

## QUARTERLY REPORT

### PERIOD ENDING 30 JUNE 2021

#### OPERATIONAL UPDATE

During the quarter exploration activities remained concentrated on the advancement of the Company's 100% owned Bendigo-Ophir Project ("the Project") in Central Otago, New Zealand. Drilling has continued to define and extend the gold resources, particularly at the Rise and Shine (RAS) prospect, where diamond drill hole assay highlights were:

- **MDD007**
  - Lower zone - 12m @ 3.82g/t Au from 234m (Incl 6m @ 7.52g/t Au from 236m)
  - Upper zone – 19m @ 1.22g/t Au from 164m (Incl 6m @ 2.29g/t Au from 170m)
- **MDD009**
  - Lower zone - 9m @ 6.34g/t Au from 209m (Incl 5m @ 11.28g/t Au from 209m)
  - Upper zone – 16m @ 0.81g/t Au from 141m (Incl 7m @ 1.36g/t Au from 148m)

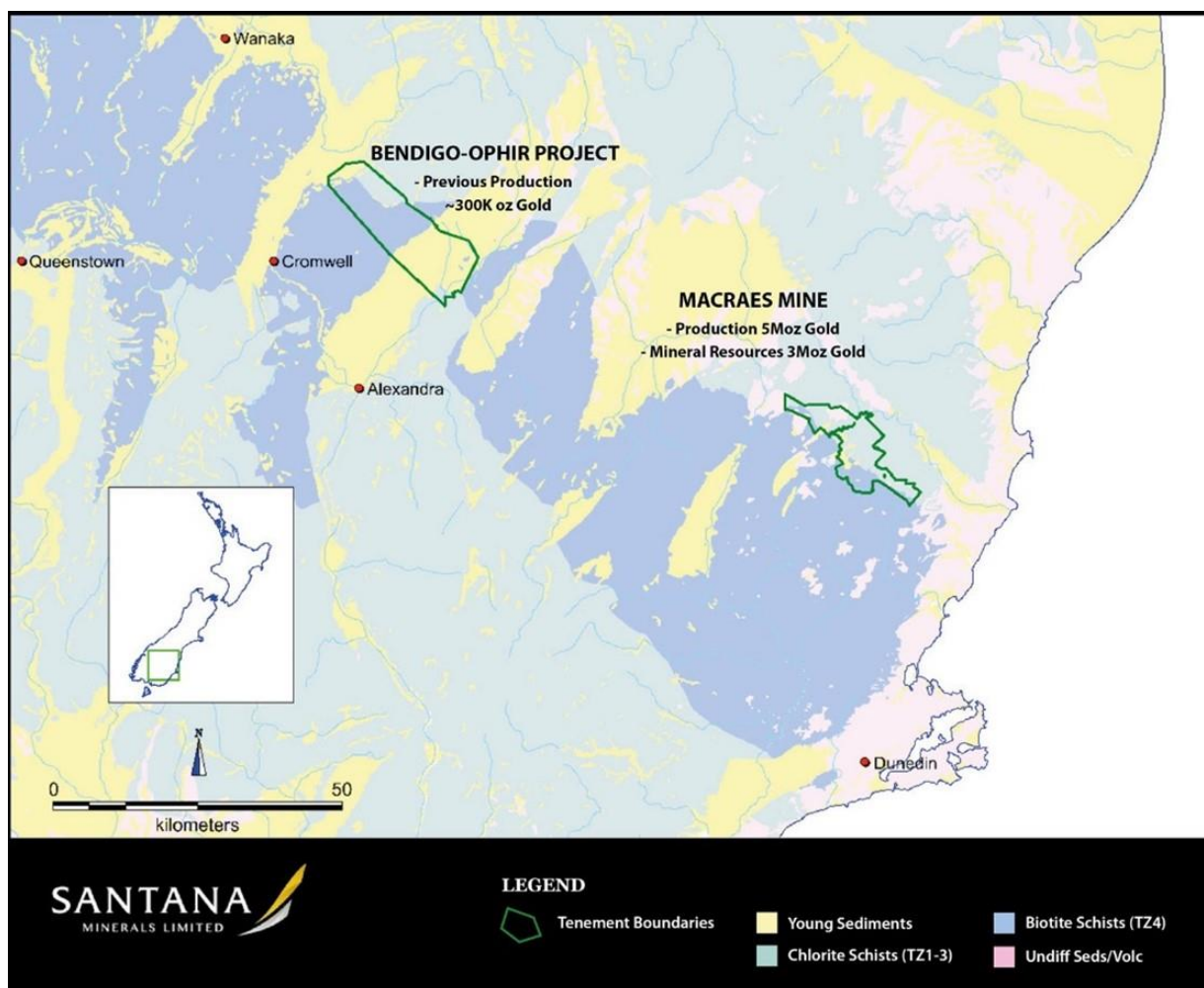


Figure 1 Bendigo-Ophir Project in the Otago Goldfield, ~90km NW of Macraes

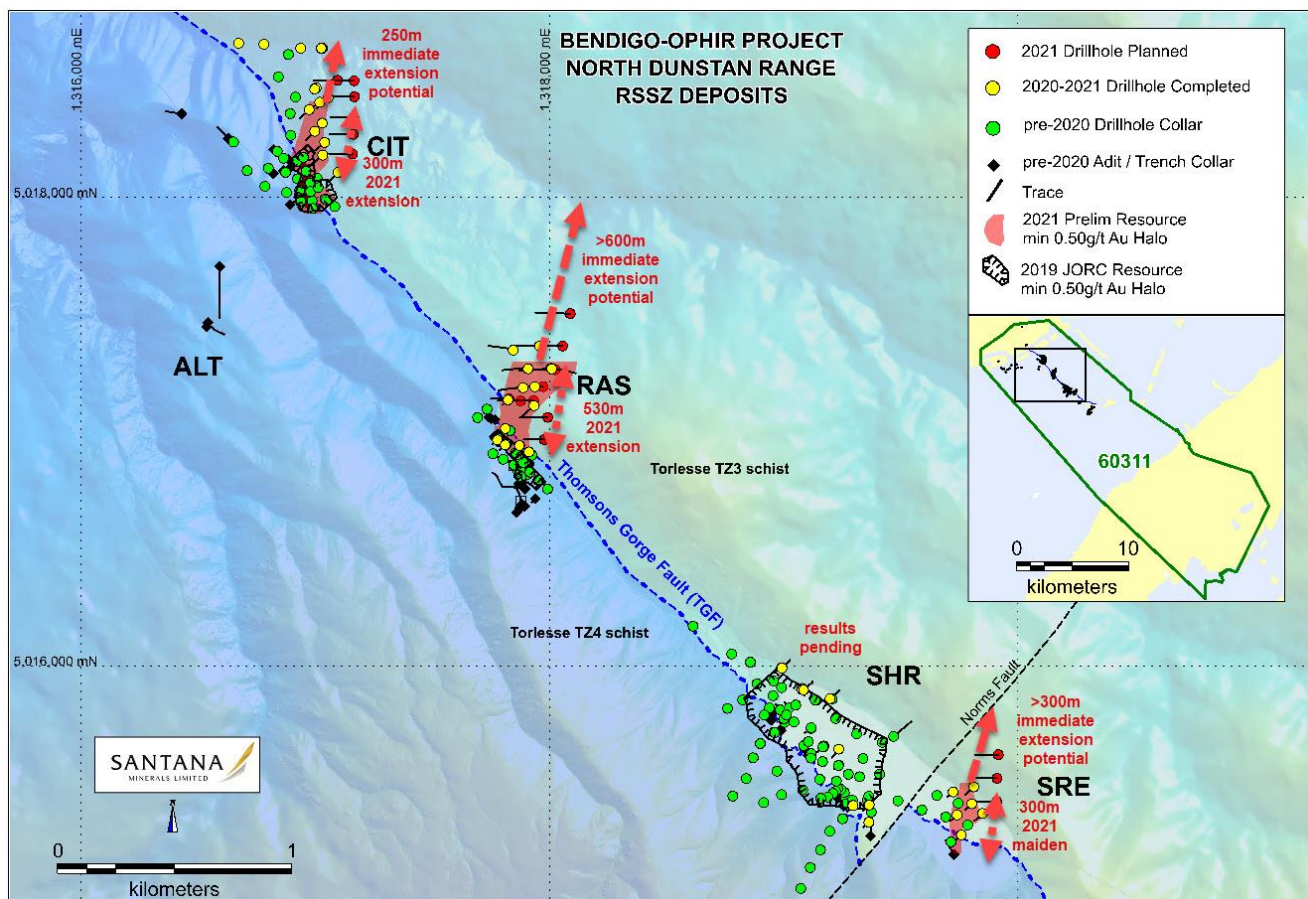
## **Bendigo-Ophir Project Overview**

The Company is pursuing its objective of defining a large shear zone-hosted gold resource along the Rise and Shine Shear Zone (RSSZ) that is amenable to heap leaching. Its current programme is building on the 252,000 ounce inferred mineral resource estimate (MRE) defined in 2019 (to JORC Code 2012) and metallurgical test work completed prior to acquisition by the Company in November 2020.

Recent drilling has intersected narrower but possibly mineable widths of high-grade Au mineralization, the significance of which will depend on how continuous this zone proves to be. Assays have confirmed that this high-grade zone occurs in 5 drill holes at Rise and Shine, while 2 other RAS DDH's have been logged to include this zone, but assays are pending.

The RSSZ is a major shear zone that dips gently to moderately NE. It has been well defined by geology, geochemistry and geophysics over a strike length of 7 kilometres. Gold-arsenic mineralisation is concentrated in structurally controlled shoots along the shear zone with significant inferred resources defined at Come in Time (CIT), Rise and Shine (RAS) and Shreks (SHR) (Figure 2).

Prospectivity along the shear zone beyond existing deposits remains high.



**Figure 2 RSSZ Focus of Activity**

Drilling of the RSSZ continued during the quarter with site accessibility, and slow assay turnaround times causing some minor delays. A backlog of assay results has been received and work is in progress to update the resource estimates (MRE) along the RSSZ at CIT, RAS, SHR and Shreks East (SRE).

Metallurgical test work is also advancing on sulphide ores from the CIT, RAS and SRE deposits.

Results from the programme to date have been very encouraging with significant increases in grades and widths of mineralisation with depth at RAS and CIT.

### Drilling

Four diamond (DD) drillholes totalling 1,110 metres (MDD008 -MDD011) were completed at RAS during the quarter. Assay results were received for 16 Reverse Circulation (RC) holes (ASX announcement on 1<sup>st</sup> July 2021) and MDD007 (ASX announcement on 28<sup>th</sup> April 2021).

Since the close of the quarter, drilling of MDD012 has been completed at RAS and assay results have been received for MDD009 (ASX announcement 15<sup>th</sup> July 2021). The assay results for other DD holes to MDD011 are pending.

Drill core logging for MDD010 and MDD011 have mineralised intersections with visible gold as photographed in core from MDD010 @ 133 metres (ASX announcement on 1<sup>st</sup> July 2021).

Since acquisition of the Bendigo-Ophir project in November 2020 the Company has completed 45 RC and diamond drill holes totalling 5,771 metres at CIT, RAS, SHR and Shreks East (SRE). As logging has progressed and assay results have been received understanding of the mineralisation at the 4 deposits has been advanced with an increasing focus on RAS.

### Rise and Shine (RAS) Deposit

Drilling at RAS has defined mineralisation in a shoot extending 530 metres down plunge from the shallow workings of the Eureka mine (Figures 3, 4, 5 and 6).

