2km to the north, within the Highway group of targets. This zone (El Centro) is associated with a concealed northeast striking narrow magnetic high unit. Based on the similar geochemistry this is likely to also be a mafic to ultramafic intrusive with potential for magmatic nickel mineralization.

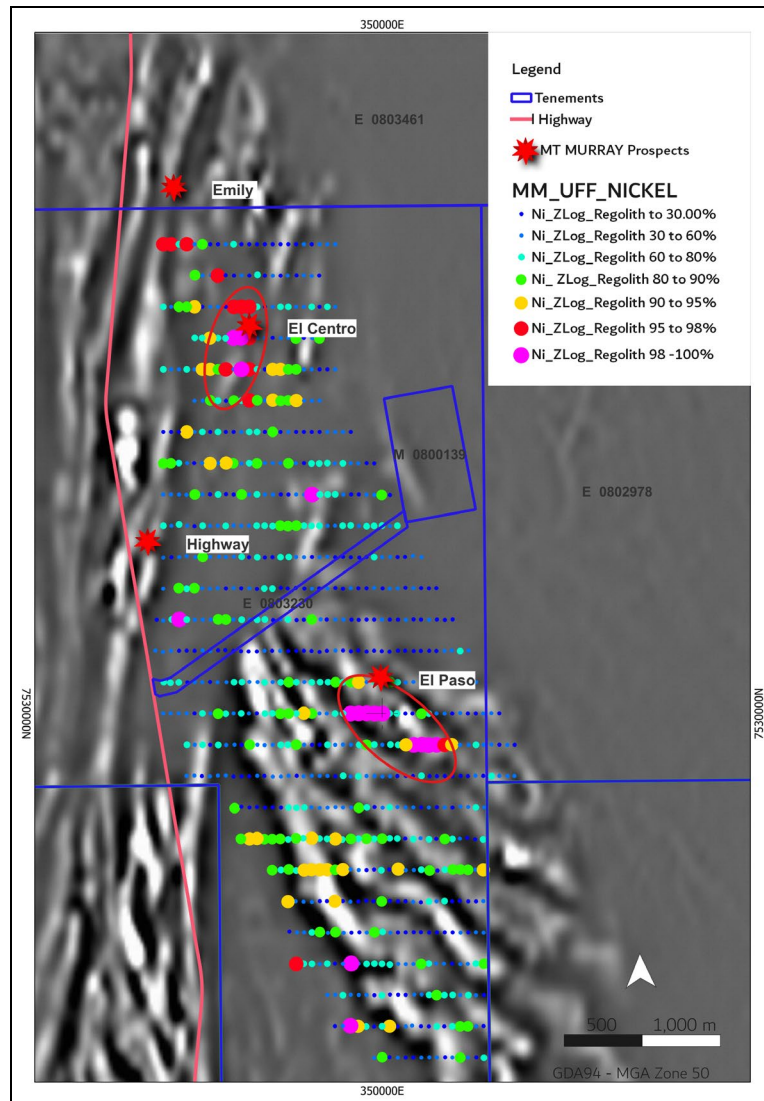


Figure 6: El Paso and El Centro UFF sample results Ni standard deviation percentile leveled by laboratory job and regolith type.

Highway Targets

The Highway targets are located adjacent to the North-West Coastal Highway in the north part of the Mt Murray Project area. Rock chip sampling and mapping has defined a chert and quartz vein zone over about 300m strike with high-grade Pb and Ag (SFM ASX 5th April 2022). To the north and south the mineralization was thought to be concealed beneath sand cover.

The UFF soil sampling successfully confirmed the outcropping mineralization may extend under cover north and south of the known high-grade zone. Soil results show a strong Pb-Zn-Ag-Au +/- Cu association over at least 2.5km striking north-north-east. The highest results are 2,440 ppm Pb, 730ppm Zn, 102ppm Cu and 55.1ppb Au. The anomalous zone is open to the north and south.

