November – December 2017 Works Programme Update

4 January 2018 - Santana Minerals Limited ("Santana") is pleased to provide an update on the November - December works programme at the Company's Cuitaboca Project in Sinaloa, Mexico (**Figure 1**).

The November - December reverse circulation (RC) drill programme was completed prior to Christmas and results have now been received.

Las Animas/Evangelina depth extensions

Three RC holes were drilled across the Las Animas/Evangelina vein structures to test the continuity of grade within the previously identified open zone of south-east plunging mineralisation. These three holes intersected broad zones of silicification with continuous zones of >20g/t Ag reported below.

- **MSRC053** 11m @32g/t Ag from 140m
  2m @44g/t Ag from 216m
  2m @52g/t Ag from 231m
- **MSRC054** 2m @51g/t Ag from 17m
  29m @34g/t Ag from 91m **(Including 4m @120g/t Ag from 91m)**
  13m @23g/t Ag from 132m
- **MSRC055** 10m @23g/t Ag from 127m

While the grade profile from earlier programmes was not repeated at depth, the Las Animas/Evangelina mineralised zone remains open and further drilling is required on the Las Animas structure to better define the shoot in the vicinity of previous drill holes RC16CT23 and MJRC-046.

Mojardina South

Five holes were drilled into the mineralised zone at Mojardina South with two of the holes returning significant results:

- **MSRC056** 66m @36g/t Ag from 45m (including 22m @52g/t Ag from 73m)
  3m @ 136g/t Ag from 108m
- **MSRC060** **7m @110g/t Ag from 51m**

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These holes were drilled at the northern extent of the previously reported holes:

- **MSRC033** 53m @47g/t Ag from 1m (including 23m @75g/t Ag from 30m) and **8m @ 157g/t Ag from 45m**
- **MSRC034** **15m @ 100g/t Ag from 3m (including 5m @ 197g/t from 12m)**

and below diamond saw channel

- **MJTR25** **12m @ 102g/t Ag at surface**

The system remains open to expansion to the north-west. The 3 holes drilled further south appear to have been constrained by a fault line.

Further interpretation work of Mojardina South is required to fully assess the potential of this zone.

La Plata

At the La Plata prospect (some 4 km north of the Mojardina prospect) a portable micro-rig diamond drilling campaign commenced prior to the Christmas break to test along a 2km strike length of high grade mineralisation identified by previously undertaken surface trenching.

The several holes drilled to date have not reach planned depth due to the hand held portable diamond rig having penetration issues in the hard rock. The program is scheduled to recommence in mid-January 2018.

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About Santana

Santana is a precious metals explorer focused on Mexico where it's primary focus is earning an initial 80% interest in the Cuitaboca Silver-Gold project in Sinaloa State.

Additional information about Santana and its projects is available on the website: www.santanaminerals.com

Competent Person/Qualified Person.

The information in this report that relates to exploration targets, exploration results, mineral resources or ore reserve is based on information compiled by Mr Jason Beckton, who is a Member of the Australian Institute of Geoscientists. Mr Beckton is a part time consultant to Santana. Mr Beckton 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 Beckton consents to the inclusion in the report of the matters based on his information in the form and context in which it appears.

