

QUARTERLY REPORT

PERIOD ENDING 31 DECEMBER 2021

OPERATIONAL UPDATE

During the December quarter exploration activities were again focused on the advancement of the Company's 100% owned Bendigo-Ophir Project ("the Project") in Central Otago, New Zealand.

Having delivered a material upwards revision to the Project's Mineral Resource Estimate (MRE) in the September quarter (JORC Inferred Resource increased from 252k oz to 643koz across 4 deposits along the Rise & Shine Shear Zone (RSSZ)) the quarter's drilling activities were focused on extension drilling at the Rise & Shine (RAS) deposit.

Material results across the quarter north of the RAS MRE are summarised below:

- MDD014:
 - 50.7 metres @ 3.10 g/t Au between 174.3 and 230 metres with:
 - 33.7 metres @ 4.35 g/t of gold from 174.3 metres including:
 - 5.7 metres @ 11.19 g/t Au from 174.3 metres
 - 4.0 metres @ 12.60 g/t Au from 187.0 metres
 - 14.0 metres @ 2.13 g/t Au from 193.0 metres
 - 17.0 metres @ 0.62 g/t of gold from 213 metres
- MDD015:
 - 23.7 metres @ 1.35 g/t of gold from 195.4 metres and:
 - 11.0 metres @ 0.48 g/t of gold from 231.0 metres
- MDD016:
 - 13.0 metres @ 12.06 g/t of gold from 192.9 metres including
 - 57.5, 47.3 and 43.5 g/t of gold between 194.7 and 198.7 metres and:
 - 8.9 metres @ 0.64 g/t of gold from 210.1 metres
- MDD017:
 - 1.0 metre @ 15.01 g/t of gold from 208.0 metres
- MDD018:
 - 2.0 metres @ 8.91 g/t of gold from 190.5 metres
- MDD020:
 - 23.0 metres @ 0.87 g/t of gold from 183.0 metres
 - further assays for the remainder of the drillhole received after the quarter enhanced this intercept to 42.0 metres @ 0.80 g/t of gold from 183.0 metres.
- MDD021R:
 - 25.6 metres @ 3.11 g/t of gold from 269.4 metres with:
 - further assays for the remainder of the drillhole received after the quarter enhanced this intercept to 42.6 metres @ 2.30 g/t of gold from 269.4 metres.

Further material results post-quarter are summarised below:

- MDD019R
 - 25.6 metres (aggregate thickness) @ 1.29 g/t of gold between 187.0 metres and 259 metres including:
 - 6.0 metres @ 0.49 g/t gold from 187 metres
 - 9.0 metres @ 0.42 g/t gold from 213 metres
 - 6.7 metres @ 1.42 g/t gold from 228 metres
 - 4.0 metres @ 4.20 g/t gold from 253 metres
- MDD025:
 - (current incomplete drillhole, assays pending)
 - Coarse visible gold (VG) from 262.1 metres hosted in similar VG rich brecciated quartz stockwork veins to MDD021R

RAS Drilling - Extension drilling beyond existing 2021 Mineral Resource Estimate (MRE)

Resource drilling on nominal 120 metre by 80 metre centres has extended RAS shoot mineralisation north at least 400 metres down-plunge beyond the 2021 MRE. (Figures 1 & 2). MDD012 and MDD017 appear to close off mineralisation to the west but mineralisation remains open to the north and east.

Mineralisation within the RAS shoot typically occurs over a vertical interval of 40-80 metres with concentration of gold in the upper 10-20-metre-thick hanging wall shear (HWS) with grades of 1-5 g/t gold. Mineralisation is also in high-grade stockwork zones below the HWS as in the 13 metres at an average grade of 12.6 g/t Au intersected in MDD016 (ASX announcement on 23rd December 2021). The RAS shoot has now been defined over 1000 metres down plunge from outcrop.

Drilling at RAS has been further accelerated since early January with an additional rig (operating 24/7) testing northern and eastern extensions. At the time of this report an additional 4,145 metres have been completed in 16 holes beyond those included in the September 2021 RAS MRE. A further 10,000 metres of drilling is planned over the next 6 months to test RAS mineralisation a further 300 metres northwards as well as define the margins. Extension drilling at Come-in-Time (CIT) will also commence once the margins of the RAS resource extension are established.