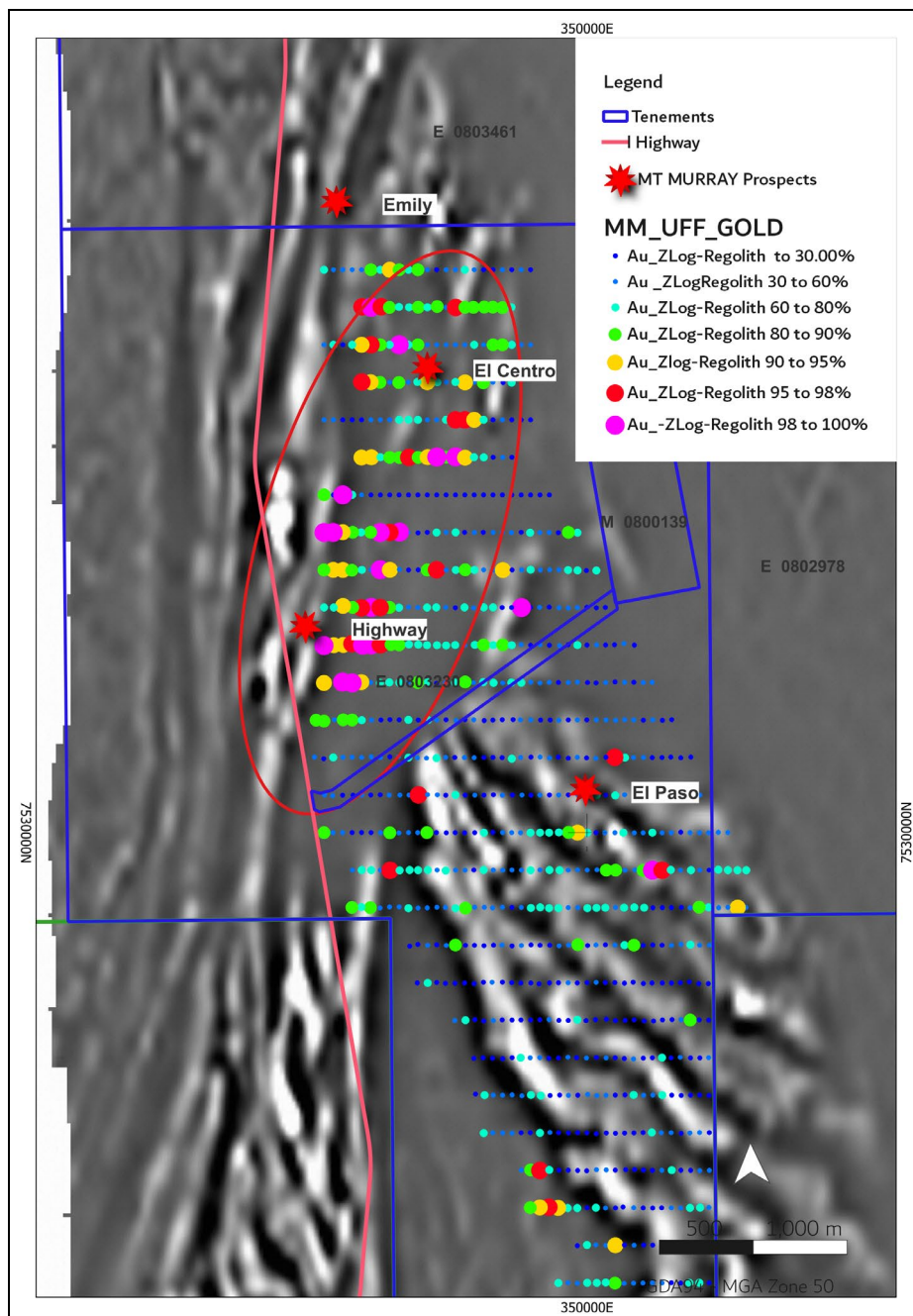


Figure 7: Highway Prospect UFF sample results - Au standard deviation percentile leveled by laboratory job and regolith type.

Ridgeback Targets

The Ridgeback prospect is located at the southern end of the Mt Murray project and was previously highlighted as an area of anomalous Cu-Pb-Zn-As-Au stream sediment samples and a strong late time airborne electromagnetic anomaly (SFM ASX 12th Jan 2022). SFM rock chip sampling returned results up to 59ppb Au, 450ppb Ag, 3080 ppm As, 629 ppm Cu from multiple outcropping quartz iron veins (SFM ASX 5th April 2022). The strong surface iron enrichment and the airborne EM anomaly may result from a sulphide deposit at depth. There has not been any previous soil sampling over this area and the UFF soil sampling was completed help define the extent of follow up exploration.

The UFF soil sampling over the Ridgeback target area has successfully defined a strong multi element Cu-Zn-Ni-Au-Ag anomaly which extends north to the historic Kin prospects defined by Cu-Au. The total strike extent of the Ridgeback and Kin anomaly's is over 2km. The highest results are 182ppm Cu, 154ppm Pb, 202ppm Zn, 1300ppm As and 69.7ppb Au.