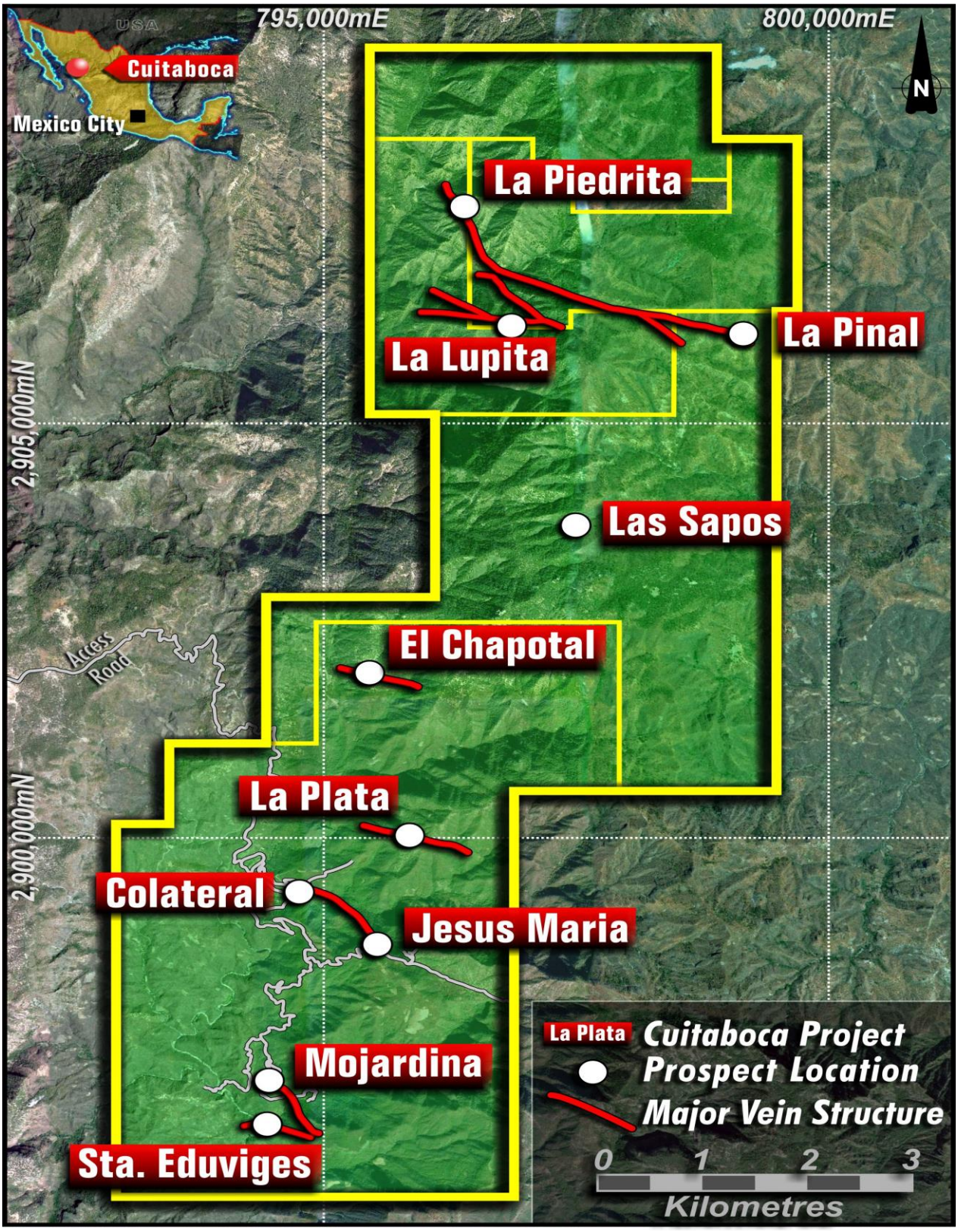

Figure 1: Cuitaboca Project Area

JORC Code, 2012 Edition – Table 1 CUITABOCA EXPLORATION PROGRAM REPORT:

A. RC Drilling Sample Results

Section 1 Sampling Techniques and Data

Criteria	JORC Code explanation	Commentary
Sampling techniques	• *Nature and quality of sampling (eg cut channels, random chips, or specific specialised industry standard measurement tools appropriate to the minerals under investigation, such as down hole gamma sondes, or handheld XRF instruments, etc). These examples should not be taken as limiting the broad meaning of sampling.* • *Include reference to measures taken to ensure sample representivity and the appropriate calibration of any measurement tools or systems used.* • *Aspects of the determination of mineralisation that are Material to the Public Report.* • *In cases where 'industry standard' work has been done this would be relatively simple (eg 'reverse circulation drilling was used to obtain 1 m samples from which 3 kg was pulverised to produce a 30 g charge for fire assay'). In other cases more explanation may be required, such as where there is coarse gold that has inherent sampling problems. Unusual commodities or mineralisation types (eg submarine nodules) may warrant disclosure of detailed information.*	<u>RC Drilling</u> • RC samples were collected at 1m intervals under the supervision of a qualified geologist. • Collar locations locations were surveyed with a handheld GPS then permanently marked with an aluminum tag by a qualified surveyor. • Spilt samples of 2-3Kg weight were taken every metre by standard dry splitter. At no time was water encountered in the sample media. • Standards inserted and duplicates taken on a frequency of at least one QAQC sample per 20 samples.
Drilling techniques	• *Drill type (eg core, reverse circulation, open-hole hammer, rotary air blast, auger, Bangka, sonic, etc) and details (eg core diameter, triple or standard tube, depth of diamond tails, face-sampling bit or other type, whether core is oriented and if so, by what method, etc).*	RC Drilling, Reverse Circulation Drilling. 51/4 inch diameter hammer, face simple return (non cross over to reduce any contamination)
Drill sample recovery	• *Method of recording and assessing core and chip sample recoveries and results assessed.* • *Measures taken to maximise sample recovery and ensure representative nature of the samples.* • *Whether a relationship exists between sample recovery and grade and whether sample bias may have occurred due to preferential loss/gain of fine/coarse material.*	Logging and Supervising Geologist on the rig to ensure all QAQC and geological quality control in the first RC program for this project. No recovery issues were notes and all sample weights suggest full recovery.
Logging	• *Whether core and chip samples have been geologically and geotechnically logged to a level of detail to support appropriate Mineral Resource estimation, mining studies and metallurgical studies.*	• Samples were geologically logged on a per metre basis and chip trays used to retain representative samples.

