SANTANA MINERALS LIMITED

ANNUAL REPORT 2020

Content

Chairman's Letter

Dear Shareholders

The last 12 months proved another challenging period for Santana. Having acquired the Sayabouly Project in Laos in November 2019, optimism was high as we commenced planning for a maiden drill campaign at the Project's Phu Lon Nickel Prospect.

While there are often hurdles to navigate during a first-up campaign in a new jurisdiction, none of us could have foreseen the onset on the global COVID-19 pandemic which created an unexpected level of logistical and operational challenges. Unfortunately, as our drill program was just beginning to deliver some encouraging data, we were required to abandon the campaign and vacate the region as government-enforced lockdowns were implemented across Laos. The Company still views the Sayabouly Project (particularly the Phu Lon Nickel and Nakhan Gold Prospects) as highly prospective to further exploration; however, access restrictions means it is unlikely any meaningful work programs can be completed there in the near term.

With this being the case, the Board, subsequent to year end, decided to move on an opportunity to acquire a 100% interest in the Bendigo-Ophir Gold Project in the Otago Goldfields of New Zealand's South Island. This Project, which sits 90km north-west of the renowned Macraes Gold Mine comes with a 250k oz inferred resource and significant exploration potential. Importantly, it is a Project that we have immediate access to and has the potential to deliver near-term value for our shareholders, particularly in the current gold environment. I would encourage shareholders to support the acquisition of this Project at the upcoming General Meeting.

Within our Company we now hold a number of highly prospective early-stage exploration projects, which we are continually assessing with the sole objective of realising maximum value for shareholders and we look forward to advancing these opportunities over the coming months.

As always, on behalf of the Board, I would like to thank you for your continuing patience and support as we look forward to a more fruitful year ahead.

Sincerely,

Norman Seckold

Management Review – Operations

Review of Operations

During the reporting period, the Company announced that it had acquired a 75% interest in the Sayabouly Project in Lao and two Cambodian gold projects (**Figure 1**). Exploration activities focused on the Sayabouly Project during the year, with minor work completed on the company's retained assets, Becker (Chile) and Cuitaboca (Mexico).

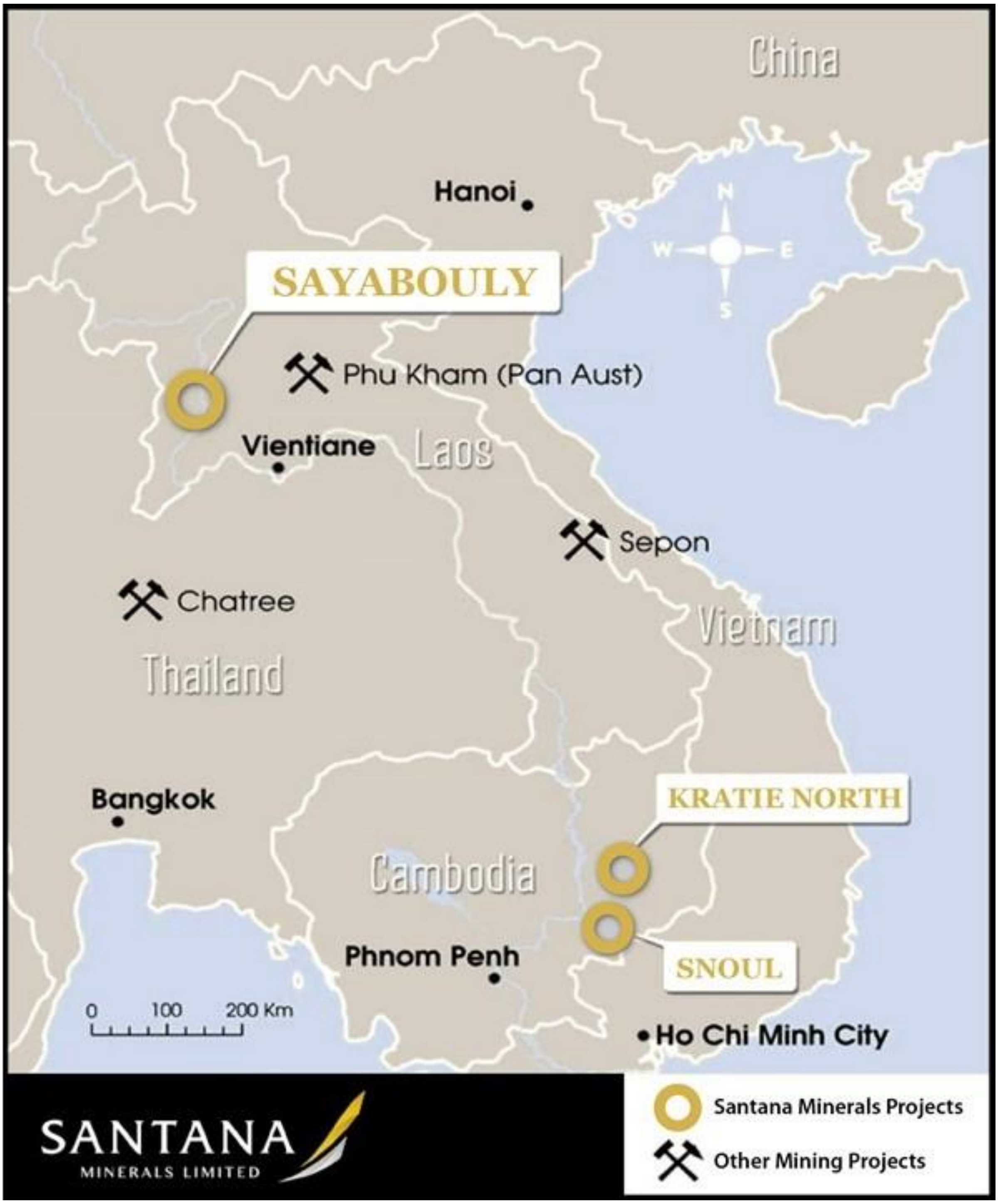

Figure 1: Sayabouly and Cambodian Project locations.

Laos – Sayabouly Project (75%)

The Sayabouly Project contains one exploration licence covering an area of 488km^2, located approximately 250km north-west of the capital Vientiane, Laos (**Figure 1**). The Company's exploration focus during the reporting period was on two exploration targets: (1) Phu Lon Nickel Prospect and (2) Nakhan Gold Prospect, both shown in **Figure 2**. Following finalisation of the acquisition exploration at the project commenced immediately and is detailed below.

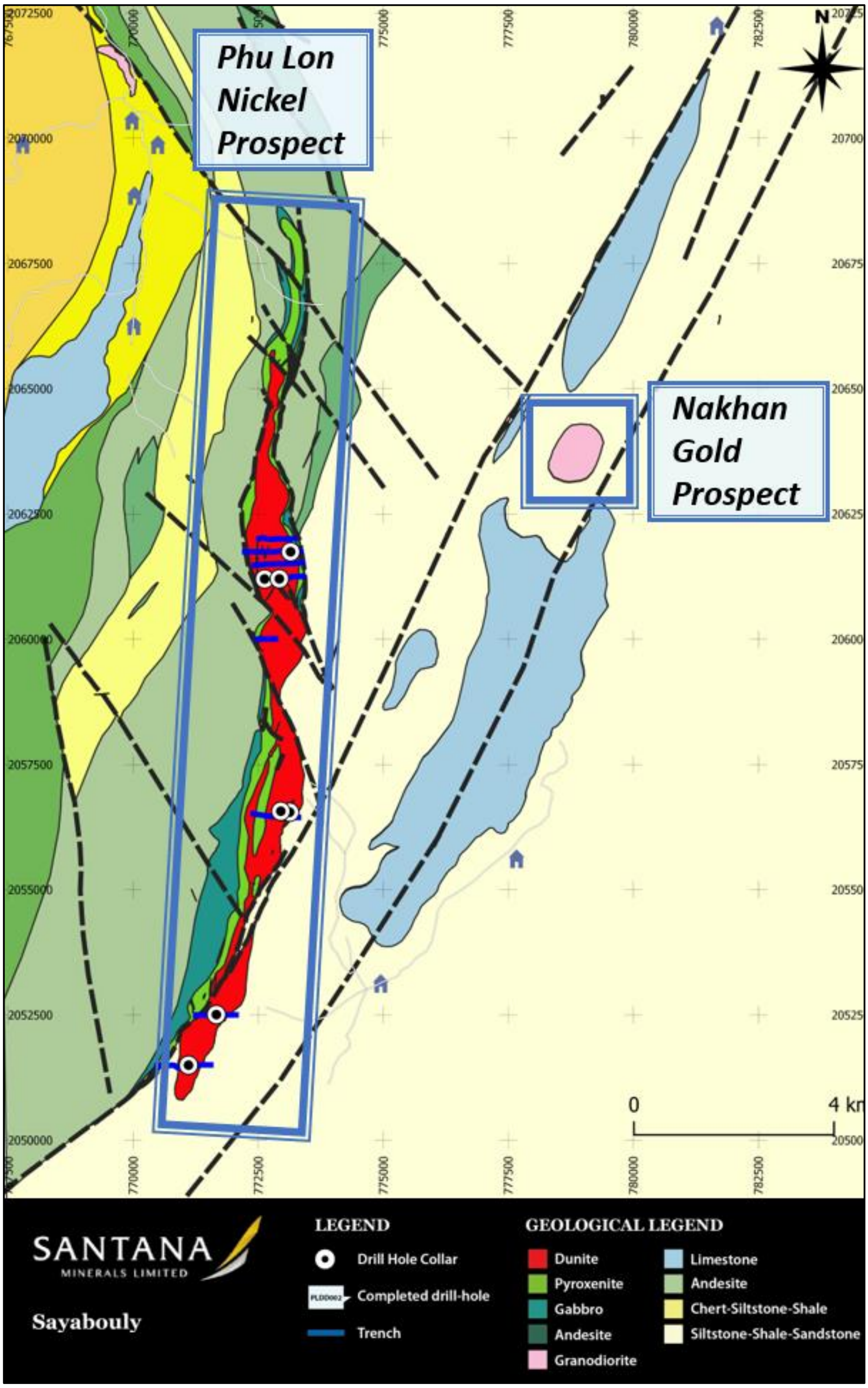

Figure 2: Sayabouly Project Prospect Location Plan.

Phu Lon Nickel Prospect

The Phu Lon Nickel Prospect is a 14km x 1km nickel-platinum-chromium-cobalt mineralised exploration target, hosted by an ultramafic intrusive. Mineralisation has previously been defined by rock-chip, soil-stream sediment, and trench sampling, with no drilling previously undertaken prior to the Company's acquisition. Significant trench samples with extensive widths had been recorded which included: 975m @ 0.51% Ni (including 42m @ 1.02% Ni), 90m @ 0.67% Ni (including 36m @ 1.01% Ni) and 80m @ 0.74% Ni (including 17m @ 0.91% Ni), shown in **Figure 3**.

Magmatic nickel sulphide style mineralisation was targeted at the prospect, modelled after the Jinchuan Mine in China, which contains 500 million tonnes @ 1.2% nickel, 0.7% copper and 0.4g/t platinum group elements (PGEs). This analogy in mineralisation style was bolstered by petrological studies completed by the previous owner, which identified pentlandite (nickel sulphide), chalcopyrite (copper sulphide), pyrrhotite (iron sulphide) and cobalt-pentlandite (cobalt-nickel sulphide).

A maiden drill program at the prospect commenced in January 2020, with a plan to drill 13 diamond holes for 2,000m. Unfortunately just 8 holes for 1,124m were drilled (**Figure 3**), before the program was suspended due to COVID-19 containment measures.

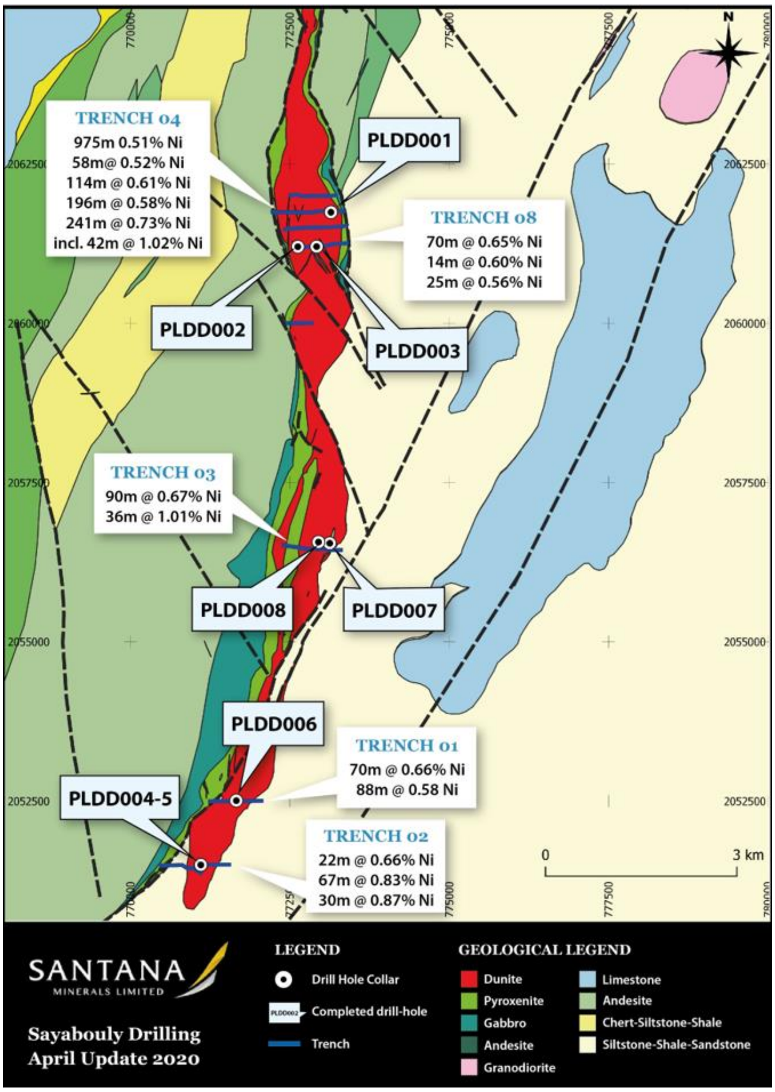

Figure 3: Trench Results and Drill Hole Locations, Phu Lon Nickel Prospect.

Sulphide mineralisation was intersected in holes PLDD002, 003, 006, and 008, with the two latter holes recording massive sulphides intervals. While these holes did not return reportable nickel results, anomalous copper values were recorded, and from these results it was interpreted that the sulphide mineralisation intersection was most likely composed of pyrrhotite (iron-sulphide) with minor chalcopyrite (copper sulphide). The intersection of this mineralisation style is considered a significant advancement by the Company for the discovery of nickel and copper rich magmatic sulphide mineralisation, targeted at the prospect.

To develop magmatic sulphide style mineralisation requires fluids from the mantle to migrate close to the surface and bond with sulphur. The ascending fluids from the mantle can be enriched in metals such as iron, nickel, platinum, copper, and cobalt, but devoid of sulphur, requiring this element to be added to these fluids as they rise. The intersection of pyrrhotite as layers of massive sulphide in holes PLDD006 and PLDD008 supports the concept that sulphur was added to the ultramafic intrusion a the Phu Lon Nickel Prospect. This increases the potential for sulphur to have scavenged nickel (forming nickel sulphide) and associated metals at suitable trap sites, shown in **Figure 4**.

