

ISSUE OF UNLISTED OPTIONS

13 December 2019. Santana Minerals Limited (**Company** or **Santana**) refers to the acquisition of Mekong Minerals Limited's (Mekong) 75% interest in the Sayabouly Project in Lao and 85% interest in two Cambodian gold projects in which Mekong holds farmed out interests (Acquisition), which the Company completed on 9 December 2019.

The Acquisition was conditional on the Company offering holders of Mekong Options 6.814932335 Options for each Mekong Option held (Consideration Options) and Santana is please to advise that it has issued 45,862,352 Consideration Options to Mekong option holders.

The Consideration Options have an exercise price of \$0.01 and an expiry of 14 months from issue and are subject to escrow for a period of 12 months from issue.

The Consideration Options were issued in accordance with the shareholder approval obtained at the general meeting of shareholders held 15 November 2019.

An Appendix 3B in respect of the Consideration Options is attached to this announcement.

This announcement has been authorised for release to the ASX by the Company Secretary on behalf of the Board.

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About Santana

Santana is a nickel and precious metals explorer, focusing on the Sayabouly Project in Laos which contains the Phu Lon Nickel Prospect.

Santana's precious metals projects include an 85% interest in the Cambodian Gold Projects (in joint-venture with Emerald Resources), a right to earn-in to an 80% interest in the Cuitaboca Silver-Gold project in Sinaloa State and an 85% interest in the Becker Gold project, Chile.

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

Appendix 3B

New issue announcement, application for quotation of additional securities and agreement

Information or documents not available now must be given to ASX as soon as available. Information and documents given to ASX become ASX's property and may be made public.

Introduced 01/07/96 Origin: Appendix 5 Amended 01/07/98, 01/09/99, 01/07/00, 30/09/01, 11/03/02, 01/01/03, 24/10/05, 01/08/12, 04/03/13

Name of entity

SANTANA MINERALS LIMITED

ABN

37 161 946 989

We (the entity) give ASX the following information.

Part 1 - All issues

You must complete the relevant sections (attach sheets if there is not enough space).

- | | | |
|---|---|--|
| 1 | +Class of +securities issued or to be issued | Unlisted Options |
| 2 | Number of +securities issued or to be issued (if known) or maximum number which may be issued | 45,862,352 Unlisted Options |
| 3 | Principal terms of the +securities (e.g. if options, exercise price and expiry date; if partly paid +securities, the amount outstanding and due dates for payment; if +convertible securities, the conversion price and dates for conversion) | Unlisted Options, each to be issued 1 fully paid ordinary share at any time up to 13 February 2021 for \$0.01. |

4	Do the +securities rank equally in all respects from the +issue date with an existing +class of quoted +securities?	No. Upon exercise of the options, shares issued will rank equally with Fully Paid Ordinary Shares on issue.
	<p>If the additional +securities do not rank equally, please state:</p> <ul style="list-style-type: none"> • the date from which they do • the extent to which they participate for the next dividend, (in the case of a trust, distribution) or interest payment • the extent to which they do not rank equally, other than in relation to the next dividend, distribution or interest payment 	
5	Issue price or consideration	Off market transfer of options held by Mekong Minerals Limited option holders to the Company.
6	Purpose of the issue (If issued as consideration for the acquisition of assets, clearly identify those assets)	Issue of options for completion of the acquisition of options held by Mekong Minerals Limited option holders, as approved by the Company's shareholders on 15 November 2019.
6a	Is the entity an +eligible entity that has obtained security holder approval under rule 7.1A?	No
	If Yes, complete sections 6b – 6h in relation to the +securities the subject of this Appendix 3B, and comply with section 6i	
6b	The date the security holder resolution under rule 7.1A was passed	Not applicable
6c	Number of +securities issued without security holder approval under rule 7.1	Not applicable
6d	Number of +securities issued with security holder approval under rule 7.1A	Not applicable

+ See chapter 19 for defined terms.

