

QUARTERLY REPORT
PERIOD ENDING 31 MARCH 2018

Highlights

- Micro rig program reaffirms the highly prospective nature of the La Plata prospect.
- Drilling results confirm the continuation of high grade silver below surface and give an indication of vein direction.

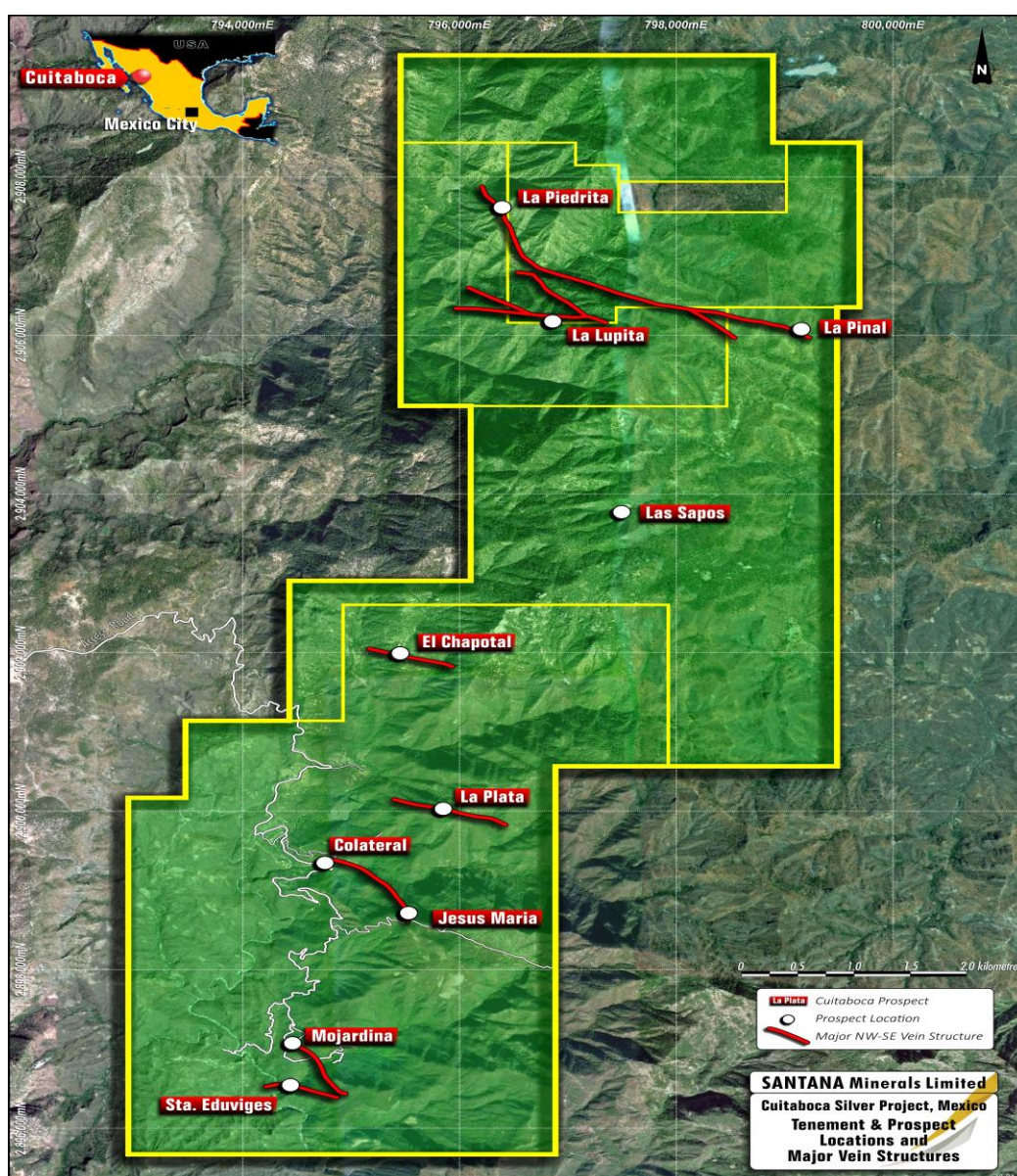


Figure 1: Cuitaboca Project area

OPERATIONAL UPDATE

CUITABOCA - SINALOA, MEXICO (Santana earning to 80%)