Criteria	JORC Code explanation	Commentary
	• *Whether logging is qualitative or quantitative in nature. Core (or costean, channel, etc) photography.* • *The total length and percentage of the relevant intersections logged.*	• RC geology was recorded metre by metre.
Sub-sampling techniques and sample preparation	• *If core, whether cut or sawn and whether quarter, half or all core taken.* • *If non-core, whether riffled, tube sampled, rotary split, etc and whether sampled wet or dry.* • *For all sample types, the nature, quality and appropriateness of the sample preparation technique.* • *Quality control procedures adopted for all sub-sampling stages to maximise representivity of samples.* • *Measures taken to ensure that the sampling is representative of the in situ material collected, including for instance results for field duplicate/second-half sampling.* • *Whether sample sizes are appropriate to the grain size of the material being sampled.*	• RC samples were a width of at least 3cm and approximate sample support of half core NQ from diamond drilling, ie sample diameter of 56mm, being a half core sample of that.
Quality of assay data and laboratory tests	• *The nature, quality and appropriateness of the assaying and laboratory procedures used and whether the technique is considered partial or total.* • *For geophysical tools, spectrometers, handheld XRF instruments, etc, the parameters used in determining the analysis including instrument make and model, reading times, calibrations factors applied and their derivation, etc.* • *Nature of quality control procedures adopted (eg standards, blanks, duplicates, external laboratory checks) and whether acceptable levels of accuracy (ie lack of bias) and precision have been established.*	RC samples picked up by ALS Chemex Hermosillo at site • Samples are stored in a secure location and transported to the ALS laboratory in Hermosillo for sample preparation of fine crush, riffle split and pulverizing of 1kg to 85% < 75µm. • Pulps are analyzed by ALS Vancouver (Canada) using method code ME-ICP61a, a 33 element determination using a four acid digestion, Au-AA26.
Verification of sampling and assaying	• *The verification of significant intersections by either independent or alternative company personnel.* • *The use of twinned holes.* • *Documentation of primary data, data entry procedures, data verification, data storage (physical and electronic) protocols.* • *Discuss any adjustment to assay data.*	<u>RC Duplicate sampling every 40m and Standards</u> • Laboratory CSV files are merged with GPS Location data files using unique sample numbers as the key. • No adjustments made to assay data •
Location of data points	• *Accuracy and quality of surveys used to locate drill holes (collar and down-hole surveys), trenches, mine workings and other locations used in Mineral Resource estimation.* • *Specification of the grid system used.* • *Quality and adequacy of topographic control.*	<u>RC Collar have been picked up and drill pads and associated roads planned and emplaced using Surveying control.</u> • Samples are located using an independent surveyor . • UTM projection WGS84 Zone 12N is the Datum of the area with Ellipsoidal vertical RLs as per national standards of Mexico.

Criteria	JORC Code explanation	Commentary
Data spacing and distribution	• *Data spacing for reporting of Exploration Results.* • *Whether the data spacing and distribution is sufficient to establish the degree of geological and grade continuity appropriate for the Mineral Resource and Ore Reserve estimation procedure(s) and classifications applied.* • *Whether sample compositing has been applied.*	• RC sampling 1 metre for results will not be used for resource estimation prior to any supporting drilling being carried out.. • No compositing has been applied.
Orientation of data in relation to geological structure	• *Whether the orientation of sampling achieves unbiased sampling of possible structures and the extent to which this is known, considering the deposit type.* • *If the relationship between the drilling orientation and the orientation of key mineralised structures is considered to have introduced a sampling bias, this should be assessed and reported if material.*	<u>RC Drilling</u> • Representative RC samples of 2-3Kg weight are taken down the hole at 1metre intervals except where noted.
Sample security	• *The measures taken to ensure sample security.*	• Samples were delivered to ALS Minerals laboratory in Hermosillo by ALS Truck with sample collection from site camp and sample number accounting onsite by Santana geologists. Samples were not left unattended at any time.
Audits or reviews	• *The results of any audits or reviews of sampling techniques and data.*	• No audits or reviews of the data management system have been carried out.

