QUARTERLY REPORT
PERIOD ENDED 30 JUNE 2014

1. EXPLORATION

Namiquipa, Chihuahua, Mexico (Santana 100%)

Figure 1: Namiquipa Location Map

The Namiquipa Silver Deposit is located within a 4,400 ha concession owned 100% by Santana, 145 km west-northwest of Chihuahua City in Chihuahua (**Figure 1**).

In a review of data obtained in previous work programs which took into account historic production, Corbett and Menzies Consulting Pty Ltd (CMC) has been able to propose a work program to take the Namiquipa project to its next phase of exploration. CMC geologists are recognised as epithermal Au-Ag exploration specialists. They have assisted the site geologists in their understanding aspects of the geology, mineralisation and alteration during the last 3 years.

CMC's review considered all available geological, geochemical and geophysical data.

The assessment involved identification of a geologic model for the controls to the Namiquipa Ag-Pb-Zn (±Au) mineralization. Consistent with prior interpretations, the assessment places Namiquipa in the geologic lower volcanic sequence (LVS) of the larger Sierra Madre Occidental Volcanic (SMOV) zone. The SMOV hosts several economically important epithermal Ag deposits.

The stratigraphy comprises multiple andesitic volcanic units and a basal rhyolite dome. It is transected by north-south oriented Ag-Pb-Zn bearing quartz veins, and by north-west oriented faults. It is clear that much of the historically mined high grade America and Princessa veins are preferentially located in the brittle andesite units. This interpretation can be applied to the future search for new mineralisation now that CMC have prepared a detailed stratigraphic model.

The volcanic sequence displays moderate silica-adularia alteration over broad zones in permeable host rocks. Gangue minerals include magnesium carbonate, chalcedonic silica and locally kaolin, the latter of which occurs with bonanza Ag grades and is indicative of acid sulphate waters collapsing down north-west cross structures. South plunging flexures host ore shoots.

Geochemical data suggests (based on statistical analysis) an early quartz-sulphide event (ie Au-Cu-As-Sb) has been overprinted by a carbonate-based metal Ag-Pb-Zn event.

Ground magnetic data highlights several north-west and west-north-west oriented faults which transect the north-south trending veins. A prominent north-west oriented fault appears to have off-set and down-dropped the mineralisation (**Figure 2**), immediately north of the old workings, where to date no northern continuation of the veins has been discovered. This interpretation is further supported by the analyses of the alteration and IP chargeability. IP chargeability inversion models show a positive correlation with mineralisation south of this offset fault.