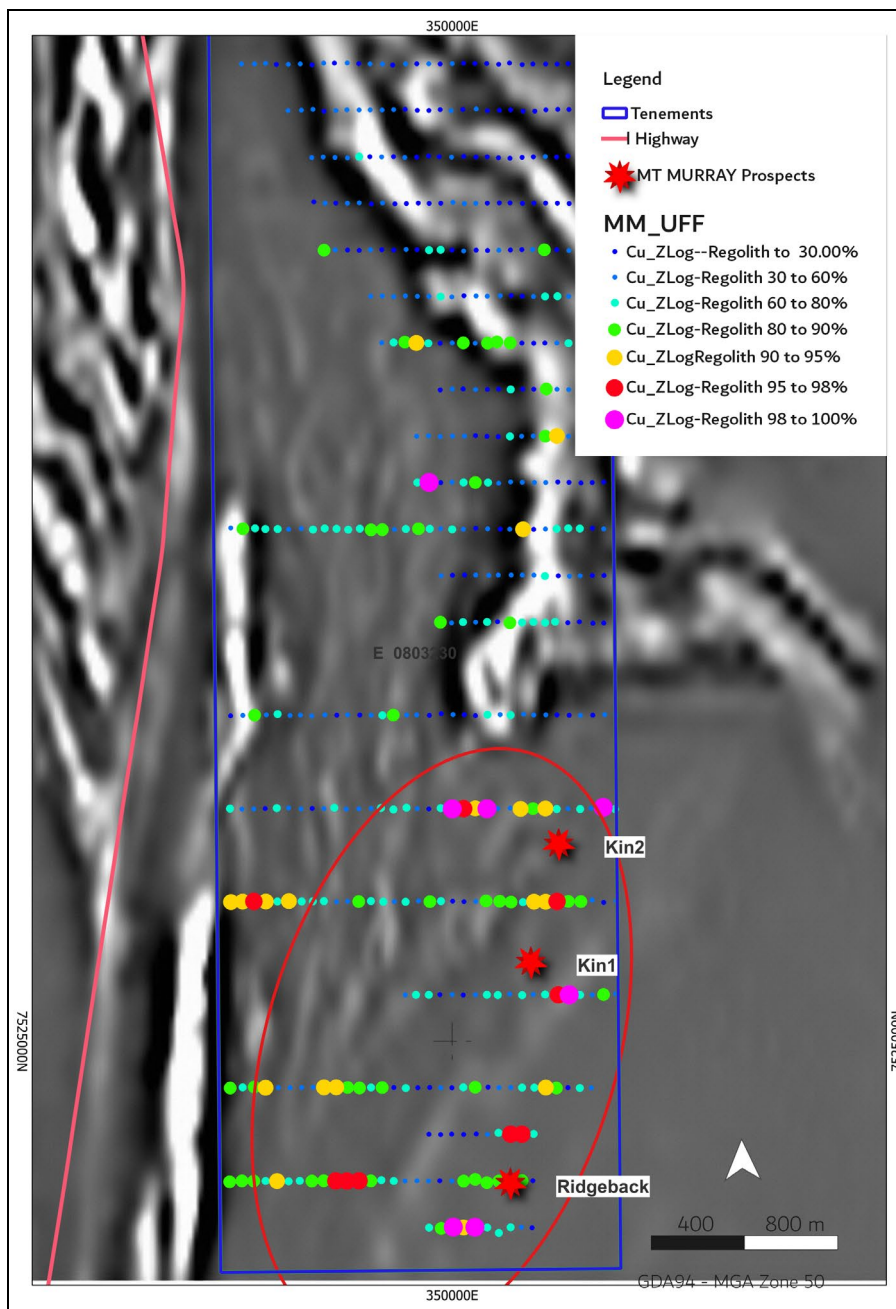


Figure 8: Ridgeback UFF sample results – Cu standard deviation percentile leveled by laboratory job and regolith type.

Other UFF Soil Anomaly's

A total of 19 UFF soil anomalies were previously defined over 9kms strike. 11 of the anomalies are contained in 3 main target area, Highway, El Paso and Ridgeback. The remaining 8 soil anomalies will be further examined with respect to geology to determine if they warrant additional work.