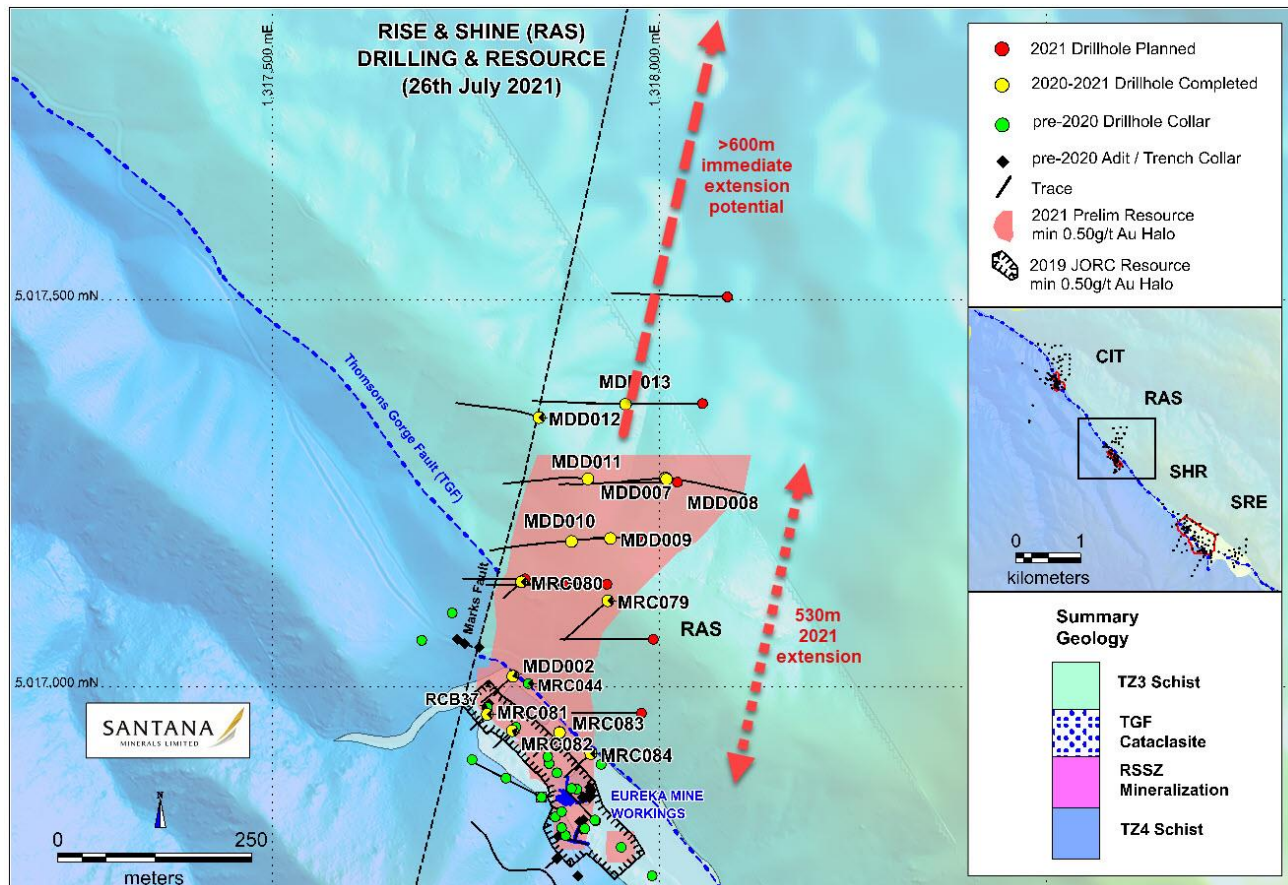


Figure 3 RAS Mineralised Zone and Drill Hole Location Plan

The higher-grade core of this shoot is approximately 150 metres wide and extends over a vertical interval of up to 80 metres. Mineralisation is within a duplex shear zone with lower-grade mineralisation concentrated along the hanging wall shear which is up to 19 metres thick; higher-grade mineralisation is apparently controlled by a basal shear, with intermediate zones of mineralisation between the 2 main structures.