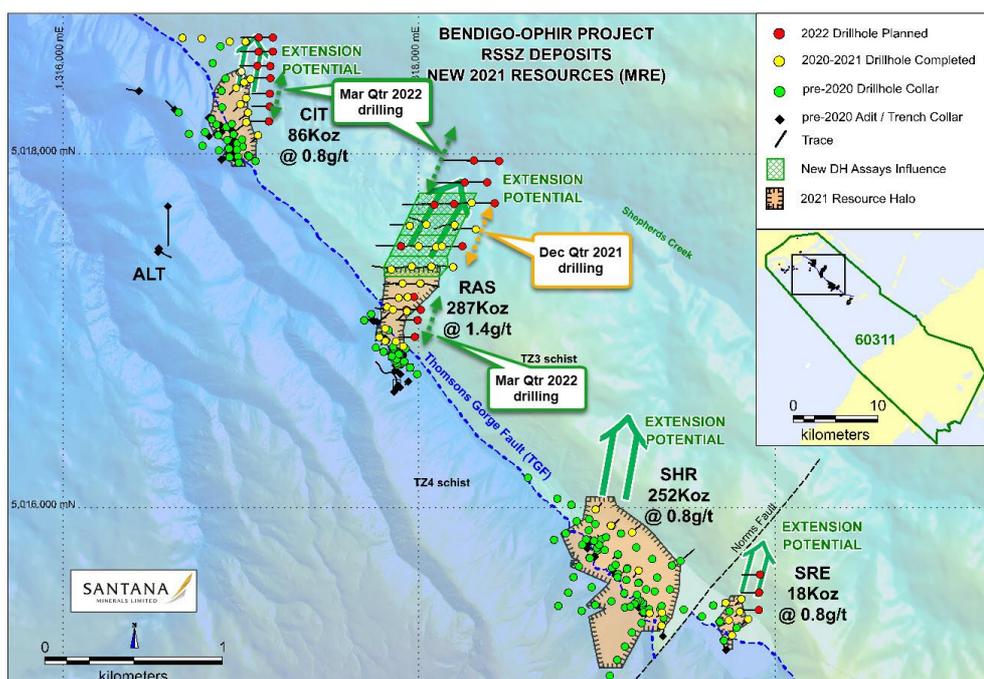


Figure 1 RSSZ 2021 Deposits & Resource Halos

RAS Extension drill hole Results – Implications for additional resources

Drillholes MDD012, MDD013, MDD014 and MDD019R lie on the northern boundary of the newly defined RAS MRE inferred resource halo (Figure 2, Drill section N5017360). These holes were not included in the MRE and the average grade of all except MDD012 which was subgrade (<0.25g/t Au closing off mineralisation west) exceed the average 1.40 g/t Au grade of the 287Koz RAS gold resource (MRE).

Respective aggregate thicknesses and grades are 42.7m @ 1.77 g/t Au, 50.7m @ 3.10g/t Au and 25.6m @ 1.29g/t Au and the intercepts span 270 metres east-west across the RAS axis. This drill section (N5017360) has a NS envelope of influence of 120 metres (60 metres north of the existing MRE and 60 metres south into the resource halo) where these higher grades and widths have positive implications for the next MRE upgrade.

Drillholes MDD015, MDD016 and MDD020, collared 120 metres north of the RAS MRE (drill section N5017480) have respective intercepts of 23.7 metres @ 1.35 g/t Au, 13.0 metres @ 12.06 g/t Au (which includes **Bonanza Grades of 57.5, 47.3 and 43.5 g/t Au**) and 42.0 metres @ 0.80 g/t Au. These intercepts span 170 metres across the RAS shoot and are open both east and west.

Four drillholes, MDD017, MDD018, MDD022 and MDD023R were drilled on section N5017600 240 metres north of the MRE. MDD017 and MDD018 drilled on the western margin of the RAS shoot intersected narrow high-grade mineralisation of 1 metre @ 15.01 g/t Au and 2 metres @ 8.91 g/t Au with assays pending for drillholes MDD022 and MDD023R to the east. MDD017 weak mineralisation appears to close off the RAS shoot in the west.