Further investigation of these targets is warranted, and it is recommended that an electromagnetic (EM) geophysical survey be untaken centred on the locations highlighted (**Figure 4**). This geophysical method can identify massive sulphide mineralisation at depth for possible future drill testing.

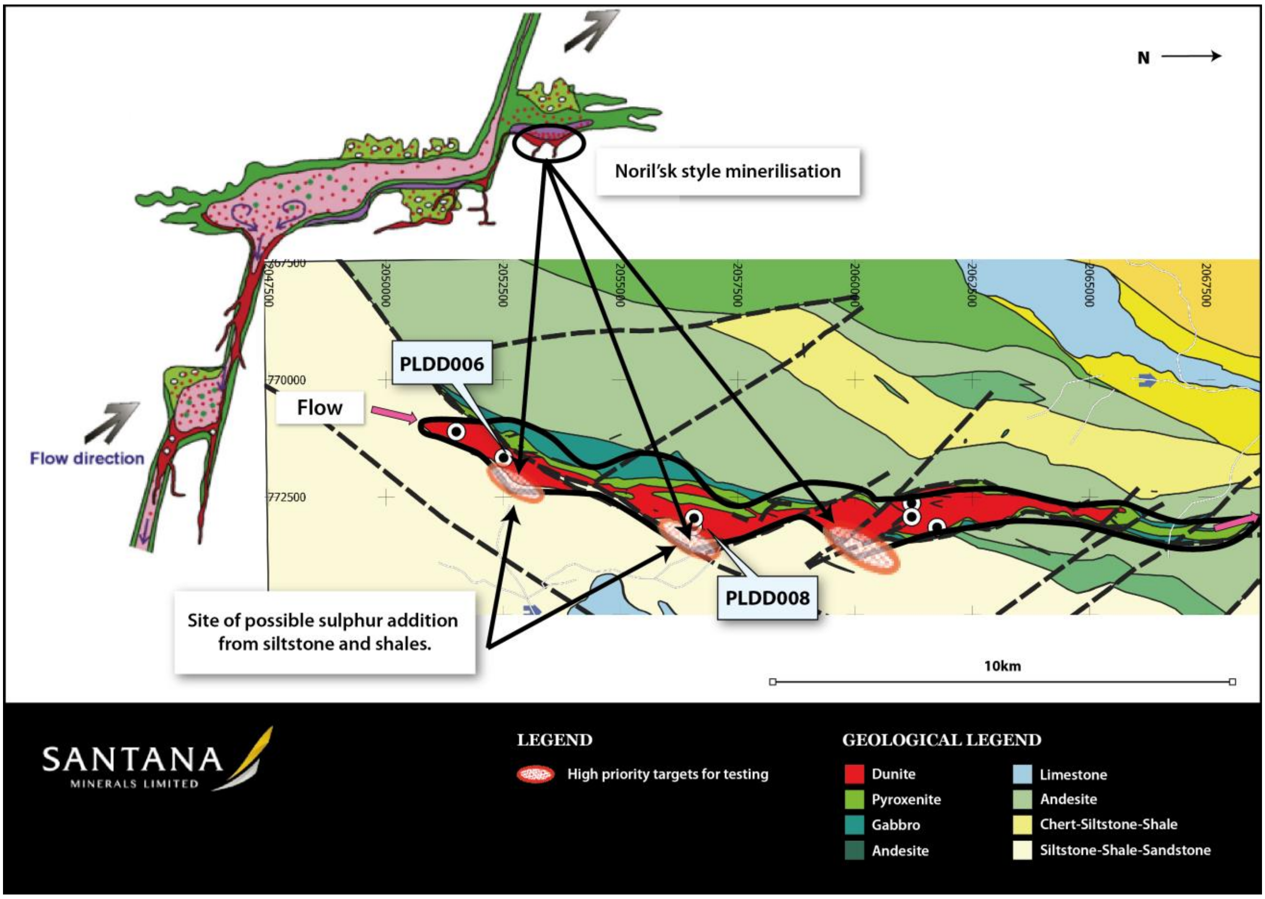

Figure 4: Plan view of the interpreted fluid flow model flowing from the Naxam Fault in the south. High priority targets shown with interpreted position within the magmatic sulphide mineralisation model inset.

All holes of the maiden program intersected weathering enrichment mineralisation at surface, also defined by previous reported trench results. This mineralisation is interpreted to cover the 14km x 1km surface extent of the ultramafic intrusive. Significant assays were recorded from surface within weathering enrichment zones, with results including:

- 4.2m @ 0.65% Ni from surface (PLDD001);
- 5.6m @ 0.68% Ni from surface (PLDD008);
- 5.0m @ 0.51% Ni from surface (PLDD006); and
- 1.4m @ 0.56% Ni from surface (PLDD004).

It is recommended metallurgical test work is completed on these near-surface intersections, to determine potential metal liberation options for this style of mineralisation.

Nakhan Gold Prospect

The Nakhan Gold Prospect is located 6km east of the Phu Lon Nickel Prospect (**Figure 2**), with previous exploration recording significant trench and Rotary Air-Blast (RAB) drilling results (**Figure 5**). Most of the prospect is concealed by shallow sediment cover (between 1-2m thick), masking the intrusive related gold mineralised quartz veins below. The company regards these results as highly prospective and had planned to diamond drill test the prospect concurrently with the maiden Phu Lon drilling program. Unfortunately, this program was suspended due to COVID-19 containment measures before drilling at Nakhan could be undertaken.

The Nakhan Gold Prospect remains a high priority target for the company and warrants further exploration.

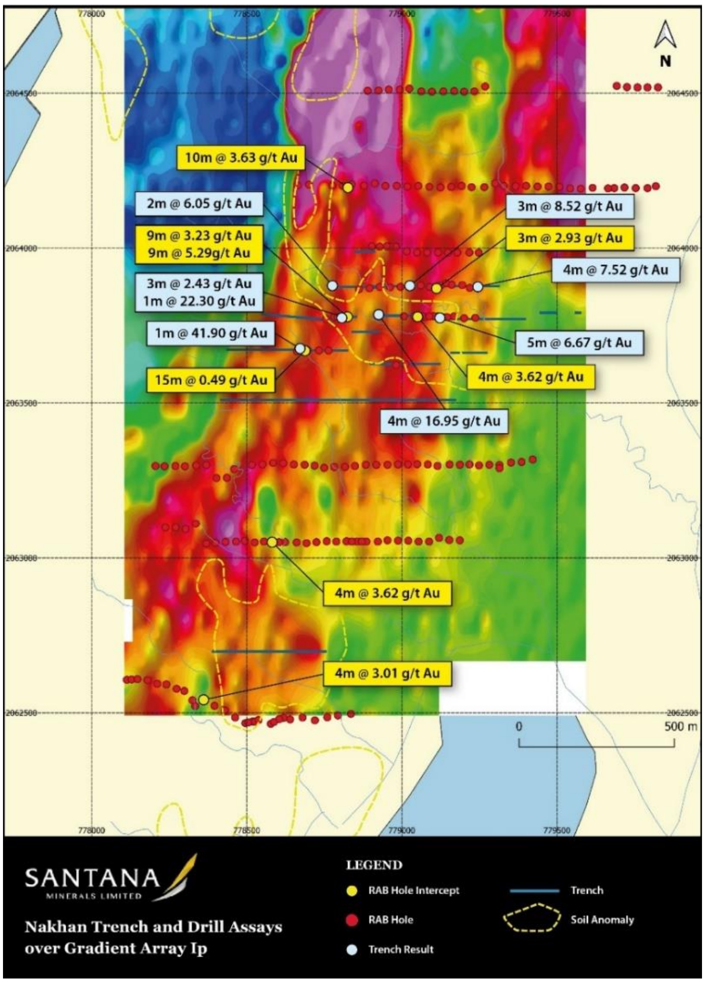

Figure 5: The Nakhan Gold Prospect, which has previously recorded significant gold results.

Cambodia – Snoul and Phnom Khtong Exploration Licences (85%)

The Company's subsidiary Southern Gold (Asia) Pty Ltd (SG Asia), which holds the Cambodian Project Interests, is party to an unincorporated joint venture agreement with Southern Gold Limited (Southern Gold). Southern Gold has a 15% unincorporated joint venture interest which is free carried until completion of a feasibility study. The Joint Venture covers two concessions: the Snoul and the Phnom Khtong Projects (**Figure 6**).

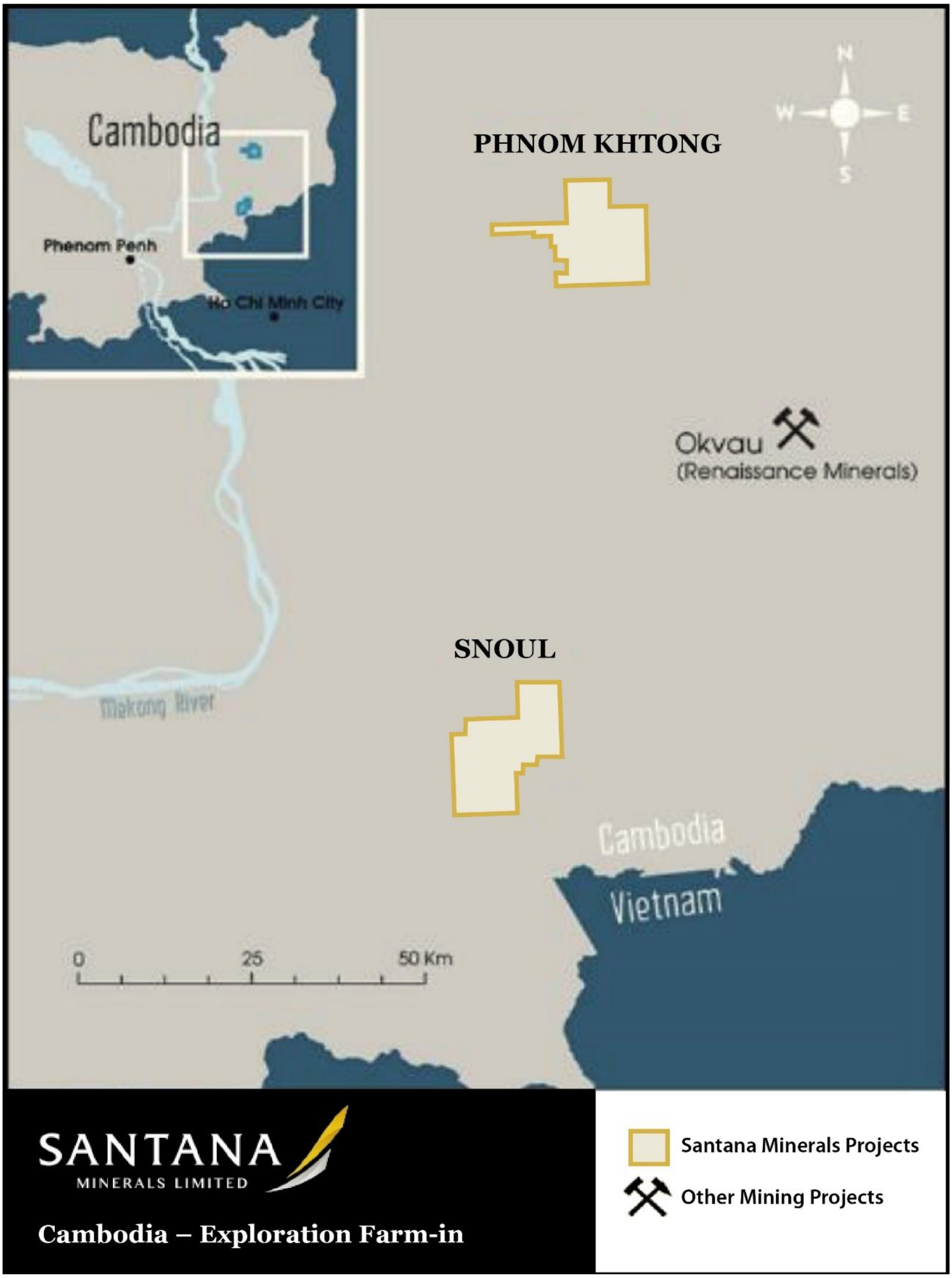

Figure 6: Location Plan for the Phnom Khtong and Snoul Exploration Licenses.

In 2017 SG Asia entered into a farm-in and incorporated joint venture agreement with Emerald Resources NL's wholly owned subsidiary Renaissance Cambodia Pty Ltd ('Renaissance'). Under the agreement Renaissance will sole fund US$0.5 million of exploration expenditure on each of the Cambodian exploration licences within an initial 2 years to earn a 30% shareholding in SG Asia (First Farm-in Interest). Renaissance can elect to sole fund a further US$1.0 million of exploration expenditure on each of the exploration licences over the following 2 years to increase its shareholding in SG Asia to 60% (Second Farm-in Interest). Under the agreement Renaissance is the Manager and has yet to earn an interest.

During the 2018-2019 Financial Year, a variation of the agreement was negotiated, which extended the timeline for the expenditure and the Farm-in rights interests. The extension was granted given significant results which had been returned on the concessions (detailed below) and which warranted drilling. The Cambodian regulation system required an Initial Environmental Impact Assessment (IEIA) to be undertaken for more intensive exploration, which is approved by the Ministry of Environment. The Farm-in Right timeframe was extended to 31st August 2020 to allow this approval process to be undertaken and to ensure the highly prospective targets were drill tested under this free-carry agreement.

The IEIA was approved in December 2019 and it was intended that extensive exploration including drilling would be undertaken early-2020. However, with the outbreak of the COVID-19 pandemic this program was suspended. Subsequently a further extension to the Farm-in Right was extended to June 2021 to allow drilling to be completed on the two exploration licences.

Previous exploration on the two licences has included extensive soil, stream and rock chip sampling, trenching, initial reverse circulation and diamond core drilling and airborne magnetic and radiometric surveys. This work is shown in **Figure 7** to **Figure 9**.