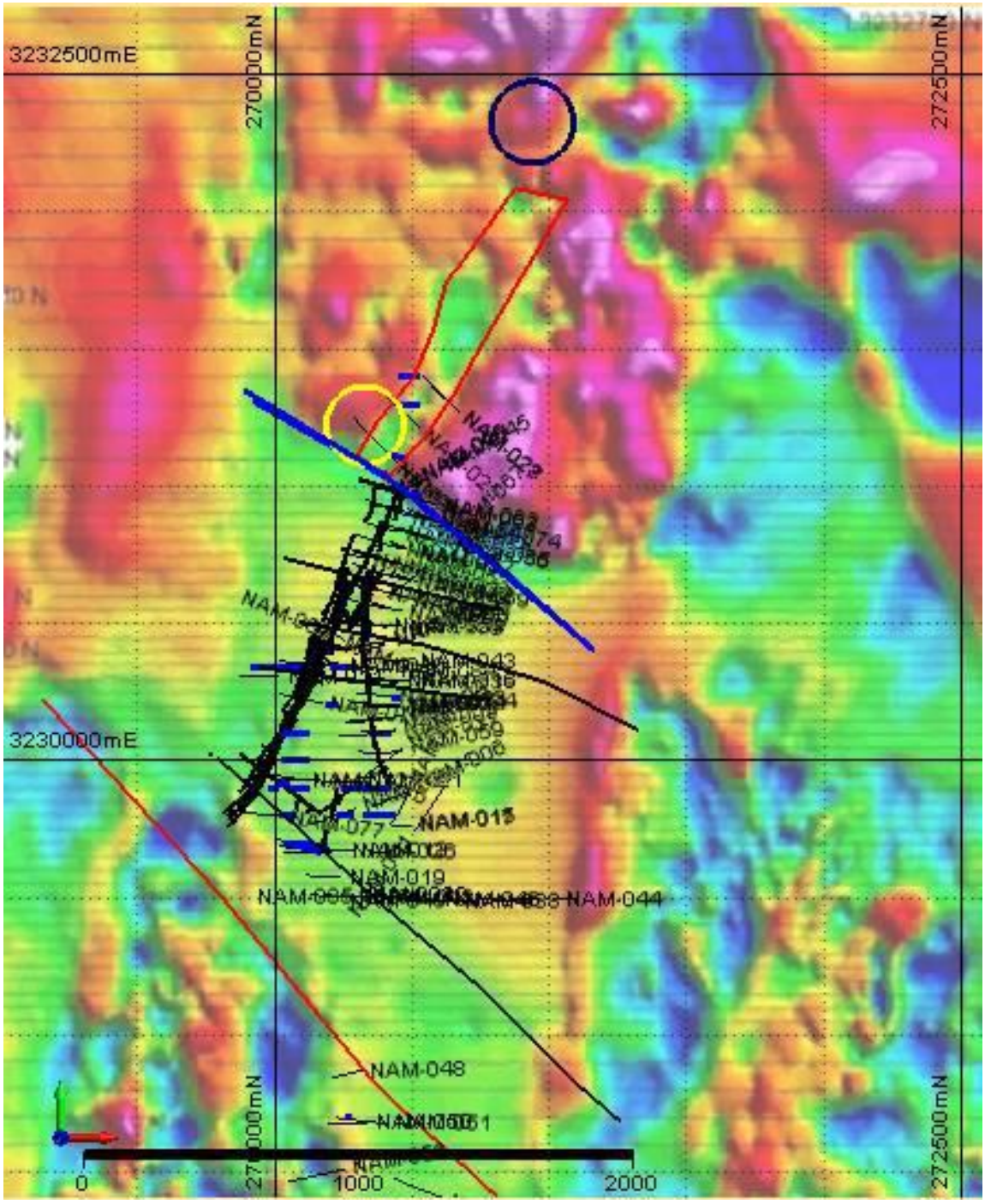

Figure 2: Reduced to pole ground magnetic data showing NW-WNW trending faults (black and blue lines), NNE oriented zone of magnetite depletion (red polygon), acid sulphate cap (yellow circle) and northern zone of silicification (blue circle).

Outcomes of the CMC review:

A recommendation of a program of up to 17 drill holes in order to test:

- Zones of high IP chargeability associated with competent host rocks to the Northern extension area (**Figure 3**);
- Infill untested areas associated with IP chargeable zones (**Figures 4 & 5**);
- A transect across the North-west off-set to associated ground magnetic low and coincident outcrop of quartz veins (**Figure 2**);
- Test zones associated with North-West faults which represent potential sites of Ag deposition by the mixing of acid sulphate waters with magmatic fluids.