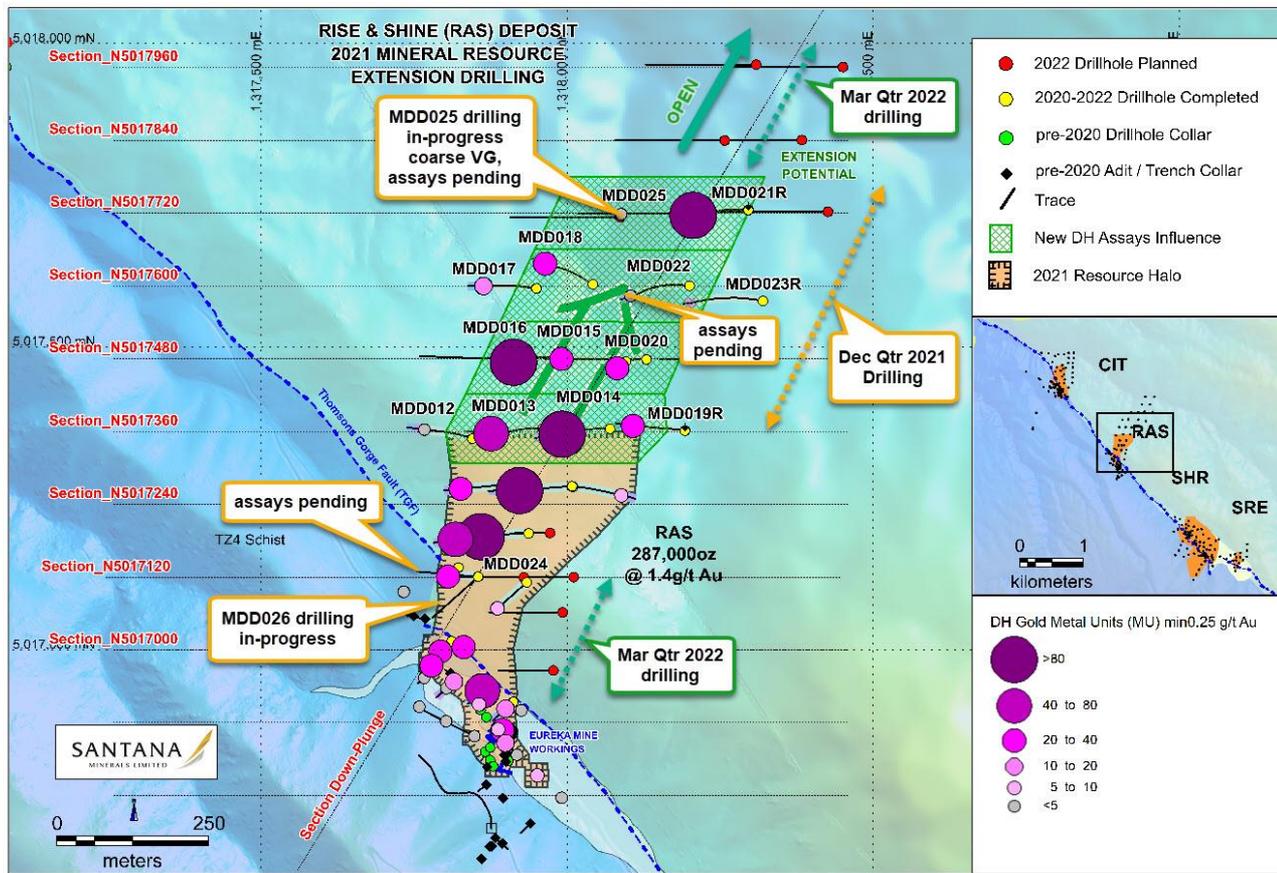


Figure 2 RAS Resource Extension Drilling - Section Influence & Gold Metal Units

The northernmost drillholes to date, MDD021R and MDD025 lie 360 metres north of the RAS MRE on section N5017720. MDD021R intersected multiple zones of coarse visible gold associated with quartz rich breccia and arsenopyrite stockwork (Figure 3) returning 42.6 metres @ 2.30 g/t Au. MDD025 is currently being drilled ~ 100 metres west of MDD021R and has intersected similar quartz rich breccia with visible gold (Figure 4).