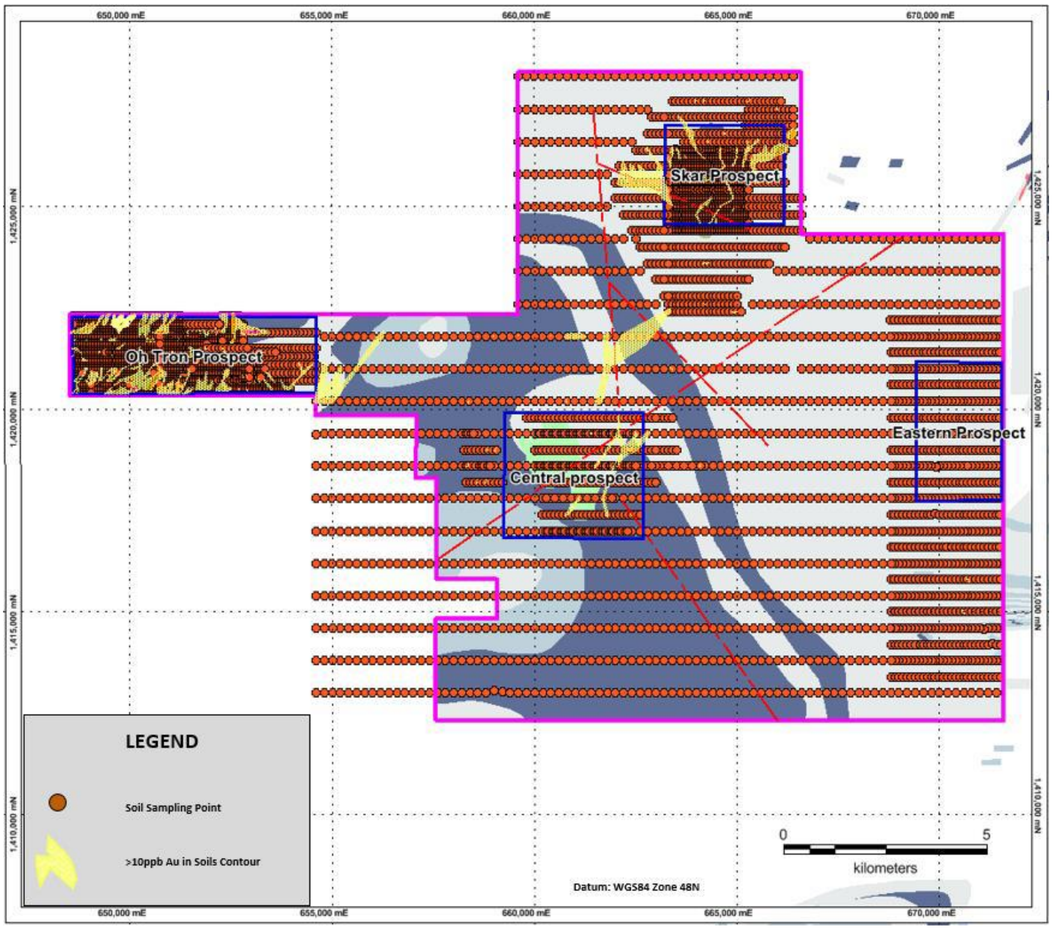

Figure 7: Phnom Khtong Soil Geochemistry Coverage and >10ppb Gold Anomalies

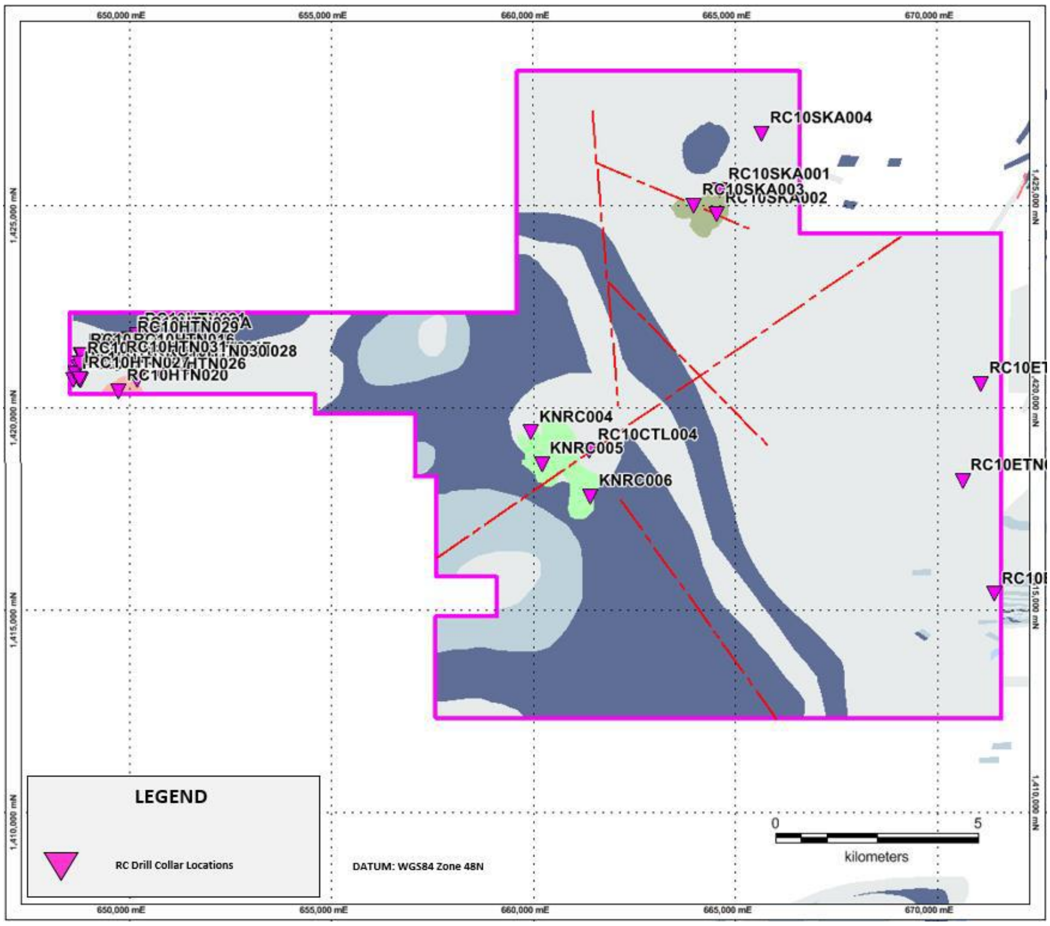

Figure 8: Phnom Khtong Drill Collar Locations

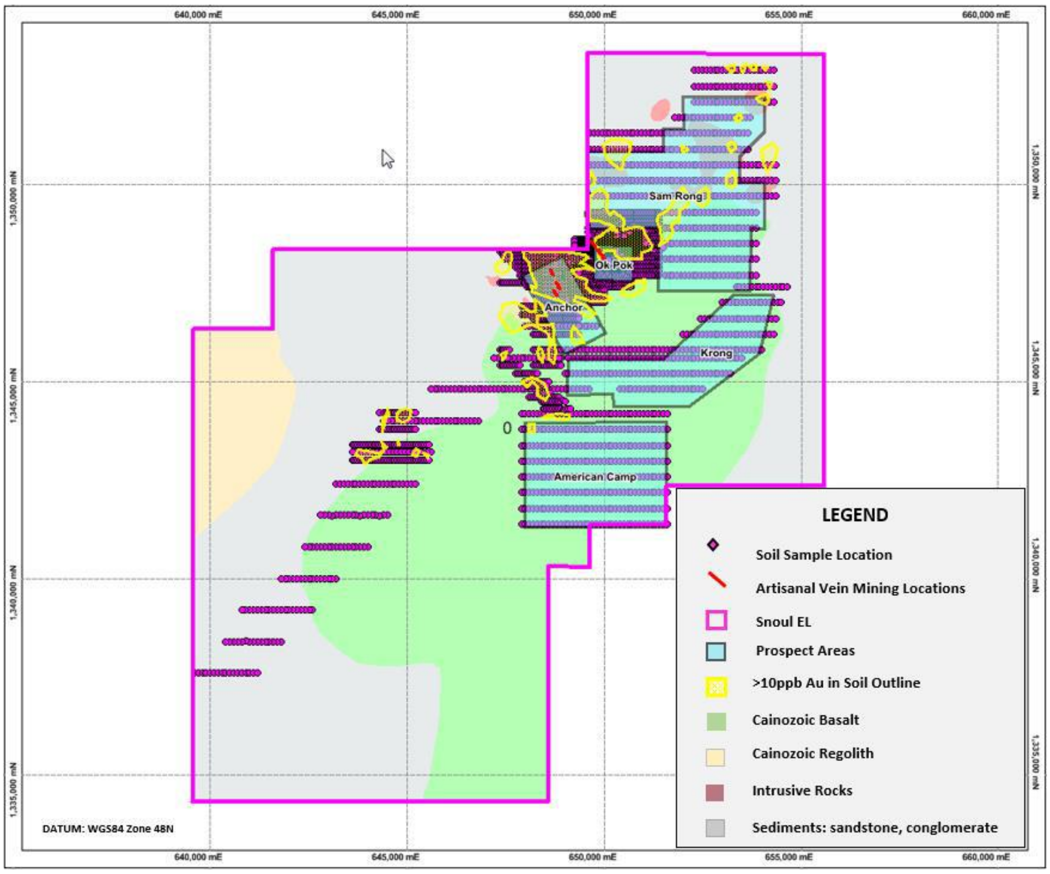

Figure 9: Snoul Geochemistry Sampling Coverage and Associated Gold Anomalism

Auger soil and rock-chip samples taken from the Oh Tron Prospect (Phnom Khtong Licence) during FY19 recorded peak soil results of 7.27g/t, 1.57g/t and 0.60g/t Au, while the rock-chip samples returned 38.30g/t, 21.95g/t, 11.55g/t, 9.64g/t Au (Emerald Resources ASX Announcement, November 2018), shown in **Figure 10**.

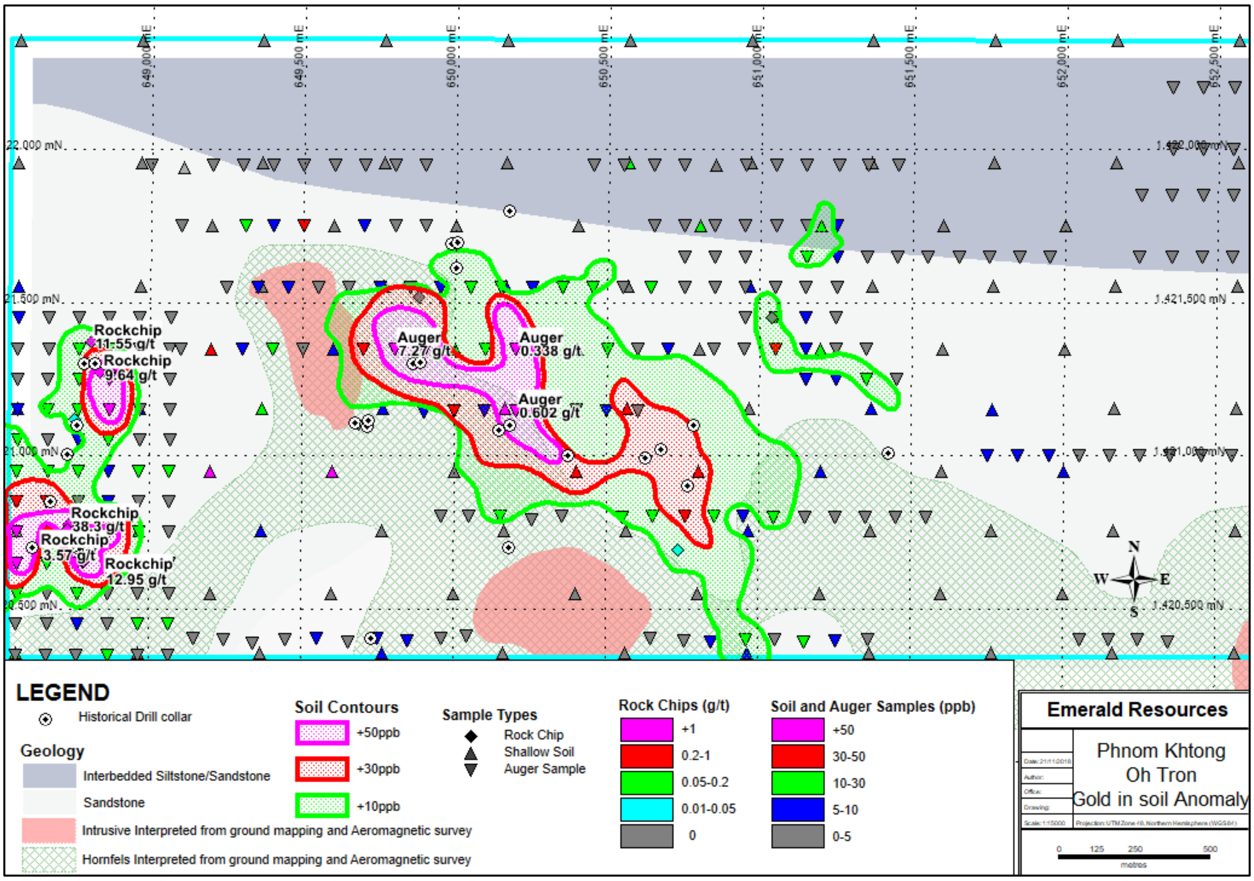

Figure 10: Oh Tron Prospect Auger Soil Sampling Results (Emerald Resources Announcement, November 2018).

Drilling previously completed at Oh Tron Prospect returned no significant results; however, sampling data acquired in FY19 indicates previously drilled holes were not completed in the optimum position. The target is considered highly prospective and shows similarities with Emerald's Okvau Deposit, currently being developed.

Further drilling on both licences is planned on the relaxation of COVID-19 containment measures.

Chile – Becker Gold Project (earning to 85%)

The Becker Project is located approximately 210km south of Santiago and 40km north west of Talca in Region VII, Chile (**Figure 11**). The project area comprises 2,000ha of exploitation tenements and an additional 1,800ha of exploration tenements constituted in 2018. The two main prospects identified within the project are the Lajuelas and Guindos vein systems. They have been interpreted to host intermediate sulphidation epithermal to mesothermal Au-Ag mineralisation. The Project was discovered in 1995 by Arauco Resources Corporation through sampling of surface boulders which returned gold values along the entire 350 metre Lajuelas Trend with high values ranging from 23.5 g/t Au to 79.0 g/t Au.

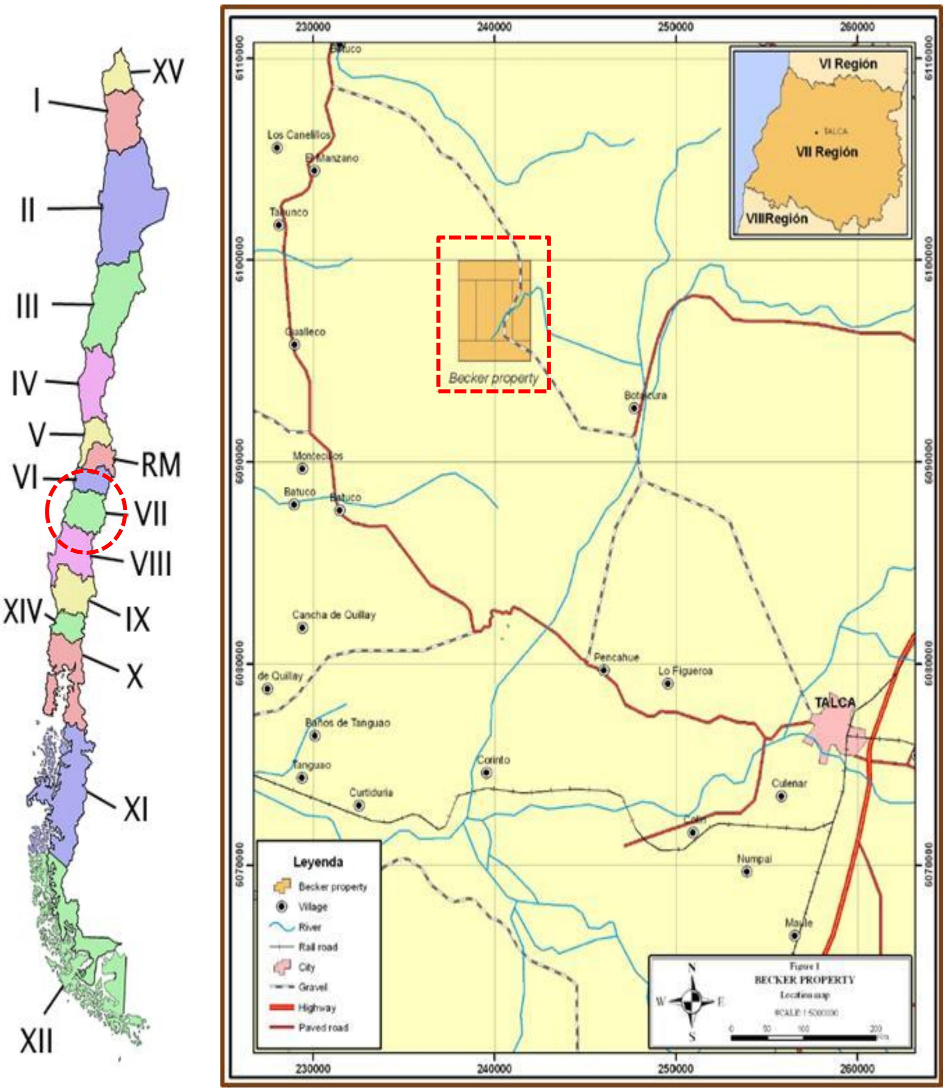

Figure 11: Becker Project Location.