6e Number of +securities issued with security holder approval under rule 7.3, or another specific security holder approval (specify date of meeting) 45,862,352 Unlisted Options

6f Number of +securities issued under an exception in rule 7.2 Not applicable

6g If +securities issued under rule 7.1A, was issue price at least 75% of 15 day VWAP as calculated under rule 7.1A.3? Include the +issue date and both values. Include the source of the VWAP calculation. Not applicable

6h If +securities were issued under rule 7.1A for non-cash consideration, state date on which valuation of consideration was released to ASX Market Announcements Not applicable

6i Calculate the entity's remaining issue capacity under rule 7.1 and rule 7.1A – complete Annexure 1 and release to ASX Market Announcements 7.1 - 371,925,156
7.1A - N.A.

7 +Issue dates 13 December 2019
Note: The issue date may be prescribed by ASX (refer to the definition of issue date in rule 19.12). For example, the issue date for a pro rata entitlement issue must comply with the applicable timetable in Appendix 7A.
Cross reference: item 33 of Appendix 3B.

	Number	+Class
8 Number and +class of all +securities quoted on ASX (including the +securities in section 2 if applicable)	2,683,945,564	Fully Paid Ordinary Shares

	Number	+Class
9 Number and +class of all +securities not quoted on ASX (including the +securities in section 2 if applicable)	6,500,000 45,862,352	\$0.08 options (Exp 31/07/20) \$0.01 options (Exp 13/02/21)

10	Dividend policy (in the case of a trust, distribution policy) on the increased capital (interests)	No Change
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Part 2 - Pro rata issue

11	Is security holder approval required?	N.A.
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12	Is the issue renounceable or non-renounceable?	N.A.
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13	Ratio in which the +securities will be offered	N.A.
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14	+Class of +securities to which the offer relates	N.A.
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15	+Record date to determine entitlements	N.A.
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16	Will holdings on different registers (or subregisters) be aggregated for calculating entitlements?	N.A.
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17	Policy for deciding entitlements in relation to fractions	N.A.
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18	Names of countries in which the entity has security holders who will not be sent new offer documents <small>Note: Security holders must be told how their entitlements are to be dealt with. Cross reference: rule 7.7.</small>	N.A.
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19	Closing date for receipt of acceptances or renunciations	N.A.
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20	Names of any underwriters	N.A.
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21	Amount of any underwriting fee or commission	N.A.
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22	Names of any brokers to the issue	N.A.
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+ See chapter 19 for defined terms.

23	Fee or commission payable to the broker to the issue	N.A.
24	Amount of any handling fee payable to brokers who lodge acceptances or renunciations on behalf of security holders	N.A.
25	If the issue is contingent on security holders' approval, the date of the meeting	N.A.
26	Date entitlement and acceptance form and offer documents will be sent to persons entitled	N.A.
27	If the entity has issued options, and the terms entitle option holders to participate on exercise, the date on which notices will be sent to option holders	N.A.
28	Date rights trading will begin (if applicable)	N.A.
29	Date rights trading will end (if applicable)	N.A.
30	How do security holders sell their entitlements <i>in full</i> through a broker?	N.A.
31	How do security holders sell <i>part</i> of their entitlements through a broker and accept for the balance?	N.A.
32	How do security holders dispose of their entitlements (except by sale through a broker)?	N.A.
33	⁺ Issue date	N.A.

Part 3 - Quotation of securities

You need only complete this section if you are applying for quotation of securities

34 Type of +securities
(tick one)

(a) +Securities described in Part 1

(b) All other +securities

Example: restricted securities at the end of the escrowed period, partly paid securities that become fully paid, employee incentive share securities when restriction ends, securities issued on expiry or conversion of convertible securities

Entities that have ticked box 34(a)

Additional securities forming a new class of securities

Tick to indicate you are providing the information or documents

35 If the +securities are +equity securities, the names of the 20 largest holders of the additional +securities, and the number and percentage of additional +securities held by those holders

36 If the +securities are +equity securities, a distribution schedule of the additional +securities setting out the number of holders in the categories
1 - 1,000
1,001 - 5,000
5,001 - 10,000
10,001 - 100,000
100,001 and over

37 A copy of any trust deed for the additional +securities

+ See chapter 19 for defined terms.