These drillholes extend RAS mineralisation 400 metres NNE from the 2021 MRE for a total down-plunge length of ~1,000 metres. and remain open north where drilling will focus on extending potential gold resources down-plunge with the benefit of favourable down-slope topography (Figure 5).

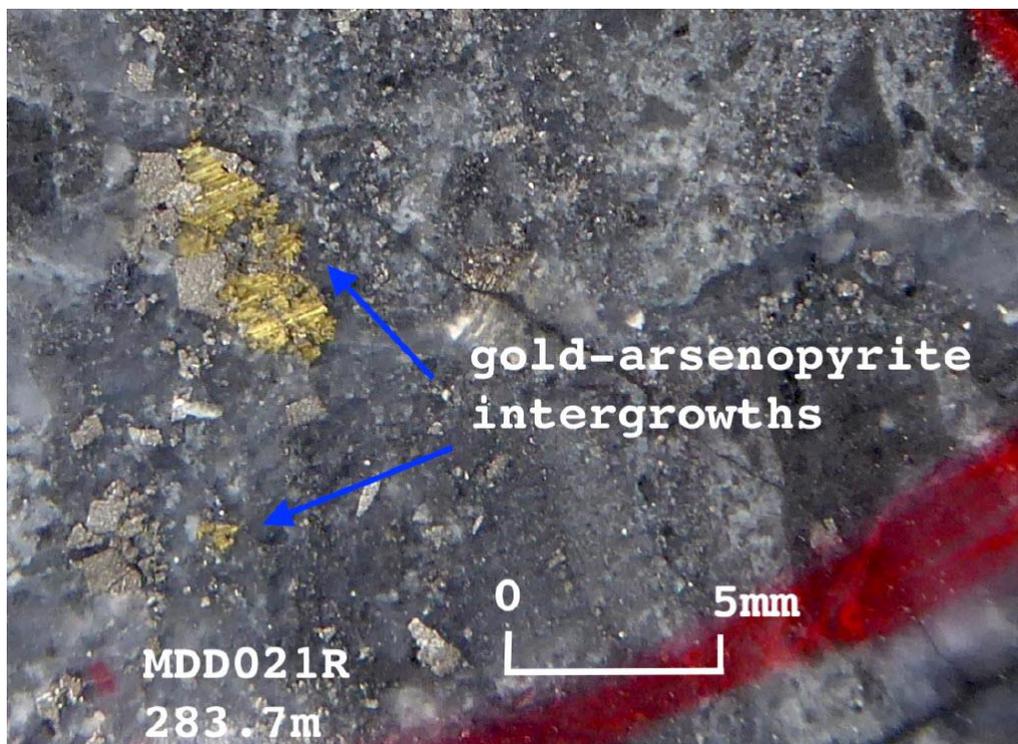


Figure 3 RAS drillhole MDD021R – Coarse visible gold in cut core @ 283.7 metres (8.34 g/t Au)