The Company undertook a maiden diamond core drill program in 2018 at the Lajuelas and Guindos Prospects, which included a total of 1,180m drilled over 15 holes (10 at Lajuelas and 5 at Guindos). The 10 drill hole locations at Lajuelas (BDH18-1 to BDH18-9 – incl. BDH18-7 & 7A) and 5 drill hole locations at Guindos (BDH18-10 to BDH18-14) are shown in **Figure 12**. Significant results returned from this program, included:

- 12m @ 8.1g/t Au, 15.3g/t Ag from 9m (BDH18-08);
- 16m @ 3.5g/t Au from 25m (BDH18-08); and
- 7m @ 2.8g/t Au from surface (BDH18-09).

The veins intersected were found to be discontinuous at depth, potentially offset by faulting. A review of the project was undertaken during the reporting period which included relogging of drill-core, spectral data collection, and geochemical data analysis. The review recommended assaying of the remaining un-assayed drill core be completed and undertake further regional stream sediment and soil sampling, to define the extent of the mineralised system. This work will determine and prioritise further exploration activities at the project.

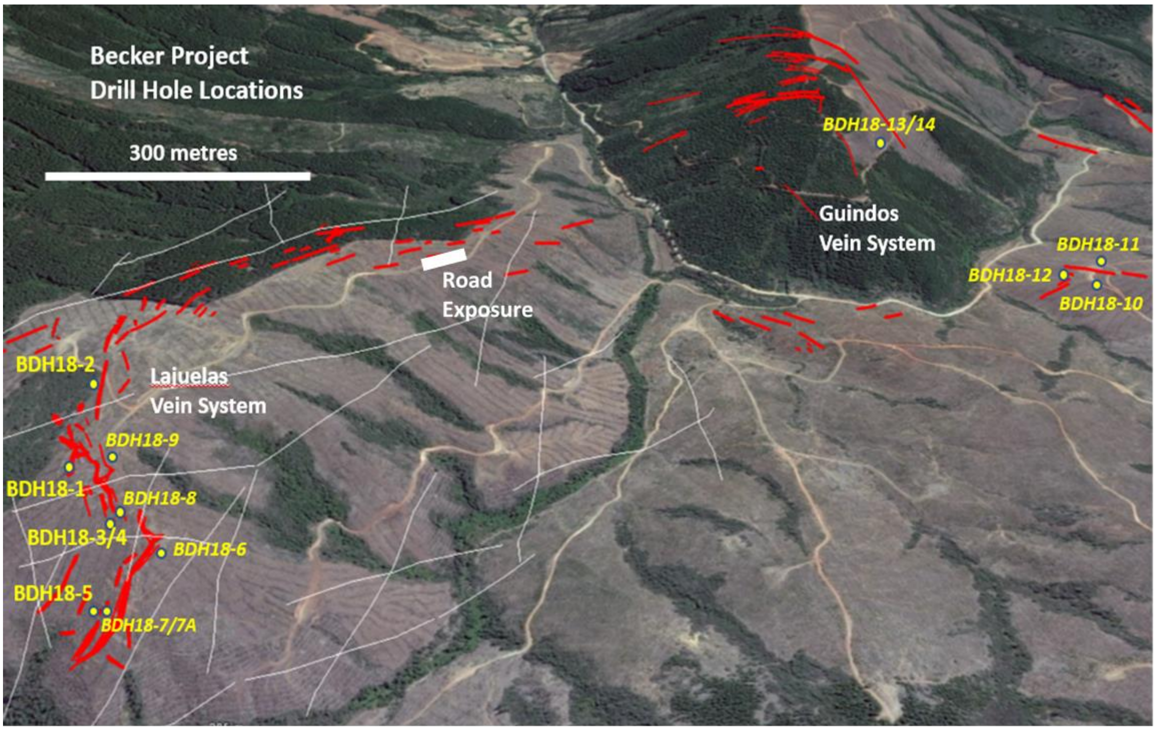

Figure 12: Becker Project 2018 drill holes (BDH) + mapped surface quartz veins (red) + structural features inferred from ground geophysics.

Mexico – Cuitaboca (earning to 80%)

The Cuitaboca Project mining concessions cover an area of 5,500ha approximately 100 km north east of the city of Los Mochis in Sinaloa, Mexico (**Figure 13** and **Figure 14**). Cuitaboca lies in the foothills of the Sierra Madre Occidental dominated by andesite flows and tuffs of the lower volcanic group, with minor rhyolites of the upper volcanic group at higher elevations. Silver-gold rich mineralisation is hosted in the lower volcanic group andesites.

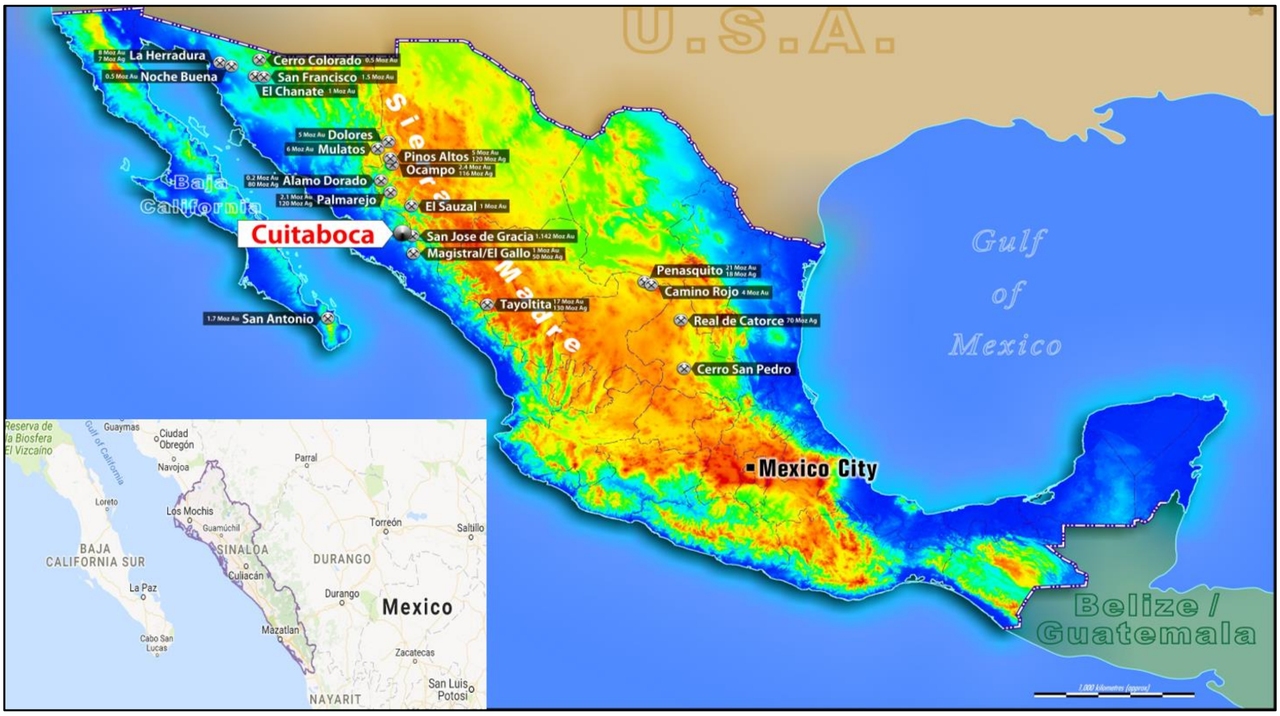

Figure 13: Cuitaboca Location Map, Mexico.

The Cuitaboca mining concessions are owned by Consorcio Minero Latinamericano SA de CV (Concession Holder), which has granted rights to acquire 100% of the mining concessions through a Concession Option Agreement, to Minera Cuitaboca SA de CV ("Project Company" a controlled entity of Santana). Santana is earning up to an initial 80% interest in the Project Company and has committed to meet 100% of expenditure. Santana has management of the Cuitaboca Project through ownership of the Project Company.

Santana is required to meet all expenditure (including option fees which the Project Company has agreed to pay the Concession Holder, concession rentals plus exploration expenditure as Santana determines). Once the Concession Option Agreement is completed the expenditure reverts to 80% Santana 20% to a co-venturer (a director related party) and contribution to budgets will be pro-rata or the non-contributing party will dilute.

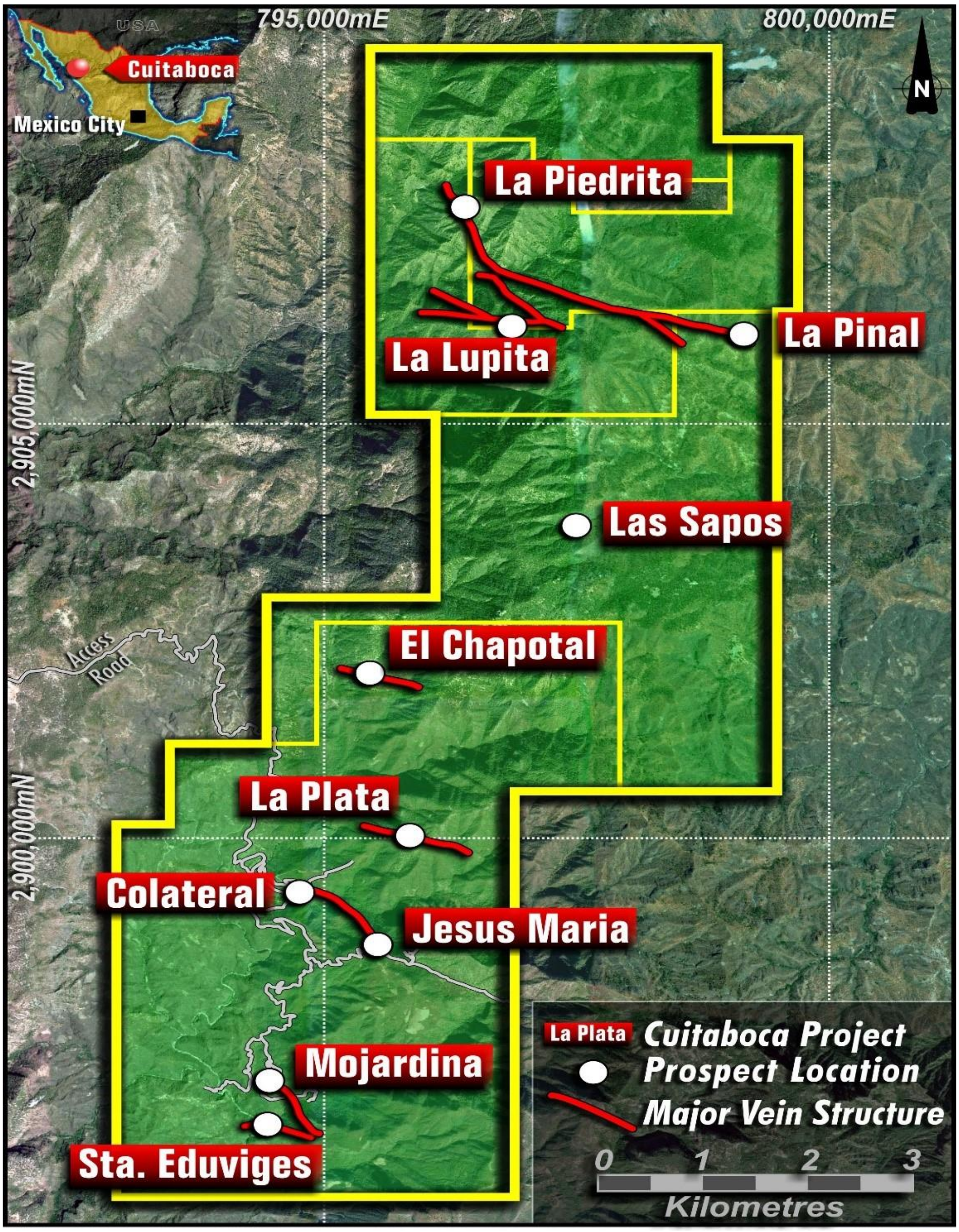

Figure 14: Cuitaboca Project location map including major vein/prospect locations.

Exploration Overview

No significant exploration was completed at the Cuitaboca Project, primarily due to the depressed silver price during the period. However, with the increase in silver value in the first half of 2020 and gold to silver price ratios at historic highs taking the project from care and maintenance and completing further exploration is justified. A review of the project will be completed to prioritise exploration work by the in-country team.

The following is a summary of the Cuitaboca Prospects and work previously completed.

Mojardina Prospect

Reverse Circulation drilling at Cuitaboca (44 holes for circa 6,300m) prior to 30 June 2017 led to early stage metallurgical testing of mineralisation from the Mojardina Prospect and interpretation of an open zone of >100 g/t Ag at depth and along strike at both the Las Animas and Evangelina systems, within the northern area of Mojardina (**Figure 15** and **Figure 16**). Drilling had also identified the potential of further discovery at the southern extensions.