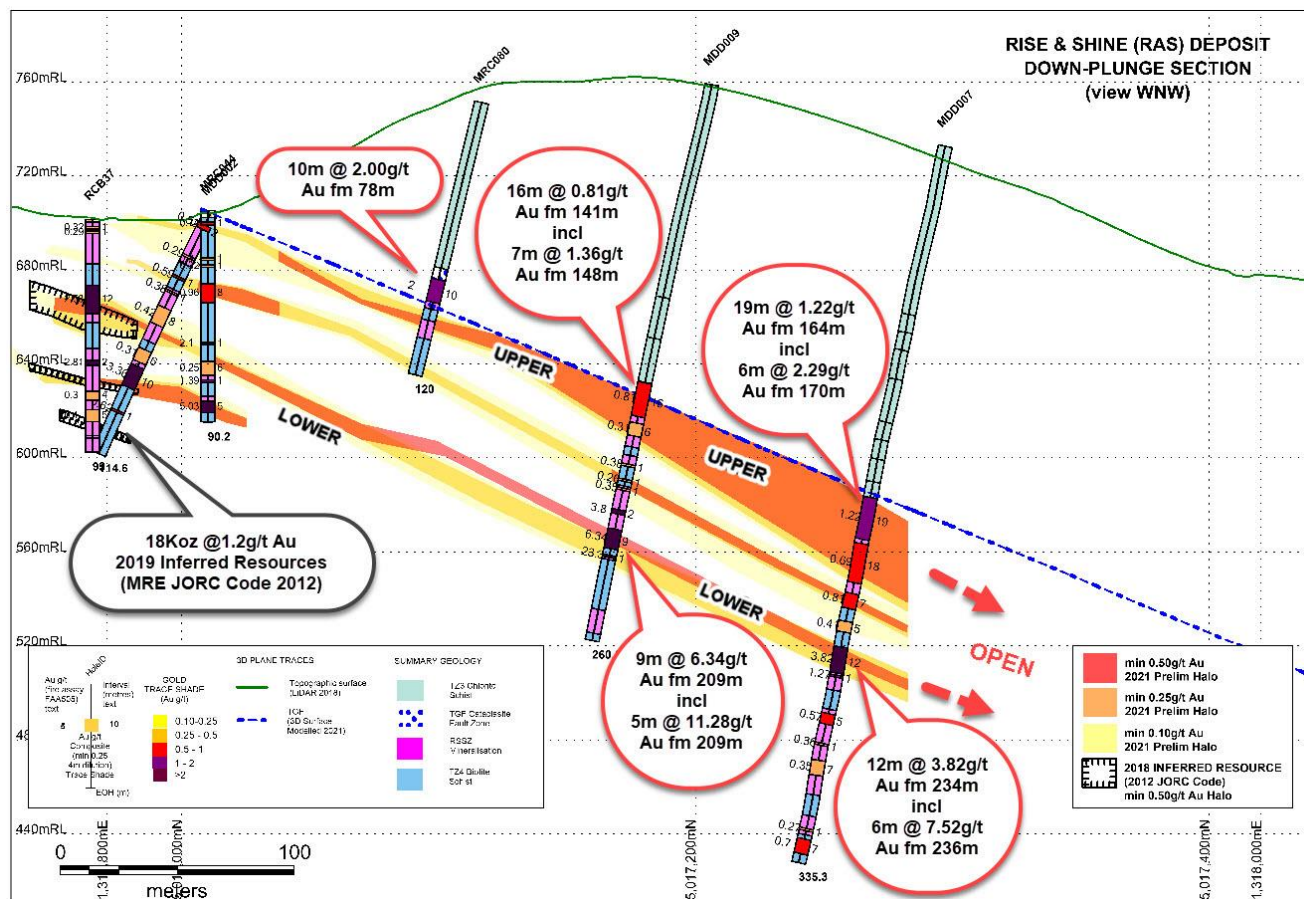


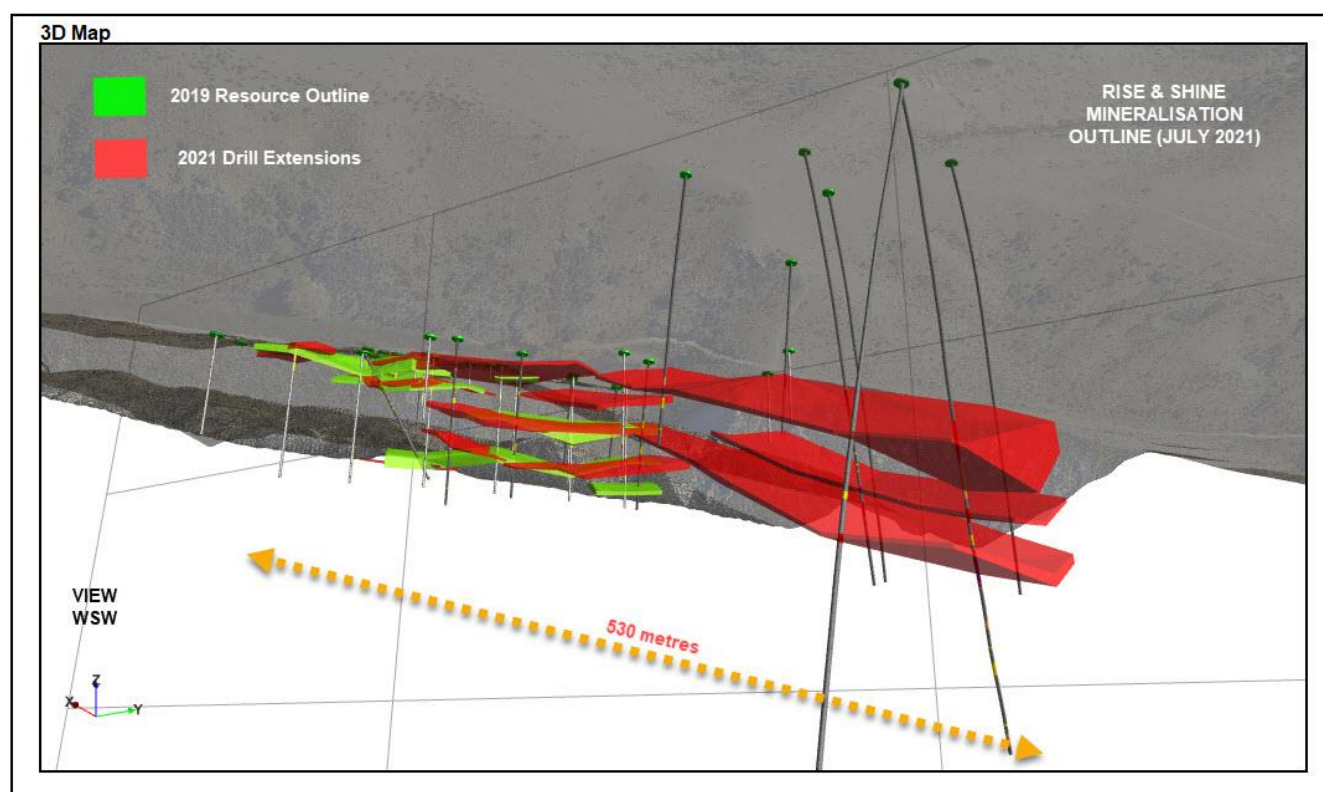
Figure 4 RAS Down-Plunge Section through MDD007 and MDD009

MDD009 penetrated a ~120m thickness of the Rise and Shine Shear Zone (RSSZ) intersecting multiple one-metre-thick gold grades >20g/t Au in deeper stockwork veins below a wide thickness of upper shear dominated gold mineralisation.

MDD009 and MDD007 are located 105 metres apart and have similar stacked mineralisation intercepts.

- **MDD009**
  - Lower zone - 9m @ 6.34g/t Au from 209m (Incl 5m @ 11.28g/t Au from 209m)
  - Upper zone – 16m @ 0.81g/t Au from 141m (Incl 7m @ 1.36g/t Au from 148m)
- **MDD007**
  - Lower zone - 12m @ 3.82g/t Au from 234m (Incl 6m @ 7.52g/t Au from 236m)
  - Upper zone – 19m @ 1.22g/t Au from 164m (Incl 6m @ 2.29g/t Au from 170m)

Drilling by the Company has extended mineralisation 350 metres down plunge from the 2019 MRE for an overall mineralised length of 530 metres (Figure 5).



**Figure 5 Stacked zones of mineralisation in NNE-plunging shoot at RAS**

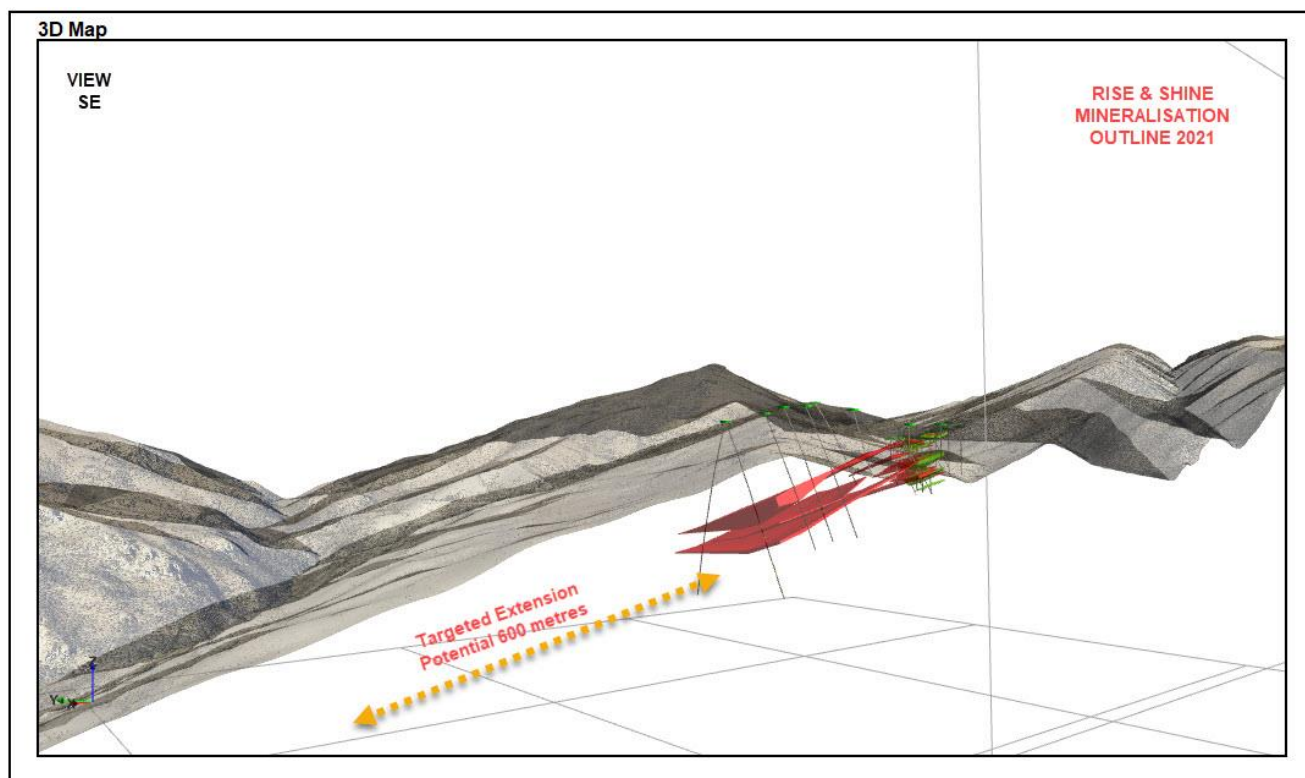
The extension is defined by six DD and RC holes within the shoot with aggregate intercepts summarized in Table 1.