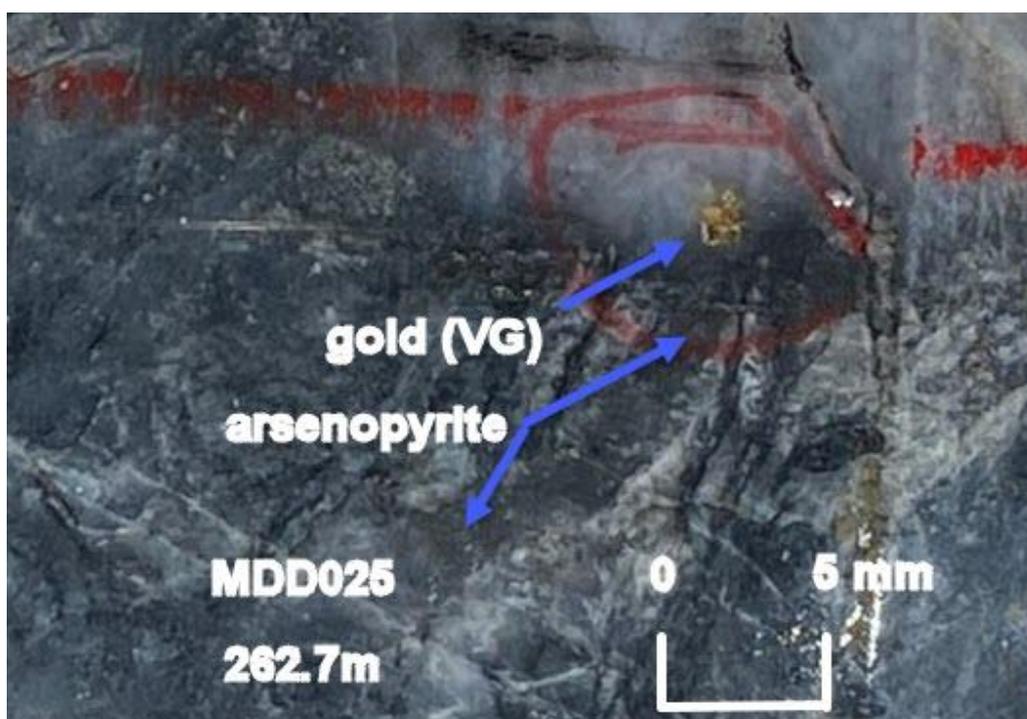


Figure 4 RAS drillhole MDD025 – Coarse visible gold in un-cut core @ 262.7 metres