Section 2 Reporting of Exploration Results

Criteria	JORC Code explanation	Commentary
Mineral tenement and land tenure status	• *Type, reference name/number, location and ownership including agreements or material issues with third parties such as joint ventures, partnerships, overriding royalties, native title interests, historical sites, wilderness or national park and environmental settings.* • *The security of the tenure held at the time of reporting along with any known impediments to obtaining a license to operate in the area.*	• Santana Minerals, through subsidiaries and contractual rights, holds an option to acquire 80% of the Cuitaboca Project which consists of 100% of the mining concessions: El Chapotal (126ha), San Rafael (528ha), Nuestra Senora del Carmen (79.46ha), San Pedro (29ha), Jesus Maria (13.6ha), San Rafael II (540ha), Cuitaboca (2,402ha) and Las Sapos (1,386ha). The commercial terms consist of multiple option payments which form part of a total purchase price of US$3.5M. The seller retains a 2.5% Net Smelter Royalty. • The laws of Mexico relating to exploration and mining have various requirements. As the exploration advances specific filings and environmental or other studies may be required. There are ongoing requirements under Mexican mining laws that will be required at each stage of advancement. Those filings and studies are maintained and updated as required by Santana's environmental and permit advisors specifically engaged for such purposes.
Exploration done by other parties	• *Acknowledgment and appraisal of exploration by other parties.*	• The first report of mining in the Cuitaboca area was between 1760 and 1810 with small scale mine workings. In 1883 American and English investors took control of the Cuitaboca mining operations which continued for nearly a century. Between 1974 and 1975 Servicios Industriales Penoles undertook systematic exploration using surface and underground geological mapping and the collection of 180 samples. In 2006 Canadian-based First Majestic acquired the property after a merger with First Silver

Criteria	JORC Code explanation	Commentary
		Reserve and initiated >300m of underground development at Colateral Mine which delineated a quartz-galena-sphalerite vein that reported elevated Ag-Pb-Zn. First Majestic withdrew from the project in late 2008 and retained no interest.
Geology	• *Deposit type, geological setting and style of mineralisation.*	Within the Cuitaboca project area there have been 9 discreet polymetallic low sulphidation epithermal Ag-Au veins recognised that have undergone historical manual mining. Other low sulphidation epithermal polymetallic Ag-Au vein deposits host most ore within ore shoots at the coincidence of ore controls defined as: competent host rocks, dilatant structures, higher Au-Ag grade mineralisation styles and efficient mechanisms of Au-Ag deposition. Host rocks identified as interlayered Cretaceous age andesitic lavas, volcanics and volcaniclastic rocks and lesser rhyolites of the Sierra Madre Occidental Volcanics, have been placed in a stratigraphic succession as an aid to the delineation of the andesite flows, and locally welded tuffs, recognised as the most favourable rocks to host through going fissure vein mineralisation. In the Colateral adit the transition from incompetent lapilli tuff to competent andesite host rocks corresponds to a 110% increase in Ag and 250% increase in Au grades. An exploration target occurs where competent andesite is interpreted to underlie incompetent tuff. Mineralised veins lie within nine NW-SE (120°TN) trending structures interpreted as listric style normal faults formed in association with regional extension within the Sierra Madre. NW trending vein dips vary from steep to moderate and may locally display a relationship to rock competency as moderate dipping structures refract to steeper dips in the more competent andesites. Steeper dips mostly host better veins within listric fault environments. Using a structural model derived from Palmarejo, no dilatant flexures were identified as changes in the strike of veins from NW towards the WNW-EW, where steep dipping veins should host core shoots. Interpretation of the regional digital terrain model suggests NNE trending transfer structures might segment the listric faults and contribute towards the localisation of mineralisation. The historically mined Cuitaboca polymetallic Ag-Pb-Zn (± Au) bearing epithermal quartz veins comprise dominantly banded and brecciated quartz with galena, mostly yellow sphalerite, argentite, tetrahedrite, pyrite, chalcopyrite and gangue of carbonate (calcite and rhodochrosite), barite and fluorite. The adjacent wall rocks display K-feldspar and retrograde chlorite-illite/smectite alteration
Drill hole Information	A summary of all information material to the understanding of the exploration results including a tabulation of the following information for all Material drill holes: easting and northing of the drill hole collar elevation or RL (Reduced Level – elevation above sea level in metres) of the drill hole collar dip and azimuth of the hole down hole length and interception depth hole length.	Hold_ID | X_East | Y_North | Z_RL | Max_Depth | Location