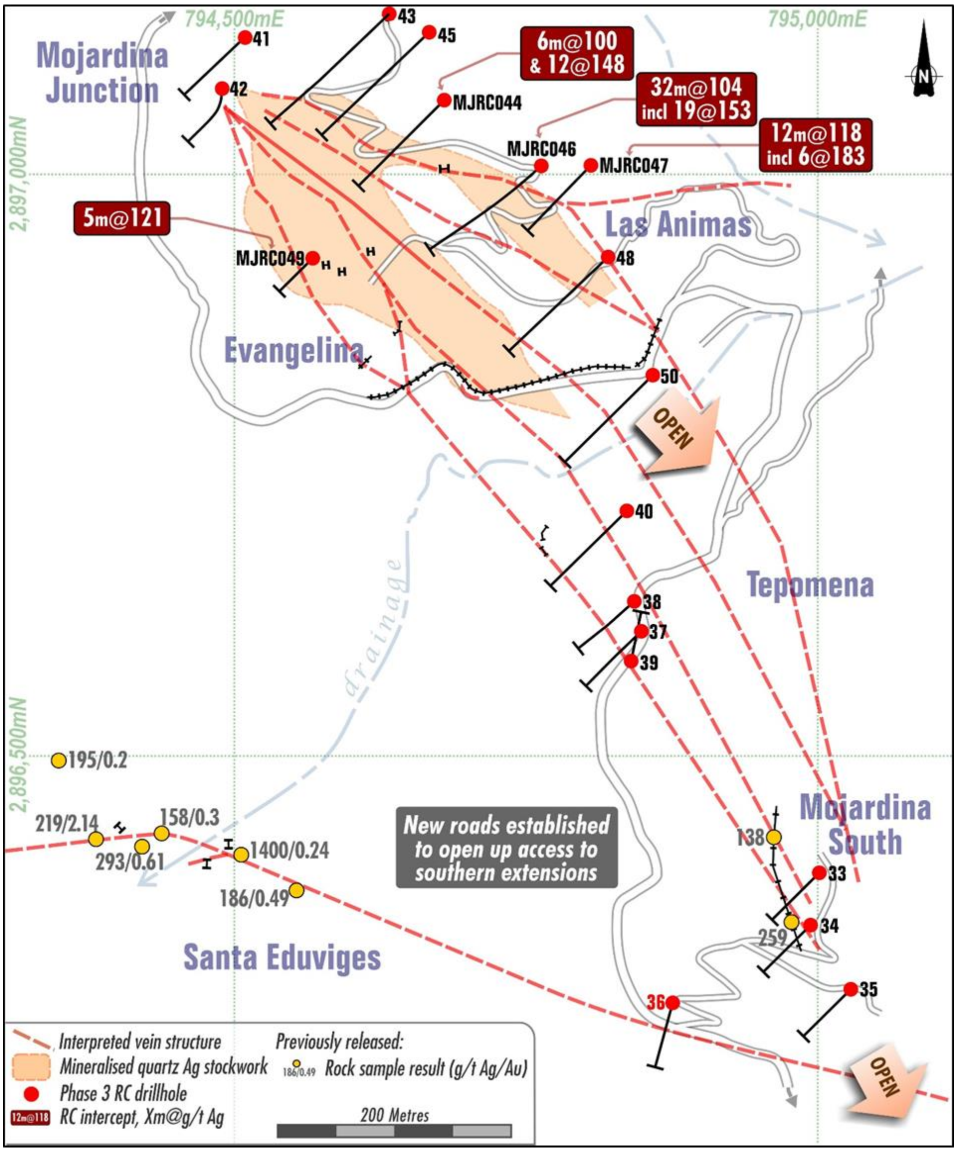

Figure 15: The Morjardina Prospect Drilling and Rock Sample Location Plan.

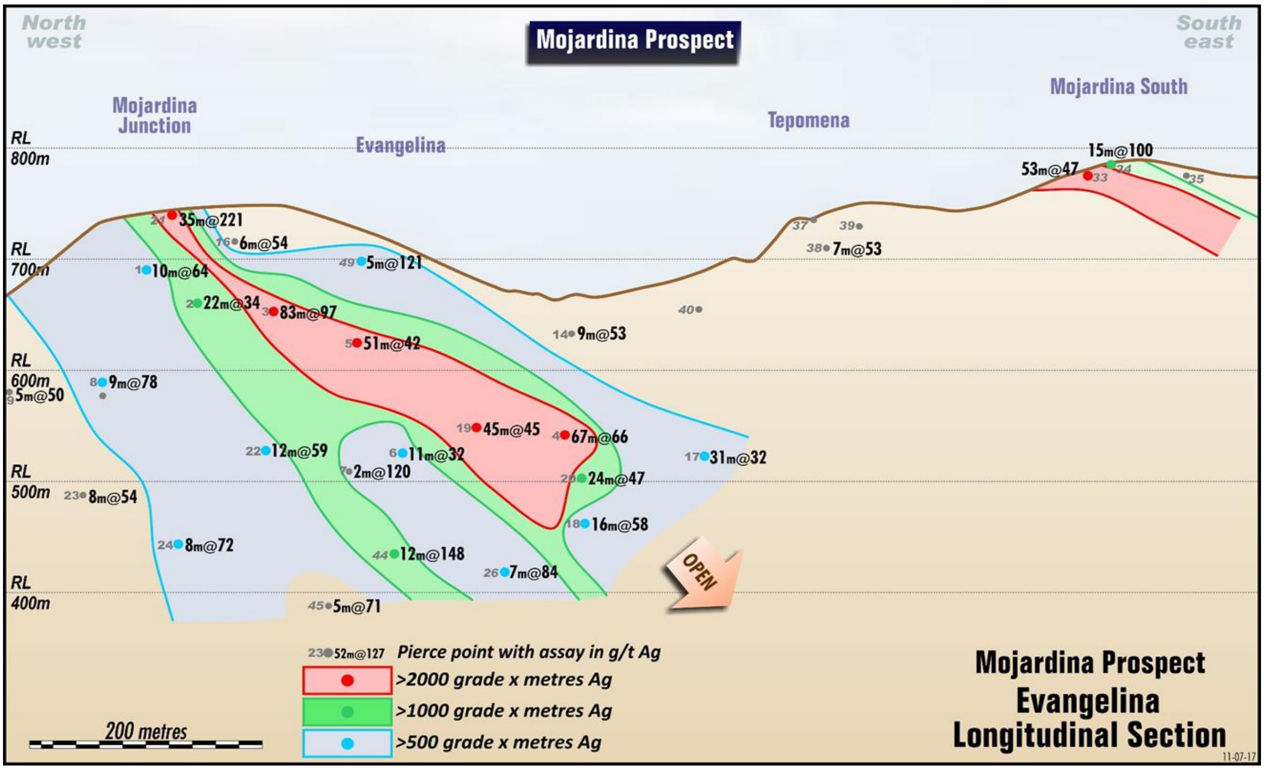

Figure 16: Drilling intercepts on a Longitudinal Section at the Mojardina Prospect

Preliminary metallurgical test results were encouraging with a high degree of silver mineralisation liberation reported, and likely amenable to cyanide leaching. The silver extraction by leaching indicates recovery levels greater than 93% was achieved.

Northern Regions of Cuitaboca

In the northern regions of the Cuitaboca minerals concessions previous exploration identified anomalous gold and silver in soil and rock-chip samples from the La Lupita and La Piedrita Prospects (**Figure 14** and **Figure 17**). These prospects are located on an interpreted north-west trend, that hosts the 1M Oz Au San Jose mine, 20km to the south-east. In addition, the stratigraphy of the volcanic rocks as this location indicates increased potential of a preserved epithermal system at depth. Access to this area is restricted by lack of infrastructure, but options to complete drilling of the targets will be assessed.

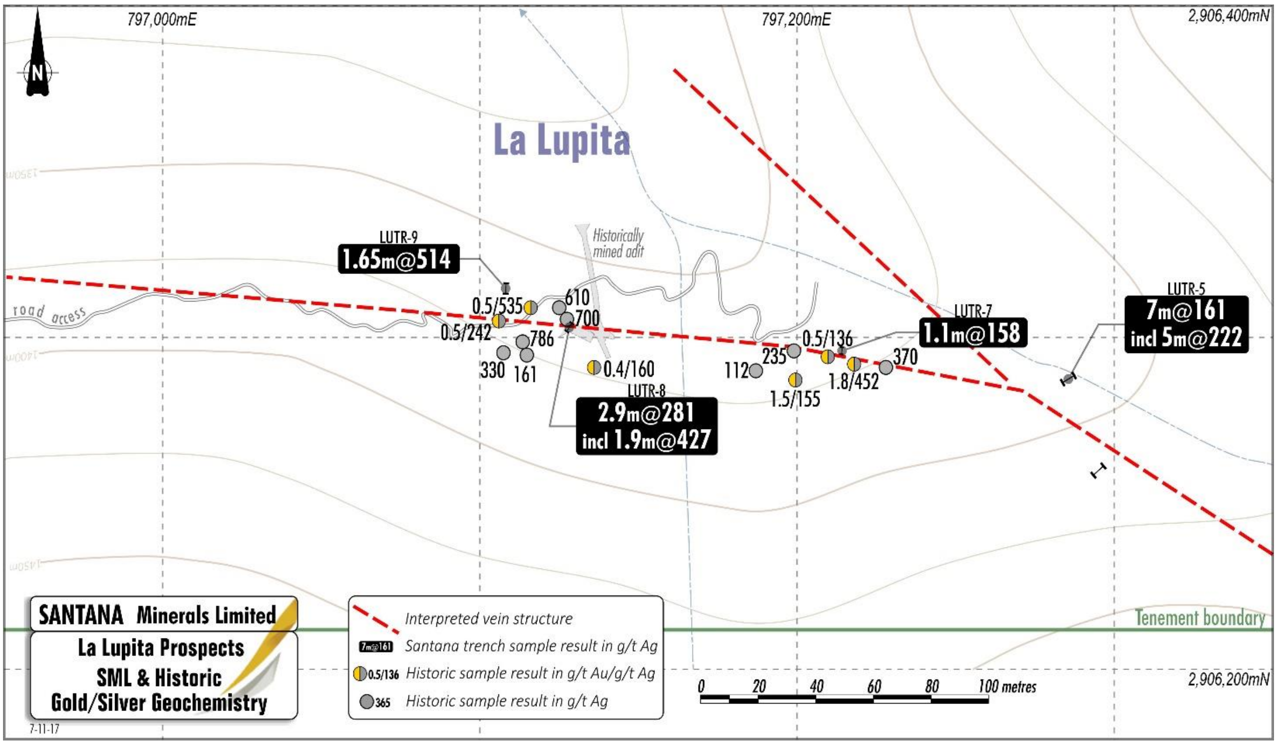

Figure 17: La Lupita geochemical gold/silver results

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Competent Person/Qualified Person

The information in this report that relates to Exploration Results is based on information compiled by Mr Shane Pike, who is a Member of The Australasian Institute of Mining and Metallurgy. Mr Pike is the Chief Executive Officer of Mekong Minerals Limited and has sufficient experience which is relevant to the style of mineralisation and type of deposit under consideration and to the activity which he is undertaking to qualify as a Competent Person as defined in the 2012 Edition of the ‘Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves.’ Mr Pike consents to the inclusion in this report of the matters based on his information in the form and context in which it appears.

Mining Tenement Schedule at 30 September 2020

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

Name/No.	Nature	Area	Status	Interest
Becker Project, Chile				
Becker 1-8	Exploitation (Pertenencias)	2,000ha	Granted	Option to earn to 85% #1
Agua Buena 9-11	Exploration (Pedimentos)	900ha	Granted	#2 + #3
Monte Maqui 18-19	Exploration (Pedimentos)	600ha	Granted	#2 + #3
Becker North 27	Exploration (Pedimentos)	300ha	Granted	#2 + #3
Becker North East 12 - 17	Exploration Application	1,800ha	Application	#2 + #3
Gualleco 20-24	Exploration Application	1,500ha	Application	#2 + #3
Botalcura 25, 26, 28	Exploration Application	900ha	Application	#2 + #3

#1 subject to a 1% NSR in favour of Condor Resources – prior owner
#2 PJ Burns will be deemed a 20% holder and free carried to DFS stage
#3 Applications made in name of company's agent, Ramon Luis Cortez Farias and may be transferred upon grant

Name/No.	Nature	Area	Status	Interest
Sayabouly Project, Laos				
Sayabouly	Exploration Licence	488 Km2	Granted	75#

The consolidated entity currently holds a 75% interest in the project, with joint venture parties of the other 25% free carried to completion of a feasibility study.

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.

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 eight principles and associated recommendations and the extent to which the Consolidated Entity complies with those recommendations.

Principle 1 - Lay solid foundations for management and oversight

Board and Management

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

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

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

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

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

In accordance with Recommendation 1.2, the Board Charter provides that 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. A written agreement has been implemented with the Chief Executive Officer.

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 15% (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 annually and perform an evaluation of its performance at intervals considered appropriate by the Chairman. The Board conducted a review of its Board Charter during the 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 Chief Executive Officer and 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 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, given that no new appointments have been made in recent periods. 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 27.

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. 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 27 of this report.

Chairman and Chief Executive Officer

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

The office of Chairman is 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 – Act ethically and responsibly

Code of conduct and ethical standards

Although the Consolidated Entity had not established a formal code of conduct during the year in accordance with Recommendation 3.1 given its size, the Consolidated Entity fostered a governance culture where all directors, managers and employees were expected to act with the utmost integrity and objectivity, striving at all times to enhance the reputation and performance of the Consolidated Entity. However, the Consolidated Entity did adopt a code of conduct subsequent to the end of the reporting period.

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.

Conflicts of interest

Directors must keep the Board advised, on an ongoing basis, of any interest that could potentially conflict with those of the Consolidated Entity. The Board has developed procedures to assist with conflicts of interest and these include the director taking no part in the decision making process or discussions where a conflict does arise.

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; Chief Executive Officer or Company Secretary prior to dealing in the Company's securities.

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

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

The Company has made its Securities Trading Policy available on its website, www.santanaminerals.com.

Principle 4 – Safeguard integrity in corporate reporting

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.

Auditor

In accordance with recommendation 4.3, the Board ensures that the Consolidated Entity's external auditor attends its AGM and is available to answer questions from shareholders relevant to the audit.

The external auditor attended the Consolidated Entity's last AGM during the past financial year.

Principle 5 – Make timely and balanced disclosure

Continuous disclosure with ASX Listing Rules

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

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

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

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

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

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

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.

The company encourages shareholders to receive communications electronically in accordance with Recommendation 6.4. Information on lodging e-mail addresses with the Company is available on the Company's website.

In addition, the Company maintains a corporate governance section on its website 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 the Annual General Meeting 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.

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 policy and internal compliance and control system have not been implemented as per Recommendation 7.1. The risk management functions and oversight of material business risks are performed directly by the Chief Executive Officer. The Consolidated Entity has adopted an internal control and risk management framework within which it operates.

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

A review of the Company's risk management framework was conducted within the current financial year as provided by Recommendation 7.2.

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

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

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

Principle 8 – Remunerate fairly and responsibly

Remuneration committee

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

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

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

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

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

Remuneration packages for 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.

As outlined in Principle 3, the board has established a policy relating to the trading of the Company's securities. That policy prohibits Directors and employees from engaging in hedging arrangements over unvested securities issued pursuant to an employee option plan. Accordingly, Recommendation 8.3 has been followed.

Directors' Report

The directors present their report together with the consolidated financial report of Santana Minerals Limited for the financial year ended 30 June 2020 and the auditor's report thereon.

Contents of Directors' Report

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 30 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 (formerly Collerina Cobalt 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 Anthony J McDonald, Non-Executive Director

Appointed 15 January 2013 (Managing Director and Chief Executive Officer until 9 December 2019)

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 for many years and in the past 19 years has been actively involved in management in the resources sector.

Mr McDonald is currently a non-executive director of ASX listed company PPK Group Limited (appointed September 2017). In the past three years Mr McDonald was a director of Sky Metals Limited (director from November 2003 until 20 June 2019).

Mr Richard E Keevers, Independent Non-Executive Director

Appointed 15 January 2013

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 Anthony J McClure, Non-Executive Director

Appointed 9 December 2019

Mr McClure graduated with a Bachelor of Science (Geology) degree from Macquarie University in 1986. He has had 30 years technical, management and financial experience in the resource sector worldwide in project management and executive development roles. He has also worked in the financial services sector within the mineral and energy sectors.

Mr McClure is currently Managing Director of Silver Mines Limited (since June 2016).

Mr Robert M Bell, Independent Non-Executive Director

Appointed 31 May 2019 and Resigned 9 December 2019

Mr Bell graduated with a Bachelor of Science degree from Birmingham University in 1960. He is a geologist with over 40 years experience in Australia and internationally. For a period he specialised in oil and gas exploration and was one of the first geologist/investors to recognise the enormous potential of coal bed methane production in Queensland. Mr Bell was a founder of Queensland Gas Company.

Mr Bell has been an advisor, consultant, investor and director of a number of mineral exploration projects and companies and has substantial experience in the analysis and direction of exploration and development projects.