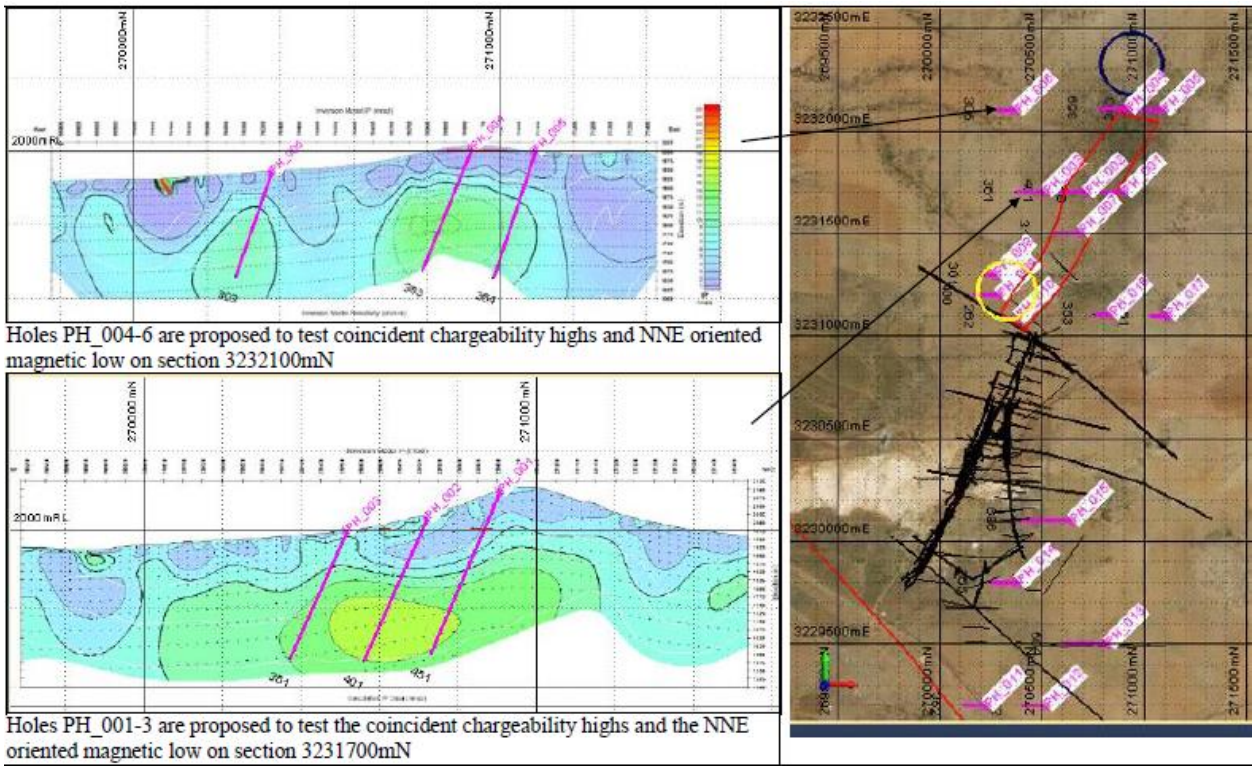

Figure 3: Proposed Holes PH_001-006 testing chargeability highs, magnetic low and northern zone silicification