**Table 1 Summary of DD and RC Drill results defining RAS mineralisation**

Hole ID	From m	Thickness of Shear Zone m	Mineralisation*	
			Aggregate Width m	Gold Grade g/t
MRC83	47.0	37.0	17.0	0.62
MRC84	12.0	61.0	22.0	0.82
MRC80	78.0	10.0	10.0	2.00
MDD002	45.0	38.0	26.0	1.49
MDD009	141.5	72.5	26.5	2.67
MDD007	164.7	166.3	80.3	1.24

\* Average grade of aggregate thickness of mineralised intercepts greater than 4 metres thick at a cut-off grade of 0.25 g/t gold within the mineralised shear zone

Mineralisation thickens with depth and remains open for a further 600 metres down plunge before being limited by topography (Figure 6).



**Figure 6 Immediate Down plunge potential of RAS**

### **Come in Time (CIT) Deposit**

Mineralisation at CIT has been extended approximately 300 metres down plunge from the 2019 MRE (Figures 7 and 8).

The edge of the shoot has not been defined on its eastern side but appears to be at least 150 metres wide. The average aggregate thickness of mineralisation is 20 metres over an average shear zone thickness of 82 metres. Mineralisation remains open along its eastern margin and is open at depth for a further 250 metres to the north before topography again rises steeply (Figure 7).

Drill holes defining the higher-grade core of the shoot are summarized in Table 2.

**Table 2 Summary of Drill Holes defining CIT mineralisation**

Hole ID	From m	Thickness of Shear Zone m	Mineralisation*	
			Aggregate Width m	Gold Grade g/t
MDD001	62.0	73.0	11.0	0.86
MRC066	75.0	87.0	12.0	2.04
MRC070	106.0	132.0	20.0	0.81
MRC064	63.0	89.0	26.0	1.78
MRC065	83.0	31.0	31.0	0.52

\* Average grade of aggregate thickness of mineralised intercepts greater than 4 metres thick at a cut-off grade of 0.25 g/t gold within the mineralised shear zone