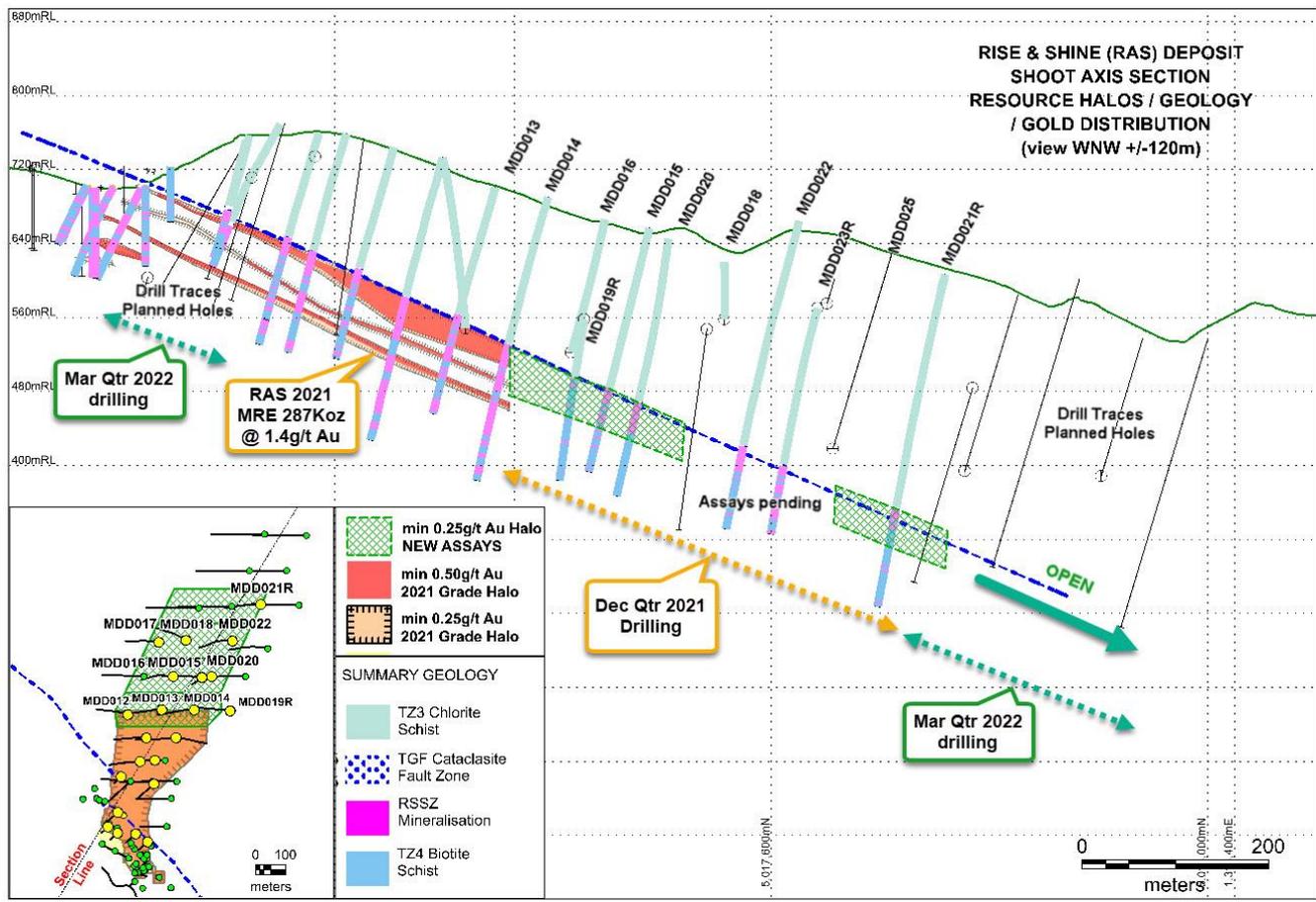


Figure 5 RAS Down-Plunge Section Geology & Gold Grade Halos

Metallurgical Testwork Follow Up

Further leach testwork on gravity products are being conducted as a follow-on from encouraging preliminary leach testwork and gravity recoverable gold (GRG) in fresh sulphide bearing mineralisation as previously reported (ASX announcement on 27th October 2021). Presently KCAA metallurgical consultants are reviewing geochemical characteristics of the mineralisation intersected in the four RSSZ Deposits to tailor the next stage of Metallurgical testwork.

Key Conclusions

The 16 holes drilled since the release of the September 2021 MRE upgrade have been highly encouraging and show a strong mineralised trend at RAS now continuing for over 1km to the north-east from outcrop and the Eureka mine workings in the south. During the Quarter, RAS mineralization has been extended 400 metres down plunge from the 2021MRE with impressive thicknesses of mineralization in the HWS and confirm mineralization over shoot widths of up to 270 metres. The thick lower grade (0.8 – 2.3 g/t) in the HWS complement bonanza grades up to 57 g/t intersected in footwall stockwork vein swarms.

The visible gold in brecciated quartz in MDD025 (currently being drilled) is collared ~100 metres west of MDD021R (42.6 metres @ 2.3 g/t gold) indicating the RAS shoot maintains its broad width down plunge.

Mineralisation on all northern drill sections remains open both east and west and down-plunge to the north. Drilling further north and east at RAS will continue to focus on determining the limits of the shear hosted and quartz-arsenopyrite stockwork veins in this new strongly mineralised gold system.

CORPORATE

During the quarter the Company accepted firm commitments to raise \$4M through the issue of 18,604,652 fully paid ordinary shares at \$0.215 (Placement Shares). Bell Potter Securities acted as Lead Manager to the Placement. Funds raised are to be used to advance the Bendigo-Ophir Gold Project and for general working capital purposes.

7,201,389 Placement Shares were issued under the Company's existing placement capacity as provided for by ASX Listing Rule 7.1 while 11,403,263 Placement Shares were issued under the Company's existing placement capacity as provided for by ASX Listing Rule 7.1A.

APPENDIX 5B DISCLOSURES

The Company's accompanying Appendix 5B (Quarterly Cashflow Report) includes an amount in item 6.1 which constitutes executive (\$18k) and non-executive (\$62k) directors' fees paid during the quarter. In addition, item 6.2 includes an amount which constitutes project management (\$49k) and equipment hire fees (\$12k) to directors paid during the quarter.

During the period, the Company spent \$752k on exploration activities in New Zealand and \$6k on exploration and holding costs in Mexico.