In the last three years Mr Bell was a non-executive director of ASX listed company Sky Metals Limited (director from October 2007 until 20 June 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	5	5
Mr A J McDonald	5	5
Mr RE Keevers	5	5
Mr A McClure	2	2
Mr RM Bell	3	3

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.

	2016	2017	2018	2019	2020
Total exploration expenditure ($)	1,195,471	2,084,587	1,904,155	1,196,527	1,925,556
Net assets ($)	6,422,243	4,691,042	6,753,815	4,963,447	8,527,920
Share Price at Year-end ($)	0.069	0.028	0.011	0.003	0.002
Net loss for the year ($)	2,519,567	4,665,133	926,051	2,832,520	1,465,806
Dividends Paid ($)	NIL	NIL	NIL	NIL	NIL

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 at the end of the year:

The employment agreement with Mr McDonald (Managing Director and Chief Executive Officer until 9 December 2019 had no fixed term. Remuneration under the agreement was $200,000 per annum (including statutory superannuation). The Company may at any time terminate the agreement by the giving of 3 months notice or paying an amount equal to 3 months remuneration (including statutory superannuation) in lieu of such notice. Mr McDonald may at any time terminate the agreement by the giving of 1 months notice. If a change of control event occurs Mr McDonald will be entitled to a termination payment equal to 6 months cash salary in lieu of notice payable immediately after the Change of Control Event.

The employment agreement with Mr Pike (Chief Executive Officer from 9 December 2019 has no fixed term. Remuneration under the agreement is $250,000 per annum (including statutory superannuation). The Company may at any time terminate the agreement by the giving of 3 months notice or paying an amount equal to 3 months remuneration (including statutory superannuation) in lieu of such notice. Mr Pike may at any time terminate the agreement by the giving of 3 months notice.

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. 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 1 months notice.

Non-executive directors

Total compensation for all non-executive directors is not to exceed $250,000 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:

	Year	Salaries & Fees $	Super-annuation $	Leave Provisions $	Options $	Total Remuneration $	Proportion of Remuneration Performance Related %
Non-executive directors							
NA Seckold (Chairman)	2020	70,000	-	-	-	70,000	-
	2019	70,000	-	-	-	70,000	-
RE Keevers	2020	37,671	3,579	-	-	41,250	-
	2019	41,096	3,904	-	-	45,000	-
RM Bell[1]	2020	20,548	1,952	-	-	22,500	-
	2019	3,425	325	-	-	3,750	-
AJ McDonald[2]	2020	111,404	25,000	-	-	136,404	-
	2019	175,000	25,000	2,012	-	202,012	-
AJ McClure[3]	2020	20,548	1,952	-	-	22,500	-
	2019	-	-	-	-	-	-
Executive							
S Pike (CEO)[4]	2020	133,181	12,652	10,098	85,901	241,832	35.52
	2019	-	-	-	-	-	-
CJ McPherson	2020	90,000	-	-	-	90,000	-
	2019	90,000	-	-	-	90,000	-
Total	**2020**	**483,352**	**45,135**	**10,098**	**85,901**	**624,486**	
	2019	**379,521**	**29,229**	**2,012**	**-**	**410,762**	

1. Mr Bell was Non-executive Director from 31 May 2019 until his resignation on 9 December 2019
2. Mr McDonald was Managing Director and CEO until 9 December 2019 at which time he became a Non-executive Director
3. Mr McClure was appointed a Non-executive Director on 9 December 2019
4. Mr Pike was appointed CEO on 9 December 2019

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 - audited

Details on options over ordinary shares in the Company that were granted as compensation to each key management person during the year ended 30 June 2020 and details on options that vested during the period ended 30 June 2020 are as follows:

	Number of options granted	Grant date	Vesting date	Fair value per option at grant date ($)	Exercise price per option ($)	Expiry date	Number of options vested during 2020
Executives							
S Pike	25,000,000	23.12.2019	09.12.2020	0.0020	0.006	09.12.2022	-
S Pike	25,000,000	23.12.2019	09.06.2021	0.0020	0.006	09.12.2022	-
S Pike	25,000,000	23.12.2019	09.06.2021	0.0022	0.010	09.12.2023	-
S Pike	25,000,000	23.12.2019	09.12.2021	0.0022	0.010	09.12.2023	-

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

Exercise of options granted as compensation – audited

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

Analysis of movements in options – audited

The movement during the reporting period, by value, of options over ordinary shares in the Company held by each key management person is detailed below.

	Granted in year $	Value of options exercised in year $	Lapsed in year $
Executives			
S Pike	209,426	-	-

In the case of share options, 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.

Movements in options and rights over equity instruments - audited

The movements during the reporting period in the number of options over ordinary shares in the Company held directly, indirectly or beneficially, by each key management personnel including their related parties is as follows:

	Opening 1 July 2019	Granted as compensation	Lapsed	Other[1]	Held at 30 June 2020	Vested and exercisable at 30 June 2020
Non-executive Director						
NA Seckold	12,005,588	-	(12,005,588)	5,653,981	5,653,981	5,653,981
RE Keevers	125,000	-	(125,000)	-	-	-
RM Bell	-	-	-	-	-	-
AJ McDonald	6,304,559	-	(6,304,559)	3,164,077	3,164,077	3,164,077
AJ McClure	-		-	5,078,951	5,078,951	5,078,951
Executives						
S Pike	-	100,000,000	-	-	100,000,000	-
CJ McPherson	1,716,000	-	(216,000)	-	1,500,000	1,500,000

1. Represents Options issued as consideration in connection with completion of the transaction with Mekong Minerals Limited, received as shareholders of Mekong Minerals Limited.

Movements in equity holdings and transactions - audited

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 2019	Paid up/ purchased	Sold/ transferred	Other[1]	Held at 30 June 2020
Non-executive Directors					
NA Seckold	70,029,810	-	-	72,117,864	142,147,674
RE Keevers	4,920,351	-	-	-	4,920,351
RM Bell	48,728	-	-	-	48,728[2]
AJ McDonald	39,624,323	-	-	78,551,499	118,175,822
AJ McClure	-	-	-	106,858,873	106,858,873
Executives					
S Pike	-	-	-	-	-
CJ McPherson	3,990,133	-	-	6,991,929	10,982,262

1. Represents Options issued as consideration in connection with completion of the transaction with Mekong Minerals Limited, received as shareholders of Mekong Minerals Limited.
2. Held at date of resignation on 9 December 2019

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, $25,840 (2019: $21,585) for investor relations services.

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 an initial 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 nickel, 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 Laos, Mexico and Chile.

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

5. Operating and financial 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.

At the end of the financial year the Consolidated Entity had $830,958 (2019: $208,249) in cash and at call deposits. Capitalised mineral exploration and evaluation expenditure carried forward was $6,573,671 (2019: $4,780,425).

The Consolidated Entity had net assets of $8,527,920 (2019: $4,963,447).

6. Dividends

No dividends have been paid, and the directors do not recommend the payment of a dividend for the year ended 30 June 2020.

7. Events subsequent to reporting date

On 14 September 2020, the Company announced that it had signed a binding Sale and Purchase Agreement ('SPA') with Matakanui Gold Ltd ("MGL") shareholders to purchase 100% of MGL's issued share capital ("the Acquisition"). MGL is a privately owned New Zealand company which holds 100% of Mineral Exploration Permit 60311 located in Central Otago New Zealand and the Bendigo-Ophir Gold Project.

The Acquisition remains subject to a number of conditions precedent, including but not limited to shareholder approval to issue 38,189,017 consideration shares to MGL shareholders and a 1:70 share consolidation and the Company raising a minimum of $7.5m. Shareholders will be asked to consider these matters at a general meeting which is to be held on 21 October 2020. At completion, and subject to the respective shareholder approvals the Company anticipates that it will have approximately 114,031,096 shares on issue.

During the reporting period the outbreak of what is known as the COVID-19 pandemic continued to spread, resulting in significant volatility with worldwide economies as well as there being Government imposed social distancing guidelines. Subsequent to the reporting period the COVID-19 pandemic has remained prevalent, and this may impact the results of operations of the consolidated entity in future reporting periods. Given the stage of the pandemic, the company is not in a position to reliably estimate this impact.

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 nickel, 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 Laos, Mexico and Chile. 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 2020 were as follows:

- On 17 July 2019, the Company announced that it had signed a binding agreement with Mekong Minerals Limited for the acquisition of Mekong's 75% interest in the Sayabouly Project in Lao and its 85% interest in its two Cambodian Gold projects. The transaction was subject to a number of conditions precedent including shareholder approval, issue of consideration shares to Mekong and completion of a capital raising.

  On 9 December 2019, the Company announced that it had completed the acquisition of Mekong's 75% interest in the Sayabouly Project and 85% interest in its Cambodian gold projects in which Mekong held a farmed out interest. At completion, the Company issued 648,721,076 fully paid ordinary shares, 45,862,352 options and reimbursed $210,000 of exploration costs to Mekong.

  At completion, the Company also issued 1,360 million fully paid ordinary shares at $0.003 per share to raise $4.08 million.

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 Shares*	Options over Ordinary Shares*
Norman A. Seckold	142,147,674	5,653,981
Richard E. Keevers	4,920,351	-
Anthony J. McDonald	118,175,822	3,164,077
Anthony J. McClure	106,858,873	5,078,951

** 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
13 February 2021	$0.010	45,862,352
9 December 2022	$0.006	50,000,000
9 December 2023	$0.010	50,000,000

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

Shares issued on exercise of options

During the reporting period, 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	
	2020	**2019**
	$	**$**
Audit Services		
Audit and review of financial reports	80,230	52,500
	80,230	52,500
Other services		
Taxation compliance services	6,210	10,400
	6,210	10,400

15. Lead Auditor's Independence Declaration

The lead auditor's independence declaration is set out on page 38 and forms part of the directors' report for the financial year ended 30 June 2020.

This r eport is made with a resolution of the directors:

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NA Seckold
Chairman

Dated at Brisbane this 30th day of September 2020.

KPMG

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 2020 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

Stephen Board
Partner

Brisbane
30 September 2020

Consolidated Statement of Profit or Loss for the Year Ended 30 June 2020

	Note	30 June 2020 $	30 June 2019 $
Gain on sale of exploration assets		-	300,000
Government grant received		62,500	-
General and administrative expenses		(1,242,886)	(690,335)
Exploration and evaluation expenses		(248,055)	(43,846)
Share of loss of equity accounted investments	9	(28,507)	-
Impairment losses on exploration and evaluation assets	11	-	(2,398,861)
Results from operating activities		(1,456,948)	(2,833,042)
Financing income	3	897	2,743
Financing expenses	3	(9,755)	(2,221)
Net financing income/(expense)		(8,858)	522
Loss before income tax benefit		(1,465,806)	(2,832,520)
Income tax benefit	6	-	-
Loss for the year – attributable to Shareholders of the Company		(1,465,806)	(2,832,520)
Earnings per share			
Basic loss per share	7	(0.08) cents	(0.48) cents
Diluted loss per share	7	(0.08) cents	(0.48) 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 2020

	30 June 2020 $	30 June 2019 $
Net loss for the year	(1,465,806)	(2,832,520)
Other comprehensive income		
Items that may subsequently be reclassified to profit or loss:		
Foreign exchange translation differences	(884,976)	405,081
Other comprehensive income for the year, net of income tax	(884,976)	405,081
Total comprehensive income for the year – attributable to Shareholders of the Company	(2,350,782)	(2,427,439)

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 2020

	Note	Consolidated 2020 $	2019 $
Current assets			
Cash and cash equivalents		830,958	208,249
Trade and other receivables	8	25,684	17,472
Prepayments		35,672	35,735
Total current assets		892,314	261,456
Non-current assets			
Receivables	8	1,350	-
Equity accounted investees	9	1,325,330	-
Property, plant and equipment	10	15,683	31,646
Exploration and evaluation expenditure	11	6,573,671	4,780,425
Total non-curent assets		7,916,034	4,812,071
Total assets		8,808,348	5,073,527
Current liabilities			
Trade and other payables		250,955	74,004
Employee benefits		29,473	36,076
Total current liabilities		280,428	110,080
Total liabilities		280,428	110,080
Net assets		8,527,920	4,963,447
Equity			
Share capital	12	35,071,891	29,299,538
Reserves		(549,951)	335,025
Accumulated losses		(25,994,020)	(24,671,116)
Total equity		8,527,920	4,963,447

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 2020

	Issued capital	Foreign currency translation reserve	Accumulated losses	Total equity
Opening balance at 1 July 2019	29,299,538	335,025	(24,671,116)	4,963,447
Loss for the year	-	-	(1,465,806)	(1,465,806)
Other comprehensive income/(loss)	-	(884,976)	-	(884,976)
Total comprehensive income for the year	-	(884,976)	(1,465,806)	(2,350,782)
Transactions with owners recorded directly in equity				
Share-based payments (net of tax)	-	-	142,902	142,902
Shares issued	6,026,913	-	-	6,026,913
Share issue costs	(254,560)	-	-	(254,560)
Total transactions with owners	5,772,353	-	142,902	5,915,255
Balance at 30 June 2020	35,071,891	(549,951)	(25,994,020)	8,527,920

	Issued capital	Foreign currency translation reserve	Accumulated losses	Total equity
Opening balance at 1 July 2018	28,662,467	(70,056)	(21,838,596)	6,753,815
Loss for the year	-	-	(2,832,520)	(2,832,520)
Other comprehensive income	-	405,081	-	405,081
Total comprehensive income for the year	-	405,081	(2,832,520)	(2,427,439)
Transactions with owners recorded directly in equity				
Shares issued	682,100	-	-	682,100
Share issue costs	(45,029)	-	-	(45,029)
Total transactions with owners	637,071	-	-	637,071
Balance at 30 June 2019	29,299,538	335,025	(24,671,116)	4,963,447

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 2020

	Note	30 June 2020 $	30 June 2019 $
Cash flows from operating activities			
Cash paid to suppliers and employees		(1,041,402)	(753,055)
Cash paid for exploration and evaluation expenditure expensed		(248,055)	(43,846)
Interest received		897	2,743
Net cash used in operating activities	18	(1,288,560)	(794,158)
Cash flows from investing activities			
Payments for exploration and evaluation expenditure capitalised		(1,703,291)	(1,205,832)
Deposits paid		(1,350)	-
Acquisition of assets – exploration and evaluation and investment with associate		(210,000)	-
Deferred consideration paid		-	(400,000)
Proceeds from sale of exploration assets		-	270,000
Acquisition of property, plant and equipment		-	(1,090)
Net cash used in investing activities		(1,914,641)	(1,336,922)
Cash flows from financing activities			
Proceeds from issue of shares		4,080,750	582,100
Share issue costs		(254,560)	(45,029)
Net cash provided by financing activities		3,826,190	537,071
Net increase/(decrease) in cash and cash equivalents held		622,989	(1,594,009)
Effects of exchange rate fluctuations on cash held		(280)	1,877
Cash and cash equivalents at 1 July		208,249	1,800,381
Cash and cash equivalents at 30 June		830,958	208,249

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 2020

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 15, 344 Queen Street, Brisbane QLD 4000. The consolidated financial report of the Company as at and for the financial year ended 30 June 2020 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 30 September 2020.

(b) Basis of accounting

The consolidated financial report is a general purpose financial report which has been prepared in accordance with Australian Accounting Standards (AASB's) 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).

Except as discussed below under "change in accounting policy", 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.