La Plata Prospect

During the quarter the Company reported highly encouraging results from its recently completed portable micro-rig diamond drilling program undertaken at the La Plata Prospect within the Company's Cuitaboca Project in Sinaloa, Mexico.

Previous field work including diamond saw channel trenching and rock chip sampling identified high grade surface mineralisation over 2km of interpreted strike length at the La Plata prospect. As a precursor to road construction for RC drilling the Company commenced a small-scale micro-rig drill program to test the continuation of the grade below surface and to give an indication of vein direction.

The Company was pleased to report 16 of the 32 assayed samples from this micro-rig program returned greater than 50g/t Ag and included the following material results (**Figure 2**).

DDLPT010	1.43m @ 293 g/t Ag + 0.41 g/t Au from surface
DDLPT012	0.89m @ 52 g/t Ag + 0.76 g/t Au from surface
DDLPT013	3.35m @ 182 g/t Ag from surface including 0.9m @ 267 g/t Ag + 0.17 g/t Au
DDLPT014	4.91m @ 75 g/t Ag + 0.19 g/t Au from surface; and 1.32m @ 0.95 g/t Au from 5.91m
DDLPT015	1.67m @ 336 g/t Ag from surface including 0.88m @ 460 g/t Ag + 0.21 g/t Au
DDLPT016	1.76m @ 125 g/t Ag from surface including 0.26m @ 351 g/t Ag + 0.14 g/t Au
DDLPT018	6.93m @ 73 g/t Ag from surface