Criteria	JORC Code explanation	Commentary

If the exclusion of this information is justified on the basis that the information is not Material and this exclusion does not detract from the understanding of the report, the Competent Person should clearly explain why this is the case.

MJRC-053	794780.2	2897051	787.7	255	Mojardina Las Animas
MJRC-054	794817.1	2896981	758.3	210	Mojardina Las Animas
MJRC-055	794849.4	2896951	730.8	210	Mojardina Las Animas
MSRC-056	795040.2	2896427	841	147	Mojardina Sth
MSRC-057	795078.6	2896344	837.9	97	Mojardina Sth
MSRC-058	795108.9	2896283	824.9	99	Mojardina Sth
MSRC-059	795140.4	2896241	821.2	105	Mojardina Sth
MSRC-060	794999.6	2896431	804.6	90	Mojardina Sth

NB All Coordinates are Zone 12N WGS84

Hole_ID	Depth	Dip	MAG_Azir	UTM_Mag	UTM_Azin
MJRC-053	0	-55	215	10	225
MJRC-053	50	-56.1	218.2	10	228.2
MJRC-053	100	-58.4	220.1	10	230.1
MJRC-053	150	-59.2	219	10	229
MJRC-053	200	-59	220.7	10	230.7
MJRC-053	240	-58.7	221.5	10	231.5
MJRC-054	0	-55	215	10	225
MJRC-054	50	-55.7	218.9	10	228.9
MJRC-054	100	-54.6	221.4	10	231.4
MJRC-054	150	-54.5	221.3	10	231.3
MJRC-054	200	-54.6	222.4	10	232.4
MJRC-055	0	-55	210	10	220
MJRC-055	50	-55	209.8	10	219.8
MJRC-055	100	-55	209.8	10	219.8
MJRC-055	150	-56.3	212	10	222
MJRC-055	200	-56.8	212	10	222
MSRC-056	0	-60	215	10	220
MSRC-056	50	-55.6	208.5	10	218.5
MSRC-056	100	-55.8	206	10	216
MSRC-056	140	-54.8	204.9	10	214.9
MSRC-057	0	-55	215	10	225
MSRC-057	50	-54.4	218.4	10	228.4
MSRC-057	95	-54.3	217.5	10	227.5
MSRC-058	0	-55	215	10	225
MSRC-058	50	-53.5	219.7	10	229.7
MSRC-058	100	-53.6	219.4	10	229.4
MSRC-059	0	-55	215	10	225
MSRC-060	0	-55	215	10	225
MSRC-060	50	-53.9	219.9	10	229.9
MSRC-060	87	-53.7	219.5	10	229.5

Survey details for reported holes.

Criteria	JORC Code explanation	Commentary

In terms of Intercepts the significant results (>20 g/t Ag, > 1m generally) of holes are reported;