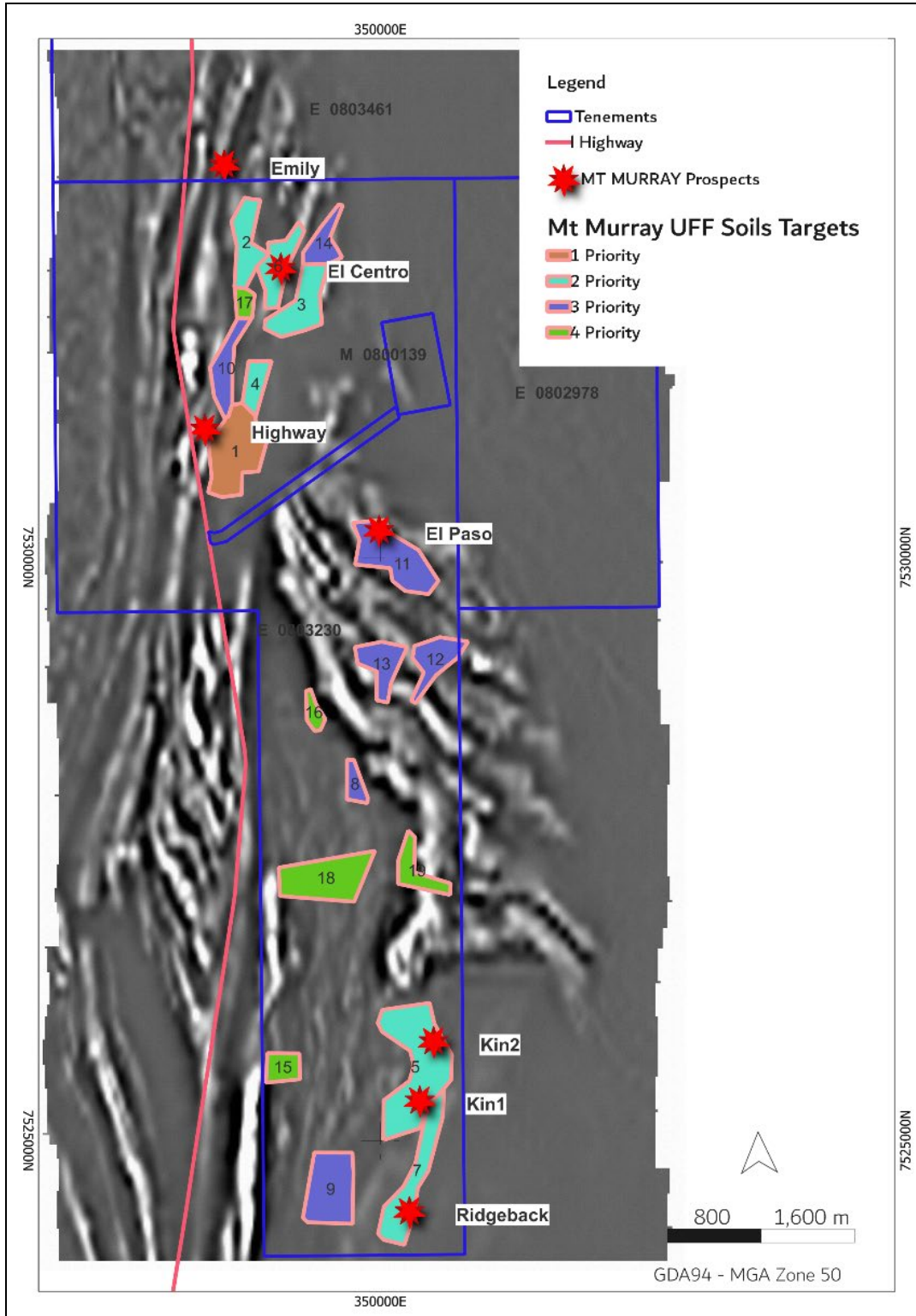


Figure 9: Mt Murray Project UFF Geochemical Targets

High Priority Targets Next Step

SFM will follow up these target areas with an EM geophysical survey to locate concealed sulphide zones for drill testing. Planning for the program is currently underway.

Corporate

At the end of the Quarter, the Company held a balance of \$2,648,748 in liquid assets comprising of \$2,040,450 in cash and shares held in listed entities with a market value of \$608,298.

After the end of the quarter, the company sold a further 650,000 shares in Atlantic Lithium Ltd, receiving gross proceeds of \$374,164. Current shareholdings are as follows:

Oakajee Limited (ASX: OKJ)	1,286,250 fully paid ordinary shares
Atlantic Lithium Limited (ASX: A11)	350,000 fully paid ordinary shares

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

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

- ENDS -

For further information, please contact:

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Managing Director
+61 409 465 511

COMPLIANCE STATEMENT

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

The Company is not aware of any new information or data that materially affects the information included in the above.