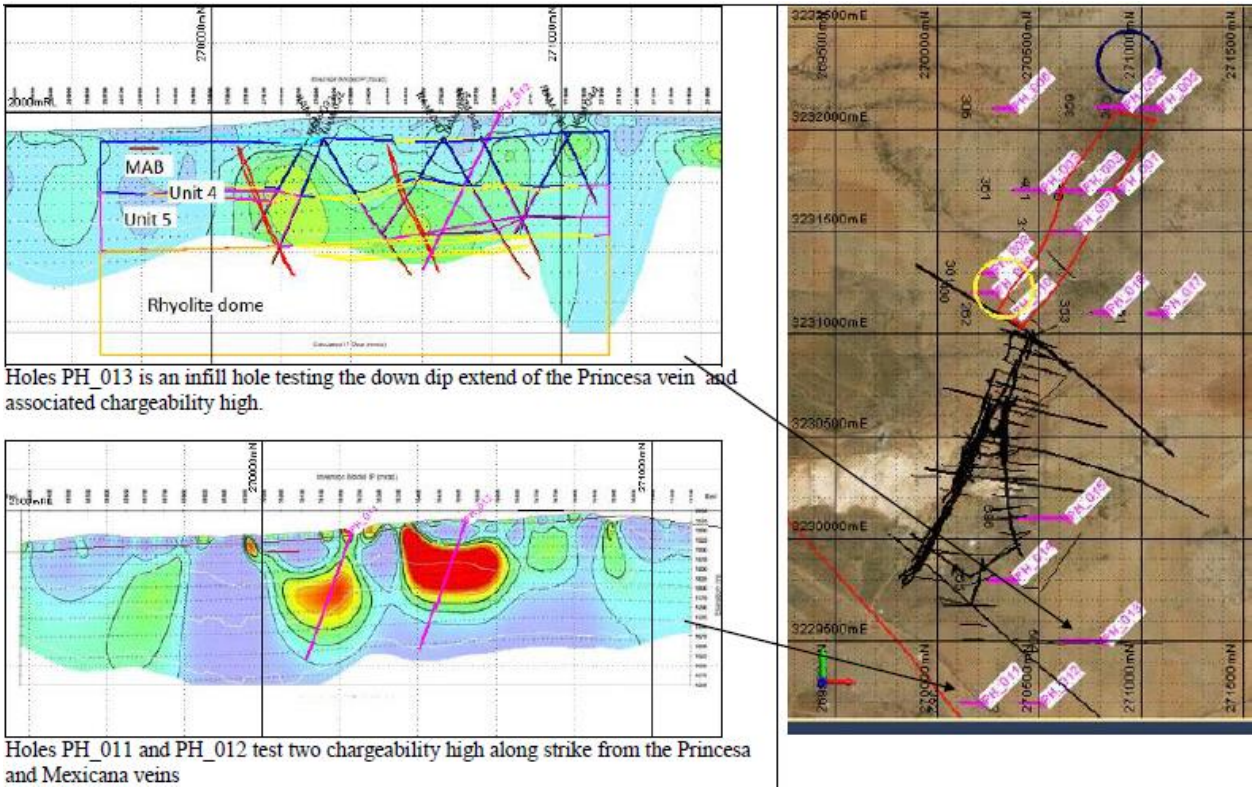

Figure 4: Proposed holes PH_011 -013 testing chargeability highs and down dip extents of Princessa vein.