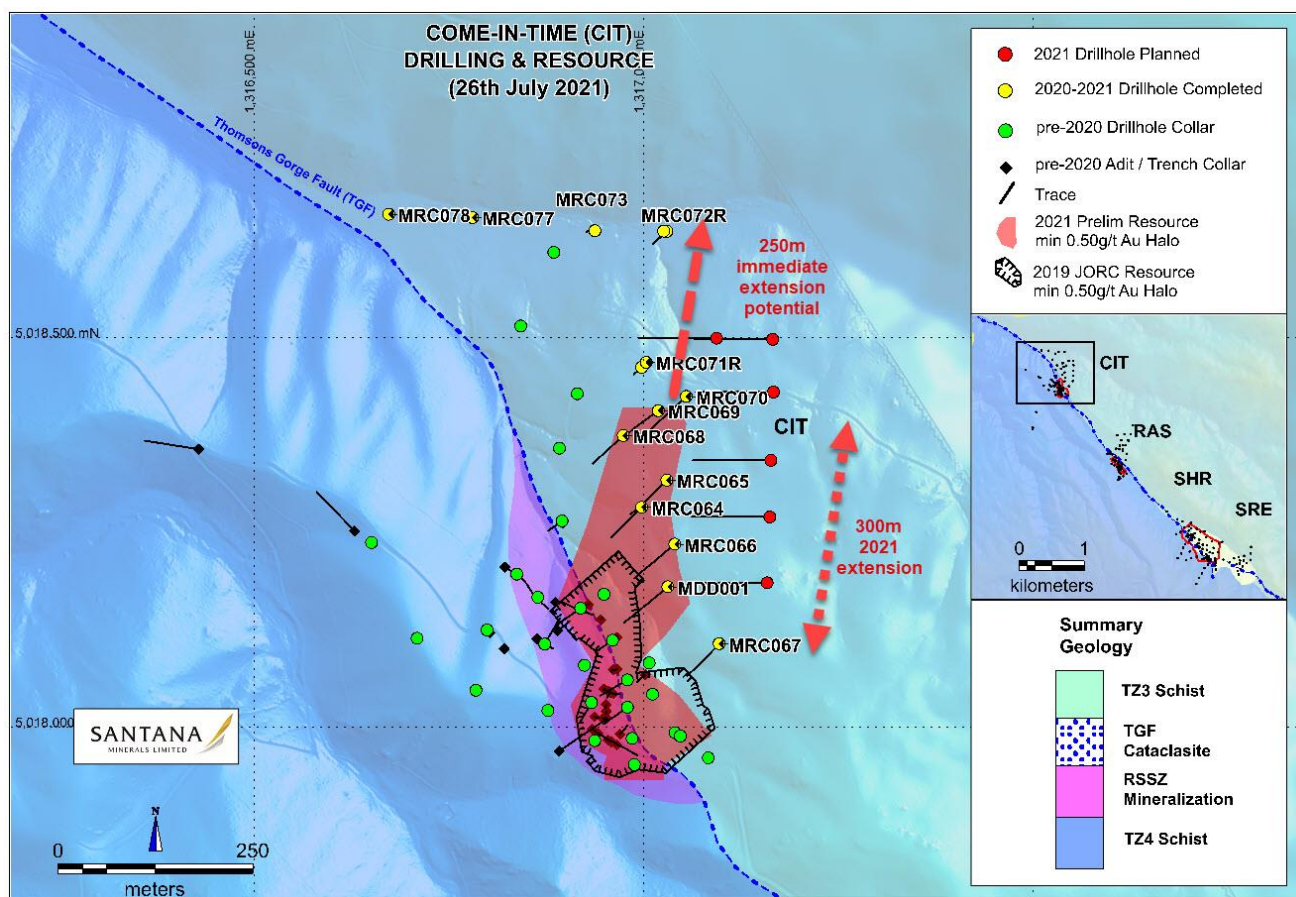


Figure 7 CIT Mineralised Zone and Drill Hole Location Map

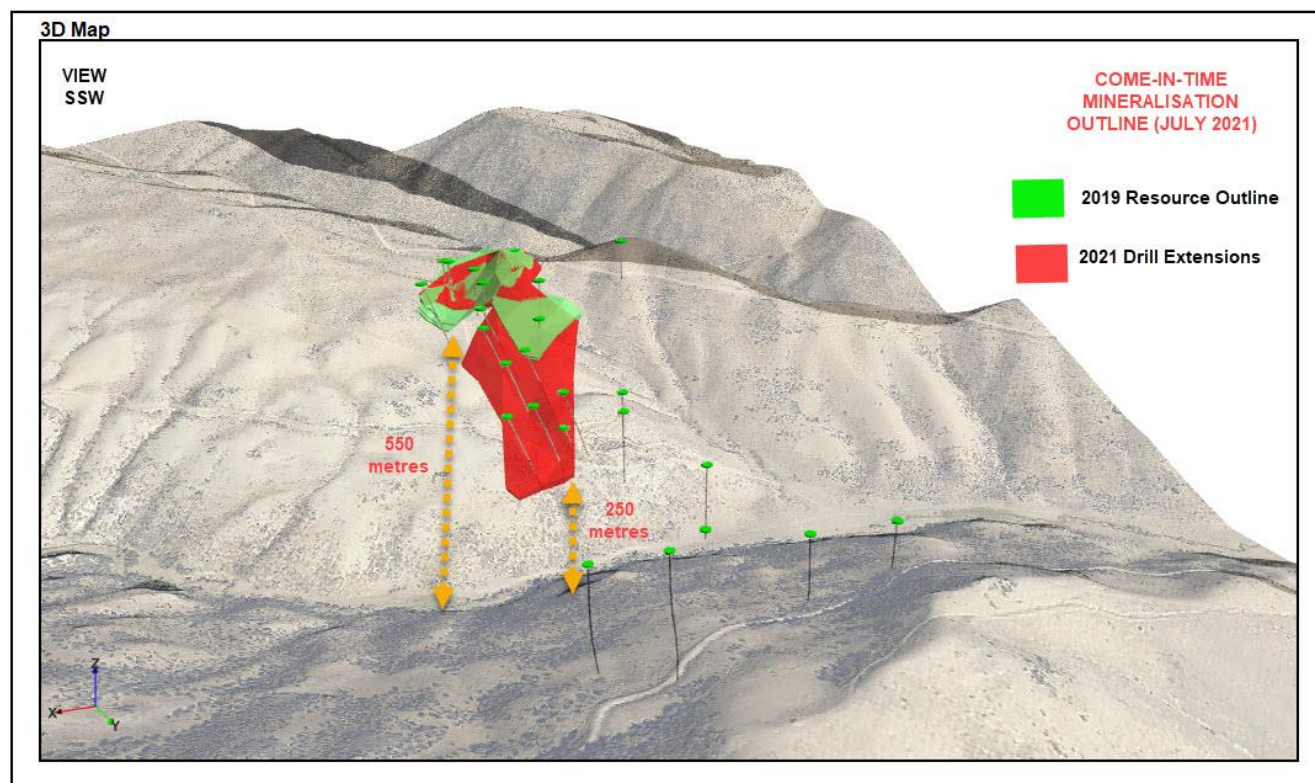


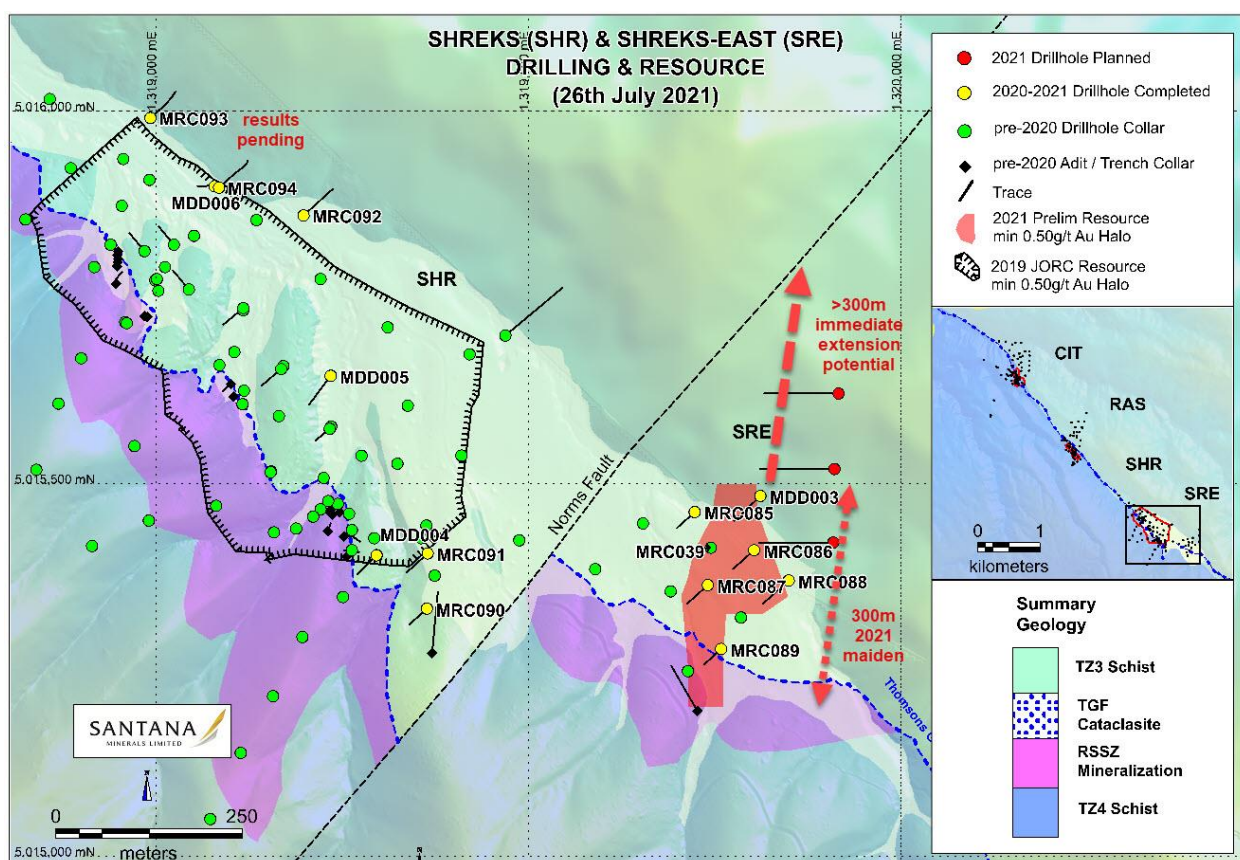
Figure 8 CIT Mineralised envelopes and potential extension

### Shreks (SHR) and Shreks East (SRE) Deposits

SHR contains 75 percent of the 2019 MRE but exploration of the down plunge extensions has been limited by a high topographic ridge. Mineralisation extends over a strike length of 500 metres and may be contained within multiple higher-grade shoots.

Three RC holes tested the down plunge extension of mineralisation with MRC093 intersecting 20 metres at an average grade uncut grade of 2.44 g/t (ASX announcement on 1<sup>st</sup> July 2021) from 80 metres depth at the northern end of the deposit (Figure 9).

- **MRC093**
  - 20 metres @ 2.47g/t Au from 80m
  - Including 8 metres @ 5.27g/t Au from 85m



**Figure 9. SHR and SRE Mineralised Zone and Drill Hole Location Map**

SRE mineralisation is new and appears to be a separate ore shoot from SHR across a NE striking fault that uplifts the RSSZ to the east. Mineralisation occurs along a single hanging wall shear averaging 12 metres thick at an average length weighted grade of 0.75 g/t gold. The shoot has been defined by 4 holes (Table 3) over a down-plunge length of 300 metres with a width of about 100 meters. Mineralisation remains open at depth.