Entities that have ticked box 34(b)

38 Number of +securities for which +quotation is sought

39 +Class of +securities for which quotation is sought

40 Do the +securities rank equally in all respects from the +issue date with an existing +class of quoted +securities?

If the additional +securities do not rank equally, please state:

- the date from which they do
- the extent to which they participate for the next dividend, (in the case of a trust, distribution) or interest payment
- the extent to which they do not rank equally, other than in relation to the next dividend, distribution or interest payment

41 Reason for request for quotation now

Example: In the case of restricted securities, end of restriction period

(if issued upon conversion of another +security, clearly identify that other +security)

	Number	+Class
42 Number and +class of all +securities quoted on ASX (including the +securities in clause 38)		

Quotation agreement

1 +Quotation of our additional +securities is in ASX's absolute discretion. ASX may quote the +securities on any conditions it decides.

2 We warrant the following to ASX.

- The issue of the +securities to be quoted complies with the law and is not for an illegal purpose.
- There is no reason why those +securities should not be granted +quotation.
- An offer of the +securities for sale within 12 months after their issue will not require disclosure under section 707(3) or section 1012C(6) of the Corporations Act.

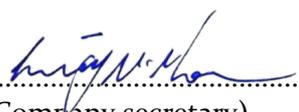
Note: An entity may need to obtain appropriate warranties from subscribers for the securities in order to be able to give this warranty

- Section 724 or section 1016E of the Corporations Act does not apply to any applications received by us in relation to any +securities to be quoted and that no-one has any right to return any +securities to be quoted under sections 737, 738 or 1016F of the Corporations Act at the time that we request that the +securities be quoted.
- If we are a trust, we warrant that no person has the right to return the +securities to be quoted under section 1019B of the Corporations Act at the time that we request that the +securities be quoted.

3 We will indemnify ASX to the fullest extent permitted by law in respect of any claim, action or expense arising from or connected with any breach of the warranties in this agreement.

4 We give ASX the information and documents required by this form. If any information or document is not available now, we will give it to ASX before +quotation of the +securities begins. We acknowledge that ASX is relying on the information and documents. We warrant that they are (will be) true and complete.

Sign here:


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(Company secretary)

Date: 13 December 2019

Print name: Craig J McPherson

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+ See chapter 19 for defined terms.

Appendix 3B – Annexure 1

Calculation of placement capacity under rule 7.1 and rule 7.1A for eligible entities

Introduced 01/08/12 Amended 04/03/13

Part 1

Rule 7.1 – Issues exceeding 15% of capital	
Step 1: Calculate “A”, the base figure from which the placement capacity is calculated	
Insert number of fully paid +ordinary securities on issue 12 months before the +issue date or date of agreement to issue	558,779,487
<p>Add the following:</p> <ul style="list-style-type: none"> • Number of fully paid +ordinary securities issued in that 12 month period under an exception in rule 7.2 • Number of fully paid +ordinary securities issued in that 12 month period with shareholder approval • Number of partly paid +ordinary securities that became fully paid in that 12 month period <p><i>Note:</i></p> <ul style="list-style-type: none"> • <i>Include only ordinary securities here – other classes of equity securities cannot be added</i> • <i>Include here (if applicable) the securities the subject of the Appendix 3B to which this form is annexed</i> • <i>It may be useful to set out issues of securities on different dates as separate line items</i> 	<p>50,000,000 fully paid ordinary shares issued on 8 March 2019 (approved by shareholders under Listing Rule 7.4 on 15 November 2019)</p> <p>30,000,000 fully paid ordinary shares issued on 1 April 2019 (approved by shareholders under Listing Rule 7.4 on 15 November 2019)</p> <p>36,420,000 fully paid ordinary shares issued on 10 April 2019 (Share Purchase Plan)</p> <p>24,991 fully paid ordinary shares issued on 19 September 2019 (Option Exercise)</p> <p>648,721,076 fully paid ordinary shares issued on 9 December 2019 (approved by shareholders under Listing Rule 7.1 on 15 November 2019)</p> <p>1,333,333,333 fully paid ordinary shares issued on 9 December 2019 (approved by shareholders under Listing Rule 7.1 on 15 November 2019)</p>
Subtract the number of fully paid +ordinary securities cancelled during that 12 month period	Nil
“A”	2,657,278,887