Appendix 1: Disclosures in accordance with ASX Listing Rule 5.3

Tenements held at the end of the quarter

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

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

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

*Application E08/3461 was granted on 21 April, 2023.

Acquisition of Mt Murray

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

Key Terms

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

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

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

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

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

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

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

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

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

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

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

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

Related Party Payments

During the quarter ended 31 March 2023, the Company made payments of \$60,775 to related parties and their associates. These payments relate to existing remuneration arrangements being director fees and superannuation.

Appendix 5B

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

Name of entity

Santa Fe Minerals Limited

ABN

59 151 155 734

Quarter ended ("current quarter")

31 March 2023

Consolidated statement of cash flows	Current quarter \$A'000	Year to date (9 months) \$A'000
1. Cash flows from operating activities		
1.1 Receipts from customers	-	-
1.2 Payments for		
(a) exploration & evaluation	(188)	(435)
(b) development	-	-
(c) production	-	-
(d) staff costs	(67)	(204)
(e) administration and corporate costs	(83)	(243)
1.3 Dividends received (see note 3)	-	-
1.4 Interest received	-	10
1.5 Interest and other costs of finance paid	-	-
1.6 Income taxes paid	-	-
1.7 Government grants and tax incentives	-	-
1.8 Other (provide details if material)	-	-
1.9 Net cash from / (used in) operating activities	(338)	(872)
2. Cash flows from investing activities		
2.1 Payments to acquire or for:		
(a) entities	-	-
(b) tenements	-	-
(c) property, plant and equipment	-	-
(d) exploration & evaluation	-	-
(e) investments	-	(232)
(f) other non-current assets	-	-

Consolidated statement of cash flows	Current quarter \$A'000	Year to date (9 months) \$A'000
2.2 Proceeds from the disposal of:	-	-
(a) entities	-	-
(b) tenements	-	-
(c) property, plant and equipment	-	-
(d) investments	269	269
(e) other non-current assets	-	-
2.3 Cash flows from loans to other entities	-	-
2.4 Dividends received (see note 3)	-	-
2.5 Other (provide details if material)	-	-
2.6 Net cash from / (used in) investing activities	269	37

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

4. Net increase / (decrease) in cash and cash equivalents for the period		
4.1 Cash and cash equivalents at beginning of period	2,109	2,875
4.2 Net cash from / (used in) operating activities (item 1.9 above)	(338)	(872)
4.3 Net cash from / (used in) investing activities (item 2.6 above)	269	37
4.4 Net cash from / (used in) financing activities (item 3.10 above)	-	-

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

Consolidated statement of cash flows		Current quarter \$A'000	Year to date (9 months) \$A'000
4.5	Effect of movement in exchange rates on cash held	-	-
4.6	Cash and cash equivalents at end of period	2,040	2,040

5.	Reconciliation of cash and cash equivalents at the end of the quarter (as shown in the consolidated statement of cash flows) to the related items in the accounts	Current quarter \$A'000	Previous quarter \$A'000
5.1	Bank balances	195	264
5.2	Call deposits	1,845	1,845
5.3	Bank overdrafts	-	-
5.4	Other (provide details)	-	-
5.5	Cash and cash equivalents at end of quarter (should equal item 4.6 above)	2,040	2,109

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

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

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

8. Estimated cash available for future operating activities	\$A'000
8.1 Net cash from / (used in) operating activities (item 1.9)	(338)
8.2 (Payments for exploration & evaluation classified as investing activities) (item 2.1(d))	-
8.3 Total relevant outgoings (item 8.1 + item 8.2)	(338)
8.4 Cash and cash equivalents at quarter end (item 4.6)	2,040
8.5 Unused finance facilities available at quarter end (item 7.5)	-
8.6 Total available funding (item 8.4 + item 8.5)	2,040
8.7 Estimated quarters of funding available (item 8.6 divided by item 8.3)	6.04
<i>Note: if the entity has reported positive relevant outgoings (ie a net cash inflow) in item 8.3, answer item 8.7 as "N/A". Otherwise, a figure for the estimated quarters of funding available must be included in item 8.7.</i>	
8.8 If item 8.7 is less than 2 quarters, please provide answers to the following questions:	
8.8.1 Does the entity expect that it will continue to have the current level of net operating cash flows for the time being and, if not, why not?	
Answer: Not applicable.	
8.8.2 Has the entity taken any steps, or does it propose to take any steps, to raise further cash to fund its operations and, if so, what are those steps and how likely does it believe that they will be successful?	
Answer: Not applicable.	

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

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

Answer: Not applicable.

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

Compliance statement

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

Date: 28 April 2023

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

Notes

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