**Table 3 Summary of drill holes defining SRE mineralisation**

Hole ID	From m	Mineralisation	
		Mineralised Intercept m	Gold Grade g/t
MDD003	64.0	19.0	0.75
MRC086	53.0	12.0	0.60
MRC087	25.0	15.0	0.61
MRC089	62.0	4.0	1.13

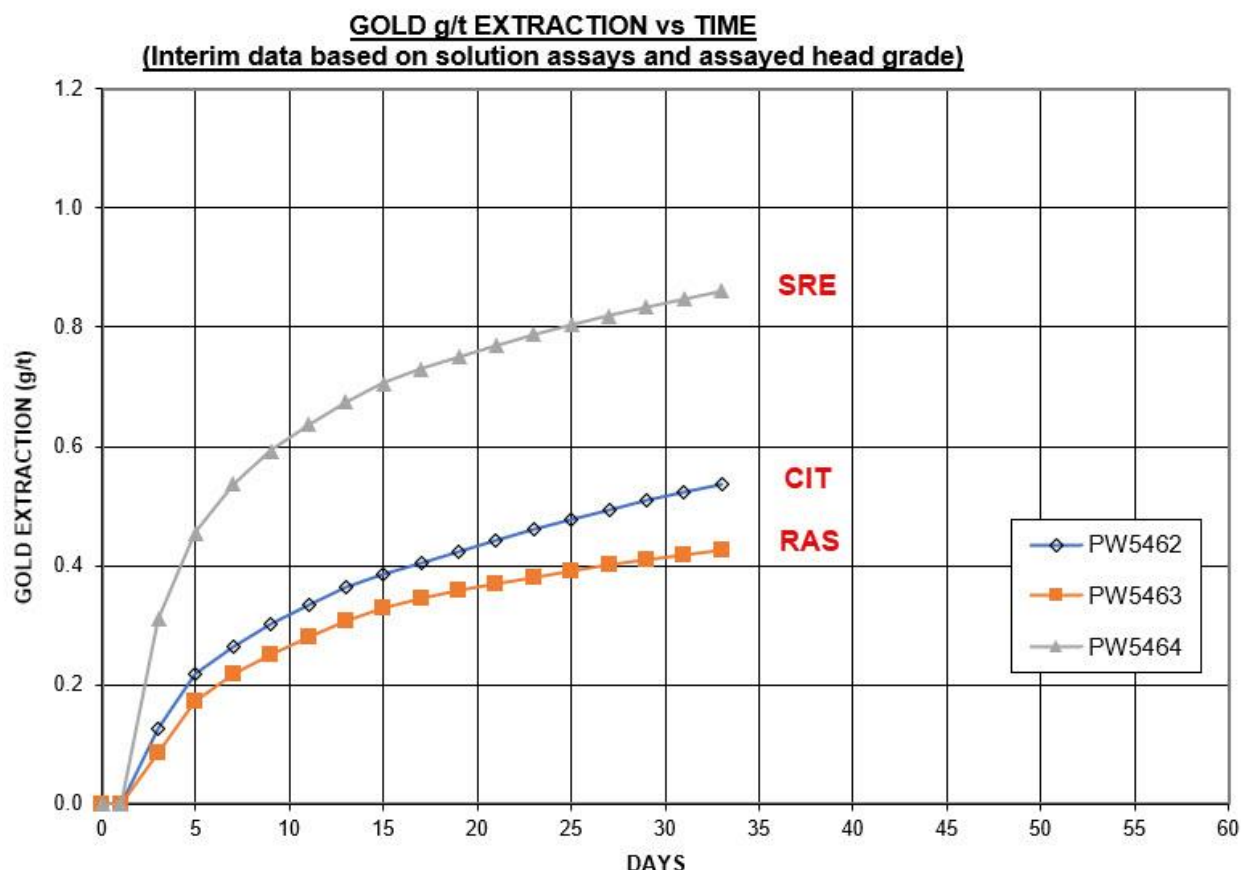
### New Mineral Resource Estimate (MRE)

A substantial increase in resources beyond the 2019 MRE of 252,000 ounces of gold (at minimum 0.25g/t Au, uncut) is anticipated based on drill results to date. A new MRE (to JORC Code 2012) is being independently determined with the MRE update expected during the September Quarter.

### Metallurgy

Column leach test work to test the heap leach amenability of sulphide ores is underway at ALS Perth supervised by Kappes Cassiday and Associates Australia (KCAA) with encouraging results after 33 days (Figure 10).

The 60-day column tests are continuing to leach at encouraging rates, with all samples yielding what would be considered economic recovered values. The standard leach cycle for the tests is 60 days but this will be extended if leaching is continuing. Gold head assay grades were 0.55g/t (CIT), 0.52g/t (RAS), 1.13g/t (SRE). This preliminary programme of metallurgical test work is scheduled for completion and reporting during the September Quarter.



**Figure 10 Provisional Column Leach Gold Extractions from Sulphide Ores after 33 days**

### **Forward Programme**

The Company will pursue its objective of defining a million-ounce resource along the RSSZ with a near-term focus on the down plunge potential of RAS and CIT. DD drilling will continue to fast track the definition of these potential down plunge resource extensions.

An application has been lodged for consent to allow more extensive construction of drill access roads to give better utilization and safe all-weather access to drill sites to increase drill rates with completion of the drilling programme scheduled for the December quarter. Subject to the results of this drill programme, infill drilling to raise the resource status, and conceptual feasibility studies are expected to commence in the next 6-9 months.

Commenting on the progress that has been made since the acquisition of the Bendigo-Ophir Project in November 2020, Executive Director Dick Keevers said:

*“The directors are very encouraged by results to date with a potential doubling of the existing resource within 8 months of commencing drilling. There is an expectation that the planned forward programme will significantly advance the Company’s objective of defining a million plus ounce gold resource on the road to becoming a low-cost gold producer.”*

### **APPENDIX 5B DISCLOSURES**

The Company’s accompanying Appendix 5B (Quarterly Cashflow Report) includes an amount in item 6.1 which constitutes executive (\$12k) and non-executive (\$49k) directors’ fees paid during the quarter.

During the period, the Company spent \$200k on exploration activities in Laos, \$7k on exploration activities in Chile, \$33k on exploration activities in Mexico and \$723k on exploration activities in New Zealand.

The announcement has been authorised for release to the ASX by the Board.

For further information, please contact:

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### **Previous Disclosure - 2012 JORC Code**

Information relating to Mineral Resources, Exploration Targets and Exploration Data associated with the Company’s projects in this announcement is extracted from the following ASX Announcements:

- ASX announcement titled “Acquisition of Bendigo-Ophir Gold Project, New Zealand” dated 14<sup>th</sup> September 2020.
- ASX announcement titled “Early drilling at the Bendigo-Ophir Project intersects significant widths of mineralization down-plunge from known resource” dated 21 December 2020.
- ASX announcement titled “Strong Gold Mineralisation from Drilling at Bendigo-Ophir” dated 2 February 2021.
- ASX announcement titled “Diamond Drilling reveals Material Gold at Bendigo-Ophir” dated 23 March 2021.
- ASX announcement titled “Initial RC Drilling Program Completed at Bendigo-Ophir” dated 22 April 2021.
- ASX announcement titled “Gold Assays Confirm Thickened Mineralization at Rise & Shine” dated 28 April 2021.
- ASX announcement titled “Drill Assays, Modelling & Metallurgy–Building Bendigo-Ophir Gold Assets” dated 1 July 2021.
- ASX announcement titled “More High-Grade Gold Intercepts at Rise & Shine (RAS) Deposit.