+ See chapter 19 for defined terms.

Step 2: Calculate 15% of “A”	
“B”	0.15 <i>[Note: this value cannot be changed]</i>
Multiply “A” by 0.15	398,591,833
Step 3: Calculate “C”, the amount of placement capacity under rule 7.1 that has already been used	
<p>Insert number of +equity securities issued or agreed to be issued in that 12 month period <i>not counting</i> those issued:</p> <ul style="list-style-type: none"> • Under an exception in rule 7.2 • Under rule 7.1A • With security holder approval under rule 7.1 or rule 7.4 <p><i>Note:</i></p> <ul style="list-style-type: none"> • <i>This applies to equity securities, unless specifically excluded – not just ordinary securities</i> • <i>Include here (if applicable) the securities the subject of the Appendix 3B to which this form is annexed</i> • <i>It may be useful to set out issues of securities on different dates as separate line items</i> 	26,666,677 fully paid ordinary shares issued on 9 December 2019.
“C”	26,666,677
Step 4: Subtract “C” from [“A” x “B”] to calculate remaining placement capacity under rule 7.1	
“A” x 0.15 <i>Note: number must be same as shown in Step 2</i>	398,591,833
Subtract “C” <i>Note: number must be same as shown in Step 3</i>	26,666,677
Total [“A” x 0.15] – “C”	371,925,156 <i>[Note: this is the remaining placement capacity under rule 7.1]</i>

+ See chapter 19 for defined terms.

Part 2

Rule 7.1A – Additional placement capacity for eligible entities	
Step 1: Calculate “A”, the base figure from which the placement capacity is calculated	
“A” <i>Note: number must be same as shown in Step 1 of Part 1</i>	Not applicable
Step 2: Calculate 10% of “A”	
“D”	0.10 <i>Note: this value cannot be changed</i>
Multiply “A” by 0.10	Not applicable
Step 3: Calculate “E”, the amount of placement capacity under rule 7.1A that has already been used	
Insert number of +equity securities issued or agreed to be issued in that 12 month period under rule 7.1A <i>Notes:</i> <ul style="list-style-type: none"> • <i>This applies to equity securities – not just ordinary securities</i> • <i>Include here – if applicable – the securities the subject of the Appendix 3B to which this form is annexed</i> • <i>Do not include equity securities issued under rule 7.1 (they must be dealt with in Part 1), or for which specific security holder approval has been obtained</i> • <i>It may be useful to set out issues of securities on different dates as separate line items</i> 	
“E”	Not applicable

+ See chapter 19 for defined terms.

Step 4: Subtract “E” from [“A” x “D”] to calculate remaining placement capacity under rule 7.1A	
“A” x 0.10 <i>Note: number must be same as shown in Step 2</i>	Not applicable
Subtract “E” <i>Note: number must be same as shown in Step 3</i>	Not applicable
Total [“A” x 0.10] – “E”	Not applicable <i>Note: this is the remaining placement capacity under rule 7.1A</i>

+ See chapter 19 for defined terms.