Hole_id	from	to	Interval	Au ppm	Ag ppm	Pb ppm	Zn ppm	ag-m
MJRC-053	59	60	1	0.00	25	450	820	25
MJRC-053	120	121	1	0.00	57	150	890	57
MJRC-053	140	143	3	0.01	67	393	913	201
MJRC-053	149	151	2	0.01	68	290	475	136
MJRC-053	161	162	1	0.00	33	120	420	33
MJRC-053	181	182	1	0.00	47	340	340	47
MJRC-053	186	187	1	0.00	32	140	630	32
MJRC-053	194	195	1	0.05	61	610	1470	61
MJRC-053	211	212	1	0.00	22	430	300	22
MJRC-053	216	218	2	0.00	45	185	400	89
MJRC-053	222	223	1	0.00	42	150	270	42
MJRC-053	231	233	2	0.02	53	440	625	105
MJRC-054	17	19	2	0.00	51	305	675	102
MJRC-054	91	95	4	0.01	121	698	1543	483
MJRC-054	105	113	8	0.00	43	291	524	347
MJRC-054	117	120	3	0.00	38	607	1223	115
MJRC-054	132	145	13	0.00	23	136	388	304
MJRC-054	168	170	2	0.83	33	5370	15200	66
MJRC-055	71	72	1	0.00	55	690	2870	55
MJRC-055	95	96	1	0.00	52	430	430	52
MJRC-055	121	122	1	0.00	37	210	560	37
MJRC-055	127	129	2	0.00	71	685	1100	141
MJRC-055	136	137	1	0.00	30	120	300	30
MJRC-055	141	142	1	0.01	25	100	220	25
MJRC-055	163	164	1	0.00	25	90	240	25
MJRC-055	179	180	1	0.00	23	540	480	23
MSRC-056	35	36	1	0.00	29	30	390	29
MSRC-056	45	48	3	0.00	49	23	457	146
MSRC-056	58	60	2	0.00	24	85	620	47
MSRC-056	63	70	7	0.00	32	30	671	221
MSRC-056	73	95	22	0.01	52	178	1299	1145
MSRC-056	99	105	6	0.00	22	117	985	133
MSRC-056	108	111	3	0.07	136	873	4743	409
MSRC-056	128	129	1	0.00	37	120	450	37
MSRC-058	54	56	2	0.01	41	525	3025	82
MSRC-058	78	79	1	0.00	20	160	590	20
MSRC-059	36	37	1	0.00	53	160	1130	53
MSRC-059	44	50	6	0.01	24	380	1398	141
MSRC-060	23	24	1	0.01	30	130	450	30
MSRC-060	28	37	9	0.01	23	155	591	209
MSRC-060	44	45	1	0.004	42	170	1660	42
MSRC-060	50	57	7	0.05	110	5106	4947	771
MSRC-060	62	68	6	0.01	24	140	983	145

Criteria	JORC Code explanation	Commentary
Data aggregation methods	• *In reporting Exploration Results, weighting averaging techniques, maximum and/or minimum grade truncations (eg cutting of high grades) and cut-off grades are usually Material and should be stated.* • *Where aggregate intercepts incorporate short lengths of high grade results and longer lengths of low grade results, the procedure used for such aggregation should be stated and some typical examples of such aggregations should be shown in detail.* • *The assumptions used for any reporting of metal equivalent values should be clearly stated.*	• Equivalent grades were not used in any tables or summations of the data. • For intervals of less than standard 1 metre width included within 1 metre standard intercepts, a Sum Product weighted average was used. • Quoted intervals are mineralised zones are defined by top and bottom silver values of at least 20 ppm Ag, with internal bulk or carry rules, a raw average is applied over the nominated intervals. • No weighted averages are applicable as all intervals are 1m exactly.
Relationship between mineralisation widths and intercept lengths	• *These relationships are particularly important in the reporting of Exploration Results.* • *If the geometry of the mineralisation with respect to the drill hole angle is known, its nature should be reported.* • *If it is not known and only the down hole lengths are reported, there should be a clear statement to this effect (eg 'down hole length, true width not known').*	• All sampled intervals are reported and no lower cut is applied as campaign is a geological investigation of bulk grades of entire mineralised system.
Diagrams	• *Appropriate maps and sections (with scales) and tabulations of intercepts should be included for any significant discovery being reported These should include, but not be limited to a plan view of drill hole collar locations and appropriate sectional views.*	• The location and results received for RC Drillholes are displayed in the attached maps and/or Tables.
Balanced reporting	• *Where comprehensive reporting of all Exploration Results is not practicable, representative reporting of both low and high grades and/or widths should be practiced to avoid misleading reporting of Exploration Results.*	• Results for all samples collected in this program are displayed on the attached maps and/or Tables.
Other substantive exploration data	• *Other exploration data, if meaningful and material, should be reported including (but not limited to): geological observations; geophysical survey results; geochemical survey results; bulk samples – size and method of treatment; metallurgical test results; bulk density, groundwater, geotechnical and rock characteristics; potential deleterious or contaminating substances.*	• No metallurgical or bulk density tests were conducted at the project.
Further work	• *The nature and scale of planned further work (eg tests for lateral extensions or depth extensions or large-scale step-out drilling).* • *Diagrams clearly highlighting the areas of possible extensions, including the main geological interpretations and future drilling areas, provided this information is not commercially sensitive.*	• Further work is dependent on management review of the existing data.