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

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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 "Gold Resources Increased 155% to 643Koz" dated 28 September 2021
- ASX announcement titled "Further Wide Mineralised Drill Intercepts and Coarse Gold" dated 27 October 2021
- ASX announcement titled "High-Grade Gold Mineralisation Extended in Drillhole MDD014" dated 15 November 2021
- ASX announcement titled "Bonanza gold grades continue beyond new Rise & Shine Resources" dated 23 December 2021
- ASX announcement titled "Rise and Shine Gold Zones Extended as Drilling Accelerates" dated 27 January 2022

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
New Zealand		
Bendigo-Ophir	Granted	100%
Cambodia		
Phnom Khtung	Granted	85% [#]
Snoul	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.

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 10th 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")

31 DECEMBER 2021

Consolidated statement of cash flows	Current quarter \$A'000	Year to date (6 months) \$A'000
1. Cash flows from operating activities		
1.1 Receipts from customers	-	-
1.2 Payments for		
(a) exploration & evaluation	(6)	(123)
(b) development	-	-
(c) production	-	-
(d) staff costs	(85)	(203)
(e) administration and corporate costs	(150)	(246)
1.3 Dividends received (see note 3)	-	-
1.4 Interest received	-	-
1.5 Interest and other costs of finance paid	-	-
1.6 Income taxes paid	-	-
1.7 Government grants and tax incentives	-	-
1.8 Other (provide details if material)	-	-
1.9 Net cash from / (used in) operating activities	(241)	(572)

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

Consolidated statement of cash flows	Current quarter \$A'000	Year to date (6 months) \$A'000
2. Cash flows from investing activities		
2.1 Payments to acquire or for:		
(a) entities	-	-
(b) tenements	-	-
(c) property, plant and equipment	-	-
(d) exploration & evaluation	(752)	(1,572)
(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	-	-
2.6 Net cash from / (used in) investing activities	(752)	(1,572)

3. Cash flows from financing activities		
3.1 Proceeds from issues of equity securities (excluding convertible debt securities)	4,000	4,000
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	(297)	(297)
3.5 Proceeds from borrowings	-	-
3.6 Repayment of borrowings	-	-
3.7 Transaction costs related to loans and borrowings	-	-
3.8 Dividends paid	-	-
3.9 Other (provide details if material)	-	-
3.10 Net cash from / (used in) financing activities	3,703	3,703

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

Consolidated statement of cash flows		Current quarter \$A'000	Year to date (6 months) \$A'000
4.	Net increase / (decrease) in cash and cash equivalents for the period		
4.1	Cash and cash equivalents at beginning of period	2,786	3,933
4.2	Net cash from / (used in) operating activities (item 1.9 above)	(241)	(572)
4.3	Net cash from / (used in) investing activities (item 2.6 above)	(752)	(1,572)
4.4	Net cash from / (used in) financing activities (item 3.10 above)	3,703	3,703
4.5	Effect of movement in exchange rates on cash held	(1)	3
4.6	Cash and cash equivalents at end of period	5,495	5,495

5.	Reconciliation of cash and cash equivalents at the end of the quarter (as shown in the consolidated statement of cash flows) to the related items in the accounts	Current quarter \$A'000	Previous quarter \$A'000
5.1	Bank balances	104	107
5.2	Call deposits	5,391	2,679
5.3	Bank overdrafts	-	-
5.4	Other (provide details)	-	-
5.5	Cash and cash equivalents at end of quarter (should equal item 4.6 above)	5,495	2,786

6.	Payments to related parties of the entity and their associates	Current quarter \$A'000
6.1	Aggregate amount of payments to related parties and their associates included in item 1	80
6.2	Aggregate amount of payments to related parties and their associates included in item 2	61
<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

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

8. Estimated cash available for future operating activities	\$A'000
8.1 Net cash from / (used in) operating activities (item 1.9)	(241)
8.2 (Payments for exploration & evaluation classified as investing activities) (item 2.1(d))	(752)
8.3 Total relevant outgoings (item 8.1 + item 8.2)	(993)
8.4 Cash and cash equivalents at quarter end (item 4.6)	5,495
8.5 Unused finance facilities available at quarter end (item 7.5)	-
8.6 Total available funding (item 8.4 + item 8.5)	5,495
8.7 Estimated quarters of funding available (item 8.6 divided by item 8.3)	5.5
<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: 31 January 2022.....

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.