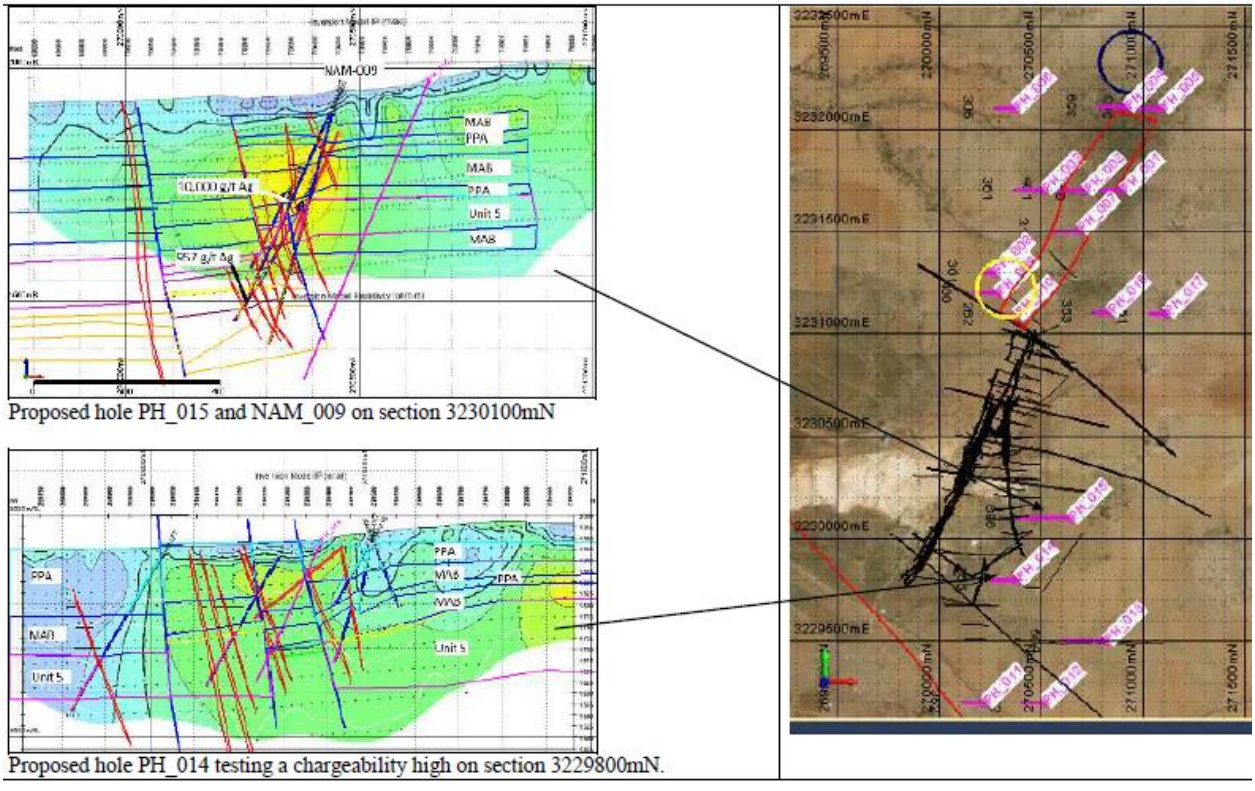

Figure 5: Proposed holes PH_014 – 015 testing chargeability highs and down dip on the Princessa vein below hole NAM-009.

A permit application for further drilling and surface disturbance exploration has been lodged with SEMARNAT in Mexico. The permit is expected to be granted in acordance with the rights under the Mineral Concessions. A drill rig is now being sourced, and the program costed with a view to commencement of work later this quarter (subject to permits, rig availability, weather and usual industry matters).

Additional project opportunities

Santana has maintained a practice of review and assessment of other precious metal projects in Mexico with the intent of maintaining an interest in more than one project whilst in exploration phase.

The Company has also structured a regional exploration identification program with CMC. It involves review of available regional data and a 'model' for the identification of prospective projects fitting the lower volcanic sequence model within the Sierra Madre Occidental volcanic zone. It will be an ongoing identification and review process with the objective to identify more likely areas of interest prior to putting people on the ground.

2. CORPORATE

The company retains its shareholding in Hammer Metals Limited.

At end of last quarter the company had approximately $1.2M in available cash.

For further information, please contact:
Tony McDonald, Managing Director
+61 7 3221 7501
admin@santanaminerals.com

About Santana
Santana is a precious metals explorer focused on Mexico where it holds 100% of the Namiquipa Silver project in Chihuahua.

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

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	Number	Status	Interest Held
Namiquipa, Mexico			
Tasmania	227076	Granted	100%
America	219975	Granted	100%*
Rolys	236046	Granted	100%
Parker Range, Western Australia			
	M 77/52	Granted	30%^
	M 77/893	Granted	30%^

* The America concession was acquired under and option agreement dated 22 July 2008 (and subsequently varied). All payments provided for under the agreement have been made and the formal transfer of the concession is pending.
^ Free carried to production.

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
Not applicable.

Beneficial percentage interests in farm-in or farm-out agreements acquired or disposed of during the quarter
Not applicable.

Previous Disclosure - 2012 JORC Code
Information relating to Mineral Resources, Exploration Targets and Exploration Data associated with the Company's projects in this June 2014 Quarterly Report is extracted from the following ASX Announcement:

- ASX announcement titled "Namiquipa Project Update" dated 17 July 2014.

A copy of the report is available to view on the Santana Minerals Limited website www.santanaminerals.com. The report was issued in accordance with the 2012 Edition of the JORC Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves. The Company confirms that it is not aware of any new information or data that materially affects the information included in the original market announcement. The Company confirms that the form and context in which the Competent Person's findings are presented have not been materially modified from the original market announcement.