Change in accounting policy – AASB 16 *Lease*

AASB 16 *Leases* is applicable from 1 July 2019, however as the consolidated entity does not have any leases, adoption of the standard has had no effect on the consolidated entity.

Change in accounting policy – AASB 3 *Business Combinations*

The consolidated entity has early adopted amendments to AASB 3 *Business Combinations: Definition of a Business effective* from 1 July 2019*,* which provides clarification of the definition of a business to assist entities determine whether a transaction should be accounted for as a business combination or as an asset acquisition. Early adoption of the amendments does not affect previously recognised transactions and assists in confirming the acquisition of assets from Mekong Minerals Limited (see notes 9 and 11) are not business combinations.

(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:

- impairment (Note 11);
- going concern (Note 1(s)); and
- utilisation of tax losses (Note 6).

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);
- accounting for associate (note 9); and
- measurement of share-based payments (Note 16).

(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 measure at the transaction price.

Classification and subsequent measurement

On initial recognition, a financial asset is classified as measure 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 Company 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 Company neither transfers nor retains substantially all of the risks and rewards of ownership and it does not retain control of the financial asset.

The Company enters into transactions whereby it transfers assets recognised in its statement of financial position, but retains either all or substantially all of the risks and rewards of the transferred assets. In these cases, the transferred assets are not derecognised.

Financial liabilities

The Company 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 Company neither transfers nor retains substantially all of the risks and rewards of ownership and it does not retain control of the financial asset.

The Company enters into transactions whereby it transfers assets recognised in its statement of financial position, but retains either all or substantially all of the risks and rewards of the transferred assets. In these cases, the transferred assets are not derecognised.

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 Company 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 %
Buildings	5 %

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. A cash-generating unit is the smallest identifiable asset group that generates cash flows that largely are independent from other assets and groups. 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) New standards and interpretations not yet adopted

A number of new standards, amendments to standards and interpretations are effective for annual periods beginning after 1 July 2019, and have not been applied in preparing these consolidated financial statements. Those which may be relevant are set out below.

The following amended standards and interpretations are not expected to have a significant impact on the Consolidated Entity financial statements:

- Amendments to Australian Accounting Standards – Annual Improvements 2015–2017 – various standards; and
- Amendments to References to Conceptual Framework in IFRS Standards.

(s) 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 2020 of $3,203,201 (2019: $2,131,080).

At 30 June 2020, the Consolidated Entity had cash balances of $830,958 (2019: $208,249) and net working capital (current assets less current liabilities) of $611,886 (2019: $151,376).

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. As announced on 14 September 2020, the Consolidated Entity has signed an agreement with Matakanui Gold Ltd (“MGL”) shareholders to purchase 100% of MGL’s issued shares which holds 100% of the Bendigo-Ophir Gold Project. Completion of the transaction with MGL is conditional upon, amongst other things, the Consolidated Entity raising a minimum of $7.5 million in funds and shareholder approval of the transaction. The transaction remains subject to these conditions precedent and has not completed as at the date of this report.

The directors have prepared cash flow projections that support the ability of the Consolidated Entity to continue as a going concern. These cash flow projects assume completion of the transaction with MGL, including raising $7.5 million as provided for by the condition precedent. In addition, 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.

In addition, during the reporting period the outbreak of what is known as the COVID-19 pandemic continued to spread, resulting in significant volatility with worldwide economies as well as there being Government imposed social distancing guidelines. Given the stage of the pandemic, the company is not in a position to reliably estimate this future impact.

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.

(t) 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 Company 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.

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 16.

(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), the Laos Kip (LAK) and the Chilean Peso (CLP). The currencies in which these transactions primarily are denominated are AUD, MXP, LAK and CLP, 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	
	2020	2019
	$	$
Interest income	897	2,743
Financing income	897	2,743
Foreign exchange loss	(9,755)	(2,221)
Financing expense	(9,755)	(2,221)
Net financing (expense)/income	(8,858)	522

4. PERSONNEL EXPENSES

	Consolidated	
	2020	2019
	$	$
Non-executive Directors' Fees	260,171	118,750
Salaries and wages	171,809	197,678
Superannuation contributions	47,845	27,154
Share based payments	85,901	-
Total personnel expenses	565,726	343,582

5. AUDITOR'S REMUNERATION

	Consolidated	
	2020	2019
	$	$
Audit services		
Audit and review of financial reports - KPMG	80,230	52,500
	80,230	52,500
Other services		
Taxation compliance services - KPMG	6,210	10,400
	6,210	10,400

6. TAXATION

Numerical reconciliation of income tax benefit

(a) Income tax benefit recognised in the income statement

	Consolidated	
	2020	2019
	$	$
Loss before tax	(1,465,806)	(2,832,520)
Income tax using domestic corporation tax rate 30%	(323,430)	(849,756)
Increase/(decrease) in tax benefit due to:		
Sundry items	(16,975)	106
Share Based Payments	23,623	-
Impairment	-	700,167
Difference in tax rate in foreign jurisdictions	(8,019)	20,824
Deferred tax assets not brought to account	324,801	128,659
Income tax benefit	-	-

(b) Unrecognised deferred tax assets

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

	Consolidated	
	2020	**2019**
	$	**$**
Deductible temporary differences	704,000	214,000
Tax Losses	2,613,424	1,901,652
Capital Losses	224,143	224,143
	3,541,567	2,339,795

(c) Expiry of tax losses

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

At 30 June 2020, the Consolidated Entity has income tax loss carry forward amounts expiring as follows:

	Australia	**Chile**	**Mexico**	**Laos**	**Total**
	$	**$**	**$**	**$**	**$**
2021	-	-	-	32,716	32,716
2022	-	-	-	29,921	29,921
2023	-	-	-	27,055	27,055
2024	-	-	12,830	-	12,830
2025	-	-	35	-	35
2026	-	-	21,342	-	21,342
2027	-	-	66,081	-	66,081
2028	-	-	67,034	-	67,034
2029	-	-	-	-	-
2030	-	-	71,791	-	71,791
2031	-	-	265,985	-	265,985
Does not expire	1,972,008	46,626	-	-	2,018,634
	1,972,008	46,626	505,098	89,692	2,613,424

(d) Recognised deferred tax assets and liabilities

Deferred tax assets and liabilities are attributable to the following:

Consolidated	**Assets**		**Liabilities**		**Net**	
	2020	**2019**	**2020**	**2019**	**2020**	**2019**
Exploration expenditure	-	-	15,000	1,000	15,000	1,000
Other items	-	-	9,000	8,000	9,000	8,000
Tax loss carry-forwards	(24,000)	(9,000)	-	-	(24,000)	(9,000)
Tax (assets) liabilities	(24,000)	(9,000)	24,000	9,000	-	-
Set off of tax	24,000	9,000	(24,000)	(9,000)	-	-
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 2020 was based on the loss attributable to ordinary shareholders of $1,465,806 (2019: $2,832,520) and a weighted average number of ordinary shares outstanding during the financial year ended 30 June 2020 of 1,800,322,000 (2019: 587,766,000), calculated as follows:

Reconciliation of earnings used in the calculation of loss per share	Consolidated	
	2020	**2019**
Loss attributed to ordinary shareholders used in the calculation of basic and diluted loss per share	$1,465,806	$2,832,520

Weighted average number of ordinary shares	Consolidated No ('000)	
Issued ordinary shares at 1 July	675,199	546,820
Effect of shares issued August 2018	-	4,276
Effect of shares issued September 2018	-	5,256
Effect of shares issued March 2019	-	15,753
Effect of shares issued April 2019	-	15,661
Effect of shares issued September 2019	20	-
Effect of shares issued December 2019	1,125,103	-
Weighted average number of ordinary shares at 30 June	1,800,322	587,766

8. TRADE AND OTHER RECEIVABLES

	Consolidated	
	2020 **$**	**2019** **$**
Current		
Other receivables	16,054	4,179
GST Receivable	9,630	13,293
	25,684	17,472
Non-current		
Other receivables	1,350	-

9. EQUITY-ACCOUNTED INVESTEES

	30 June 2020 **$**	**30 June 2019** **$**
Interests in associate – Southern Gold (Asia) Pty Ltd	1,325,330	-

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

Upon completion of the transaction, the consolidated entity acquired 100% of the ordinary share capital in two companies, Southern Gold (Asia) Pty Ltd and Dominion Metals Pty Ltd (refer note 11).

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

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

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

At 30 June 2020 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 2020 $	**30 June 2019 $**
Percentage ownership interest	100%	-
Non-current assets	2,159,406	-
Current assets	287,519	-
Non-current liabilities	-	-
Current liabilities	(3,761)	-
Net assets (100%)	2,443,164	-
Consolidated entity's share of net assets	100%	-
Carrying amount of interest in associate [1]	1,325,330	
Revenue	-	-
Loss from continuing operations (100%)	(28,507)	-
Total comprehensive income/(loss) (100%)	(28,507)	-
Consolidated entity's share of total comprehensive income/(loss)	(28,507)	-

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.

10. PROPERTY, PLANT AND EQUIPMENT

	Fixtures & Fittings	Plant & Equipment	Motor Vehicles	Total
	$	$	$	$
Costs				
Balance at 1 July 2018	11,447	20,167	32,439	64,083
Acquisitions	1,090	-	-	1,090
Disposals	(1,388)	-	-	(1,388)
Effect of movements in foreign exchange	465	1,577	2,533	4,575
Balance at 30 June 2019	11,614	21,774	34,972	68,360
Balance at 1 July 2019	11,614	21,774	34,972	68,360
Acquisitions	-	-	-	-
Disposals	-	-	-	-
Effect of movements in foreign exchange	(939)	(3,186)	(5,118)	(9,243)
Balance at 30 June 2020	10,675	18,588	29,854	59,117
Depreciation and impairment losses				
Balance at 1 July 2018	(7,797)	(5,839)	(9,124)	(22,760)
Depreciation charge for the year	(1,638)	(4,271)	(7,718)	(13,627)
Disposals	1,388	-	-	1,388
Effect of movements in foreign exchange	(312)	(540)	(863)	(1,715)
Balance at 30 June 2019	(8,359)	(10,650)	(17,705)	(36,714)
Balance at 1 July 2019	(8,359)	(10,650)	(17,705)	(36,714)
Depreciation charge for the year	(1,215)	(4,176)	(7,545)	(12,936)
Disposals	-	-	-	-
Effect of movements in foreign exchange	780	2,017	3,419	6,216
Balance at 30 June 2020	(8,794)	(12,809)	(21,831)	(43,434)
Carrying amounts				
At 30 June 2019	3,255	11,124	17,267	31,646
At 30 June 2020	1,881	5,779	8,023	15,683

11. EXPLORATION AND EVALUATION EXPENDITURE

	Consolidated 2020 $	2019 $
Capitalised exploration and evaluation expenditure		
Exploration and evaluation phase – at cost		
Chile - Becker	975,856	877,500
Mexico - Cuitaboca	3,478,935	3,902,925
Laos - Sayabouly	2,118,880	-
	6,573,671	4,780,425
Reconciliations		
Chile - Becker		
Opening balance at beginning of year	877,500	720,771
Expenditure for the year	256,014	792,236
Impairment	-	(649,719)
Effect of foreign exchange movement	(157,658)	14,212
Closing balance at end of year	975,856	877,500
Mexico – Cuitaboca		
Opening balance at beginning of year	3,902,925	4,908,400
Expenditure for the year	147,147	360,445
Impairment	-	(1,749,142)
Effect of foreign exchange movement	(571,137)	383,222
Closing balance at end of year	3,478,935	3,902,925
Laos - Sayabouly		
Opening balance at beginning of year	-	-
Fair value at acquisition	859,326	-
Expenditure for the year	1,274,340	-
Effect of foreign exchange movement	(14,786)	-
Closing balance at end of year	2,118,880	-

Becker

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. This transaction has been accounted for as an acquisition of assets, not a business combination. At completion the Consolidated Entity issued 10,000,000 fully paid ordinary shares in the Company and committed to make monthly payments of $50,000 per month for ten consecutive months from July 2018 being repayment of a loan by the previous owner to Carlin. All payments were made in accordance with the agreements and there are no amounts outstanding.

On 1 March 2019, the Consolidated Entity announced that it had reached agreement with its Joint Venture Partner, to vary the terms of the Becker Gold Project Joint Venture ("Becker JVA").

In accordance with the variation, cash option payments (US$1M) have been omitted and the Consolidated Entity will instead pay the Joint Venture Partner a sum of US$1 per oz AuEq once an indicated resource (JORC 2012 standard) of not less than 1M oz AuEq is estimated by an independent competent person. The US$1 per oz AuEq will be paid on such estimate and continue for every oz discovered and subsequently estimated.
The material agreed obligations and timetable are:

- meet a minimum exploration expenditure of US$1M, including a non-binding drill target of 1,800m by 28 February 2022; and

- complete a minimum of 2,500m drilling, undertake an initial JORC 2012 compliant resource estimate and undertake a scoping study, each by 28 February 2024.

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 commited 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$2,800,168 in option fees remains payable by the Project Company to the Concession Holder as at 30 June 2020. 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.

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

Upon completion of the transaction, the consolidated entity acquired 100% of the ordinary share capital in two companies, Southern Gold (Asia) Pty Ltd (refer note 9) and Dominion Metals Pty Ltd. Dominion Metals Pty Ltd currently holds a 75% interest in the Sayabouly Project, with joint venture parties of the other 25% free carried to completion of a feasibility study. This transaction has been accounted for as an acquisition of assets, not a business combination.

Impairment
During the prior year and as part of the due diligence and legal compliance process relating to the transaction with Mekong Minerals Limited the Consolidated Entity has caused an assessment to be undertaken as to the fair value of the Becker and Cuitaboca projects, as well as the projects held by Mekong Minerals Limited. The assessment had been undertaken by an independent technical specialist who had assessed fair value based on Technical Value as defined in the Valmin code, being an assessment of a mineral assets future net economic benefit at the valuation date under a set of assumptions deemed most appropriate by a practitioner, excluding any premium or discount to account for market considerations. In determining fair value, the independent technical specialist considered each project on a Geoscientific Value, Appraised Value and Comparable Value basis.

In the prior year and with the assistance of the independent technical specialist report, the Consolidated Entity assessed its capitalised exploration and evaluation expenditure assets for impairment and recorded an impairment loss of $649,719 in relation to the Becker project and a further $1,749,142 in relation to the Cuitaboca project.