### Additional ASX Listing Rule Information

Santana Minerals Limited ('Santana') provides the following additional information in accordance with ASX Listing Rule 5.3.3.

#### Mining tenements held at the end of the quarter and their location

Name	Status	Interest Held
<b>New Zealand</b>		
Bendigo-Ophir	Granted	100%
<b>Cambodia</b>		
Phnom Khtung	Granted	85% <sup>#</sup>
Snoul	Granted	85% <sup>#</sup>

<sup>#</sup> 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.

#### Mining tenements acquired during the quarter and their location

Not applicable.

#### Mining tenements disposed of during the quarter and their location

Not applicable.

#### Beneficial percentage interests held in farm-in or farm-out agreements at the end of the quarter

##### *Cuitaboca Project*

The consolidated entity completed a transaction which allows it to earn an initial 80% interest in the Cuitaboca Project. The consolidated entity is earning, but has yet to earn, its initial interest. The Concession Option Agreement was amended to extend the term to 15 years from the original signature date (refer to the agreement announcement of 29 July 2014), with the agreement now expiring 10<sup>th</sup> December 2026.

##### *Cambodian Project*

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

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

Renaissance is earning, but has yet to earn, an interest in the Subsidiary.

#### Beneficial percentage interests in farm-in or farm-out agreements acquired or disposed of during the quarter

Not applicable.

## Appendix 5B

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

Name of entity

SANTANA MINERALS LIMITED

ABN

37 161 946 989

Quarter ended ("current quarter")

30 JUNE 2021

Consolidated statement of cash flows		Current quarter \$A'000	Year to date (6months) \$A'000
<b>1.</b>	<b>Cash flows from operating activities</b>		
1.1	Receipts from customers	-	-
1.2	Payments for		
	(a) exploration & evaluation	(240)	(595)
	(b) development	-	-
	(c) production	-	-
	(d) staff costs	(68)	(408)
	(e) administration and corporate costs	(174)	(558)
1.3	Dividends received (see note 3)	-	-
1.4	Interest received	-	1
1.5	Interest and other costs of finance paid	-	-
1.6	Income taxes paid	-	-
1.7	Government grants and tax incentives	-	-
1.8	Other (provide details if material)	-	-
<b>1.9</b>	<b>Net cash from / (used in) operating activities</b>	<b>(482)</b>	<b>(1,560)</b>

<b>Consolidated statement of cash flows</b>		<b>Current quarter \$A'000</b>	<b>Year to date (6months) \$A'000</b>
<b>2.</b>	<b>Cash flows from investing activities</b>		
2.1	Payments to acquire or for:		
	(a) entities	-	-
	(b) tenements	-	-
	(c) property, plant and equipment	-	-
	(d) exploration & evaluation	(723)	(2,212)
	(e) investments	-	-
	(f) other non-current assets	-	-
2.2	Proceeds from the disposal of:		
	(a) entities	-	-
	(b) tenements	-	-
	(c) property, plant and equipment	-	-
	(d) investments	-	-
	(e) other non-current assets	-	-
2.3	Cash flows from loans to other entities	-	-
2.4	Dividends received (see note 3)	-	-
2.5	Other (Transaction Costs)	(16)	(107)
<b>2.6</b>	<b>Net cash from / (used in) investing activities</b>	<b>(739)</b>	<b>(2,319)</b>

<b>3.</b>	<b>Cash flows from financing activities</b>		
3.1	Proceeds from issues of equity securities (excluding convertible debt securities)	-	7,500
3.2	Proceeds from issue of convertible debt securities	-	
3.3	Proceeds from exercise of options	-	
3.4	Transaction costs related to issues of equity securities or convertible debt securities	-	(523)
3.5	Proceeds from borrowings	-	-
3.6	Repayment of borrowings	-	-
3.7	Transaction costs related to loans and borrowings	-	-
3.8	Dividends paid	-	-
3.9	Other (provide details if material)	-	-
<b>3.10</b>	<b>Net cash from / (used in) financing activities</b>	<b>-</b>	<b>6,977</b>

<b>Consolidated statement of cash flows</b>		<b>Current quarter \$A'000</b>	<b>Year to date (6months) \$A'000</b>
<b>4.</b>	<b>Net increase / (decrease) in cash and cash equivalents for the period</b>	<b>(1,221)</b>	<b>3,098</b>
4.1	Cash and cash equivalents at beginning of period	5,150	831
4.2	Net cash from / (used in) operating activities (item 1.9 above)	(482)	(1,560)
4.3	Net cash from / (used in) investing activities (item 2.6 above)	(739)	(2,319)
4.4	Net cash from / (used in) financing activities (item 3.10 above)	-	6,977
4.5	Effect of movement in exchange rates on cash held	4	4
<b>4.6</b>	<b>Cash and cash equivalents at end of period</b>	<b>3,933</b>	<b>3,933</b>

<b>5.</b>	<b>Reconciliation of cash and cash equivalents</b> at the end of the quarter (as shown in the consolidated statement of cash flows) to the related items in the accounts	<b>Current quarter \$A'000</b>	<b>Previous quarter \$A'000</b>
5.1	Bank balances	209	341
5.2	Call deposits	3,724	4,808
5.3	Bank overdrafts	-	-
5.4	Other (provide details)	-	-
<b>5.5</b>	<b>Cash and cash equivalents at end of quarter (should equal item 4.6 above)</b>	<b>3,933</b>	<b>5,149</b>

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

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

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

<b>8.</b>	<b>Estimated cash available for future operating activities</b>	<b>\$A'000</b>
8.1	Net cash from / (used in) operating activities (item 1.9)	(482)
8.2	(Payments for exploration & evaluation classified as investing activities) (item 2.1(d))	(723)
8.3	Total relevant outgoings (item 8.1 + item 8.2)	(1,205)
8.4	Cash and cash equivalents at quarter end (item 4.6)	3,933
8.5	Unused finance facilities available at quarter end (item 7.5)	-
8.6	Total available funding (item 8.4 + item 8.5)	3,932
8.7	<b>Estimated quarters of funding available (item 8.6 divided by item 8.3)</b>	3.26
<i>Note: if the entity has reported positive relevant outgoings (ie a net cash inflow) in item 8.3, answer item 8.7 as "N/A". Otherwise, a figure for the estimated quarters of funding available must be included in item 8.7.</i>		
8.8	If item 8.7 is less than 2 quarters, please provide answers to the following questions:	
8.8.1	Does the entity expect that it will continue to have the current level of net operating cash flows for the time being and, if not, why not?	
	Answer:	
8.8.2	Has the entity taken any steps, or does it propose to take any steps, to raise further cash to fund its operations and, if so, what are those steps and how likely does it believe that they will be successful?	
	Answer:	

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

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

Answer:

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

**Compliance statement**

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

Date: 28 July 2021.....

Authorised by: The Board of Directors  
(Name of body or officer authorising release – see note 4)

**Notes**

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