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 2020	**Number of ordinary shares**	**Issue price $**	**Share capital $**
Balance at 1 July 2019	675,199,487		29,299,538
Share Issue 19 September 2019 (cash)	24,991	0.03	750
Share issue 9 December 2019 (non-cash)	648,721,076	0.003	1,946,163
Share issue 9 December 2019 (cash)	1,360,000,010	0.003	4,080,000
Share issue costs			(254,560)
Balance at 30 June 2020 – fully paid	2,683,945,564		35,071,891

30 June 2019	**Number of ordinary shares**	**Issue price $**	**Share capital $**
Balance at 1 July 2018	546,820,454		28,662,467
Share issue 28 August 2018 (non-cash)	5,083,436	$0.00984	50,000
Share issue 25 September 2018 (non-cash)	6,875,597	$0.00727	50,000
Share issue 8 March 2019 (cash)	50,000,000	$0.005	250,000
Share issue 1 April 2019 (cash)	30,000,000	$0.005	150,000
Share issue 10 April 2019 (cash)	36,420,000	$0.005	182,100
Share issue costs			(45,029)
Balance at 30 June 2019 – fully paid	675,199,487		29,229,538

(b) Options over ordinary shares

The Company has issued the following options over ordinary shares:

	Number of options 2020	**Number of options 2019**
Employee share options – see Note 15	106,500,000	6,500,000
Options issued as part of Rights Issue in June 2018	-	110,419,414
Options issued as part of Mekong Transaction – Dec 2019 [1]	45,862,352	-
Total options over ordinary shares currently issued	152,362,352	116,919,414
Reconciliation		
Total options over ordinary shares – 1 July	116,919,414	118,419,414
Options issued as part of Mekong Transaction – Dec 2019	45,862,352	-
Options issued under Employee Share Plan - Dec 2019	100,000,000	-
Options exercised during the year	(24,991)	-
Options lapsed during the year	(110,394,423)	(1,500,000)
Total options over ordinary shares – 30 June	152,362,352	116,919,414

1. *Options expire 13 February 2021 and have an exercise price of $0.01*

(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 Laos, Mexico and Chile 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	
	2020	**2019**
	$	**$**
Chile		
Exploration and evaluation expenditure expensed in profit or loss	20,252	22,447
Exploration and evaluation expenditure capitalised – see note 11	256,014	792,236
Total exploration and evaluation expenditure	276,266	814,683
Impairment loss on exploration and evaluation assets	-	649,719
Exploration and evaluation assets at 30 June	975,856	877,500
Mexico		
Exploration and evaluation expenditure expensed in profit or loss	142,229	21,399
Exploration and evaluation expenditure capitalised – see note 11	147,147	360,445
Total exploration and evaluation expenditure	289,376	381,844
Impairment losses on exploration and evaluation assets	-	1,749,142
Exploration and evaluation assets at 30 June	3,478,935	3,902,925
Laos		
Exploration and evaluation expenditure expensed in profit or loss	85,574	-
Exploration and evaluation expenditure capitalised – see note 11	1,274,340	-
Total exploration and evaluation expenditure	1,359,914	814,683
Impairment loss on exploration and evaluation assets	-	-
Exploration and evaluation assets at 30 June	2,118,880	-

14. COMMITMENTS

The Consolidated Entity does not have any contracted expenditure commitments at reporting date (2019: nil).

As part of the acquisition of the Becker Project, the Consolidated Entity assumed all obligations of the project company in relation to the Becker Project including minimum exploration expenditure requirements. Further details are outlined in note 11.

15. CONSOLIDATED ENTITIES

	Country of Incorporation	Ordinary Shares Percentage Owned 2020	2019
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
Dominion Metals Pty Ltd *	Australia	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
Minera Carlin Chile SpA	Chile	100	100
Carlin Resources Chile SpA	Chile	100	100
Dominion Lao Co Limited *	Laos	100	-

* During the reporting period the Consolidated Entity completed the acquisition of the Sayabouly Project in Lao and two Cambodian gold projects (see notes 9 and 11).

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 common 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.

The terms and conditions of the employee share option grants made under the employee share option program and in existence at 30 June 2020 were as follows.

Grant date	Entitlement	Number of instruments	Vesting conditions	Contractual life
23.03.2017	Senior Employees	5,000,000	Immediately upon grant	40 months
23.03.2017	Key management personnel	1,500,000	Immediately upon grant	40 months
09.12.2019	Key management personnel (tranche 1)	25,000,000	12 months from grant	36 months
09.12.2019	Key management personnel (tranche 1)	25,000,000	18 months from grant	36 months
09.12.2019	Key management personnel (tranche 2)	25,000,000	18 months from grant	48 months
09.12.2019	Key management personnel (tranche 2)	25,000,000	24 months from grant	48 months
Total employee share options		106,500,000		

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.

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

	Weighted average exercise price 2020	Number of options 2020	Weighted average exercise price 2019	Number of options 2019
Share Options				
Outstanding at 1 July	0.08	6,500,000	0.08	8,000,000
Lapsed during the period	-	-	0.08	(1,500,000)
Granted during the period	0.008	100,000,000	-	-
Outstanding at 30 June	0.0124	106,500,000	0.08	6,500,000
Exercisable at 30 June	0.08	6,500,000	0.08	6,500,000

The employee share options outstanding at 30 June 2020 have a weighted average exercise price of $0.0124 (2019: $0.08) and a weighted average contractual life of 2.94 years (2019: 1.08 years).

The fair value of employee share options is measured at grant date and recognised as an expense over the period during which the key management personnel and senior employees become unconditionally entitled to the options. The fair value of the options granted is measured using Black-Scholes formulas, taking into account the terms and conditions upon which the options were granted. The amount recognised as an expense is adjusted to reflect the actual number of options that vest.

The fair value of employee share options has been calculated with the following inputs:

	Fair value at grant date $	Share price $	Exercise Price $	Expected volatility %	Option Life Years	Expected dividends %	Risk-free interest rate %
23.03.2017	0.027	0.039	0.08	134	3.3	-	1.99
09.12.2019 (Tranche 1)	0.0020	0.003	0.006	136	2.96	-	0.77
09.12.2019 (Tranche 2)	0.0022	0.003	0.010	141	3.96	-	0.83

Expected volatility was calculated using standard deviation based on historic data of listed companies on the Australian Securities Exchange operating in a similar industry to the Company and the Company over the term of the option.

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 2020 $	Consolidated 2019 $
December 2019 – 648,721,076 shares and 45,862,352 options issued in settlement of the acquisition of the Laos and Cambodian Projects – refer note 11	1,946,163	-
August 2018 – 5,083,436 shares issued in settlement of the August Acquisition Instalment for the Becker Project Acquisition – refer note 11	-	50,000
September 2018 – 6,875,597 shares issued in settlement of the September Acquisition Instalment for the Becker Project Acquisition – refer note 11	-	50,000
	1,946,163	100,000

Expenses arising from share-based payment transactions

Total compensation arising from employee share based payment transactions recognised during the year ended 30 June 2020 as part of share based remuneration expense was $85,901 (2019: $nil).

17. FINANCIAL INSTRUMENTS

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

Credit risk

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

The Consolidated Entity held cash and cash equivalents of $830,958 at 30 June 2020 (2019: of $208,249), 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 2020 the weighted average interest rate on cash and cash equivalents was 0.25% (2019: 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:

In AUD	**2020**	**2019**
	$	**$**
Cash and cash equivalents – USD	82,696	13,720
Trade and other payables (current) - USD	(69,024)	-
Net exposure	13,672	13,720

The following significant exchange rates applied during the year:

	Average rate		**Reporting date spot rate**	
AUD	**2020**	**2019**	**2020**	**2019**
MXP	14.1045	13.7886	15.8428	13.5245
USD	0.6675	0.7153	0.68675	0.7022
CLP	514.67	482.03	563.33	474.84
LAK	5,715,50	-	6,086.43	-

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 2020. 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 2020.

18. RECONCILIATION OF CASHFLOWS FROM OPERATING ACTIVITIES

	Consolidated	
	2020	**2019**
	$	**$**
Net loss	(1,465,806)	(2,832,520)
Add/(less) non-cash items:		
Depreciation	642	850
Share of loss of equity-accounted investees	28,507	-
Impairment of exploration and evaluation assets	-	2,398,861
Foreign exchange loss	20,979	4,793
Share based payments	85,901	-
Gain on sale of exploration assets	-	(300,000)
(Increase)/decrease in receivables	(8,211)	16,814
Increase/(decrease) in payables	55,968	(82,462)
Increase/(decrease) in employee benefits	(6,603)	2,011
(Increase)/decrease in prepayments	63	(2,505)
Net cash used in operating activities	1,288,560	(794,158)

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 RE Keevers
Mr AJ McDonald
Mr AJ McClure
Mr RM Bell (resigned 9 December 2019)

Executives

S Pike (Chief Executive Officer)
CJ McPherson (Company Secretary)

Key management personnel compensation disclosures

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

	Consolidated	
	2020	**2019**
	$	**$**
Salaries and Fees	354,909	292,012
Non-executive Directors' fees	183,676	118,750
Share Based Payments	85,901	-
	624,486	410,762

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, $25,840 (2019: $21,585) for investor relations services. At reporting date $2,062 (2019: $990) was outstanding and payable to MIS Corporate 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 an initial 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 2020 the parent entity of the Group was Santana Minerals Limited.

In thousands AUD	**2020**	**2019**
Results of the parent entity		
Loss for the year	(3,399,838)	(1,580,991)
Other comprehensive income	-	-
Total comprehensive income for the year	(3,399,828)	(1,580,991)
Financial position of the parent entity at year end		
Current assets	866,997	221,502
Total assets	8,312,002	5,073,527
Current liabilities	142,092	95,512
Total liabilities	142,092	95,512
Total equity of the parent entity comprising of:		
Share capital	35,071,891	29,299,538
Retained earnings	(26,901,981)	(23,489,643)
Total capital	8,169,910	5,809,895

21. SUBSEQUENT EVENTS

On 14 September 2020, the Company announced that it had signed a binding Sale and Purchase Agreement ('SPA') with Matakanui Gold Ltd ("MGL") shareholders to purchase 100% of MGL's issued share capital ("the Acquisition"). MGL is a privately owned New Zealand company which holds 100% of Mineral Exploration Permit 60311 located in Central Otago New Zealand and the Bendigo-Ophir Gold Project.

The Acquisition remains subject to a number of conditions precedent, including but not limited to shareholder approval to issue 38,189,017 consideration shares to MGL shareholders and a 1:70 share consolidation and the Company raising a minimum of $7.5m. Shareholders will be asked to consider these matters at a general meeting which is to be held on 21 October 2020. At completion, and subject to the respective shareholder approvals the Company anticipates that it will have approximately 114,031,096 shares on issue.

During the reporting period the outbreak of what is known as the COVID-19 pandemic continued to spread, resulting in significant volatility with worldwide economies as well as there being Government imposed social distancing guidelines. Subsequent to the reporting period the COVID-19 pandemic has remained prevalent, and this may impact the results of operations of the consolidated entity in future reporting periods. Given the stage of the pandemic, the company is not in a position to reliably estimate this impact.

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 39 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 2020 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 2020.

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 30th day of September 2020

KPMG

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 2020 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 2020;
- 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 the Code.

KPMG

Material uncertainty related to going concern

We draw attention to Note 1(s), "Going Concern" in the Financial Report. The conditions disclosed in Note 1(s), 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 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. 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.

KPMG

Exploration and evaluation expenditure ($6,573,671)	
Refer to Note 11 to the Financial Report	
The key audit matter	**How the matter was addressed in our audit**
Exploration and evaluation (E&E) expenditure capitalised is a key audit matter due to: • the significance of E&E activities to the Group's business, with the balance of capitalised E&E expenditure being 75% 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 *Exploration for and Evaluation of Mineral Resources* (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. The AASB 6 conditions allowing capitalisation of relevant expenditure require judgement, particularly in respect of: • the Group's determination of the areas of interest; and • the Group's intention and capacity to continue the relevant E&E activities. Assessing the presence of impairment indicators also requires judgement and given the financial position of the Group specific consideration needs to be given to: • the strategic direction of the Group and their intent 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 existence or otherwise of economically recoverable reserves for each area of interest.	Our audit procedures included: • 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; • 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 licenses; • 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; and • evaluating Group documents, such as minutes of Directors meetings and management's cash flow projections, for consistency with their stated intentions for continuing exploration and evaluation activities in certain areas. We corroborated this through interviews with key personnel.

KPMG

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 the Company's ability to continue as a going concern. 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 2020, 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 2020.

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

KPMG

KPMG

Stephen Board
Partner

Brisbane
30 September 2020

Additional Information Required by the Listing Rules as at 17 September 2020

List of the 20 Largest Shareholders

Rank	Name	Shares Held	% of Total Shares
1	MEKONG MINERALS LIMITED	648,721,076	24.17
2	PALMER BOOKMAKING PTY LIMITED	137,241,216	5.11
3	THE TRUST COMPANY (AUSTRALIA) LIMITED <MOF A/C>	122,645,375	4.57
4	ALL-STATES FINANCE PTY LIMITED	100,000,000	3.73
5	EQUITY TRUSTEES LIMITED <LOWELL RESOURCES FUND A/C>	82,663,694	3.08
6	SPINITE PTY LTD <MAZAL A/C>	80,000,000	2.98
7	ELPHINSTONE HOLDINGS PTY LTD	66,666,667	2.48
8	TWK SUPER INVESTMENTS PTY LTD <TWK SUPER FUND A/C>	52,213,967	1.95
9	OBI-WAN INVESTMENTS PTY LTD	37,103,213	1.38
10	PERMGOLD PTY LIMITED <SECKOLD FAMILY SUPER A/C>	36,475,518	1.36
11	DR MARK ANTHONY BENNETT	33,333,333	1.24
12	ALPHA HPA LIMITED	31,959,033	1.19
13	QUALITY LIFE PTY LTD <THE VIKING FUND A/C>	30,000,000	1.12
14	1147 PTY LTD <TJ & CJ MANN SUPERANNUATION FUND>	26,666,667	0.99
15	COMPANY FIFTY PTY LTD <MCDONALD SUPER FUND A/C>	23,805,251	0.89
16	PERMGOLD PTY LIMITED <SECKOLD FAMILY SUPER A/C>	23,358,806	0.87
17	JJB ADVISORY LIMITED	22,984,874	0.86
18	COMSEC NOMINEES PTY LIMITED	22,190,716	0.83
19	CHESTER NOMINEES WA PTY LTD <M W WILSON SUPER FUND A/C>	20,000,000	0.75
20	MRS DIANA JEANNETTE TREBECK	19,500,000	0.73
TOTAL OF TOP 20 SHAREHOLDERS		**1,614,615,386**	**60.16%**
BALANCE OF REGISTER		1,069,330,178	39.84%
TOTAL SHAREHOLDERS		**2,683,945,564**	**100.00%**

Substantial Shareholders

Name	Shares Held	% of Total Shares
PERMGOLD PTY LTD (AS TRUSTEE FOR THE SECKOLD FAMILY SUPERANNUATION FUND) AND SECKOLD PTY LTD (AS TRUSTEE FOR THE SECKOLD FAMILY TRUST)	142,147,674	5.30%

Distribution of Shareholder's Holdings

Ordinary Shares Held	Number of Shareholders	Number of Shares
1 – 1,000	1,037	426,246
1,001 – 5,000	671	1,668,360
5,001 – 10,000	195	1,457,992
10,001 – 50,000	284	6,506,131
50,001 – 100,000	103	8,032,079
100,001 and over	603	2,665,854,756
TOTAL	**2,893**	**2,683,945,564**
Unmarketable Parcels	**2,355**	**26,797,654**

Details of Unlisted Options

Details	Number of Holders	Number of Options
9 DECEMBER 2022 (Exercisable at 0.6c)	1	50,000,000
9 DECEMBER 2023 (Exercisable at 1c)	1	50,000,000
13 FEBRUARY 2021 (Exercisable at 1c)	25	45,862,352

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
	Anthony J McDonald, Non-Executive Director
	Richard E Keevers, Non-Executive Director
	Anthony J McClure, Non-Executive Director
Chief Executive Officer	Shane Pike
Corporate Secretary	Craig J McPherson
Registered Office	Level 15 344 Queen Street Brisbane, QLD 4000
	Phone: +61 7 3221 7501 Email: admin@santanaminerals.com Website: www.santanaminerals.com
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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

SANTANA
MINERALS LIMITED