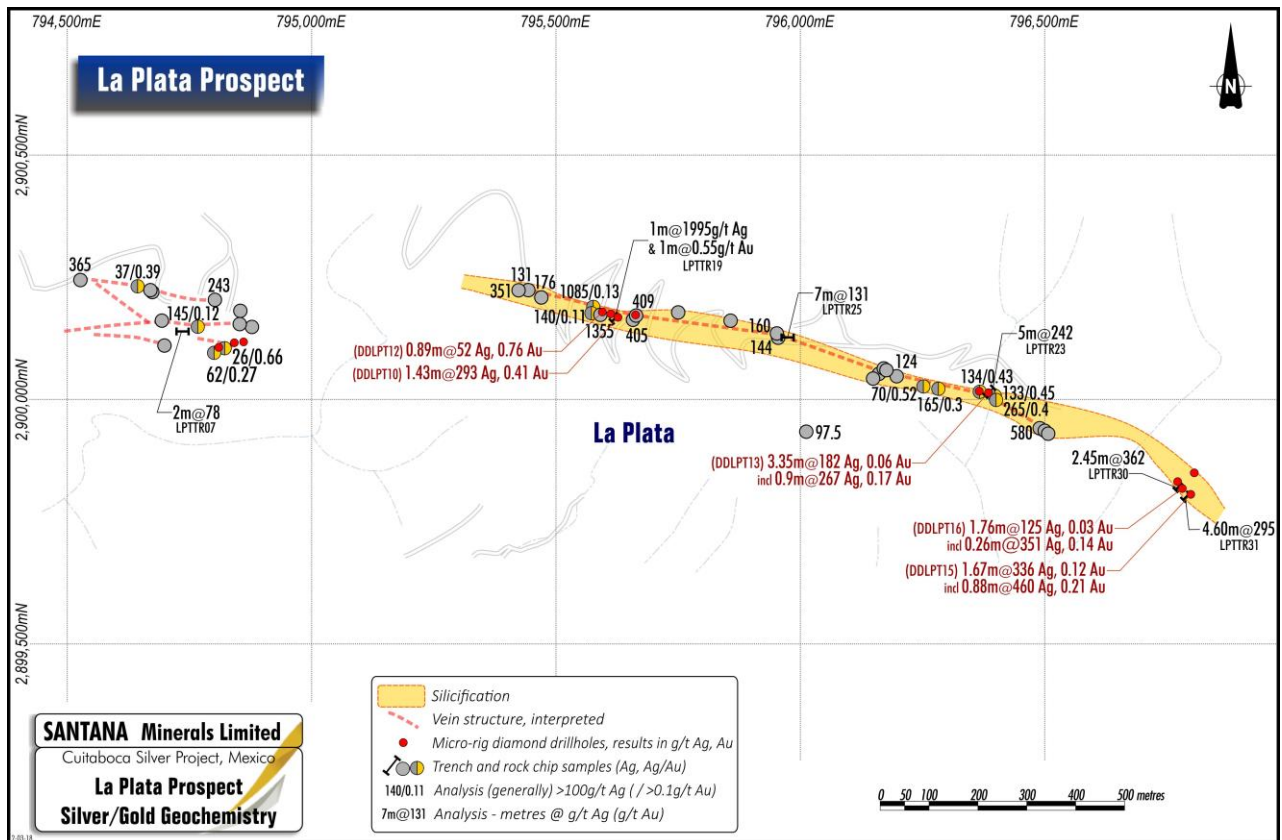


Figure 2

These drill results provide further encouragement to the previously reported trenching results:

- LPTRR-07 2.00m @ 78 g/t Ag
- LPTRR-19 1.00m @ 1,995 g/t Ag
- LPTRR-23 5.00m @ 242 g/t Ag
- LPTRR-25 7.00m @ 131 g/t Ag (including 3m @278g/t Ag)

- LPTRR-30 2.45m @ 362g/t Ag including:
 - 1.00m @ 158g/t Ag
 - 0.85m @ 603g/t Ag
 - 0.60m @ 362g/t Ag

and

- LPTRR-31 4.60m @ 295g/t Ag including:
 - 1.00m @ 450 g/t Ag
 - 1.00m @ 322 g/t Ag
 - 1.00m @ 306 g/t Ag
 - 0.90m @ 188 g/t Ag
 - 0.70m @ 160 g/t Ag

The program reaffirmed the highly prospective nature of La Plata and the Company will now assess the best way to advance the La Plata, Mojardina and Santa Eduvigis prospects and the regional exploration in the Northern Zone where the coincidence of gold and hydrothermal haematite occurs.

CORPORATE

Post the reporting period Santana entered into an agreement to sell its minority interest in the Parker Range tenements to the majority owner, Gondwana Resources, for the sum of \$300,000 payable in July 2018 and subject to regulatory approvals.

NAMIQUIPA – CHIHUAHUA, MEXICO (Santana 100%)

No significant work was undertaken at the Namiquipa Silver Project during the quarter.

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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. Santana also holds 100% of the Namiquipa Silver Project in Chihuahua.

Additional information about Santana and its projects is available on the website:

www.santanaminerals.com

Previous Disclosure - 2012 JORC Code

Information relating to Mineral Resources, Exploration Targets and Exploration Data associated with the Company's projects in this December 2017 Quarterly Report is extracted from the following ASX Announcements:

- ASX announcement titled "Micro-Rig Drilling Confirms High-Grade Mineralisation" dated 5 March 2018.

A copy of each of these announcements is available to view on the Santana Minerals Limited website www.santanaminerals.com. The reports were 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 announcements. 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 announcements.

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			
	M77/52	Granted	30%^
	M77/893	Granted	30%^

^ 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

The Company has completed a transaction which allows it to earn an initial 80% interest in the Cuitaboca Project. The Company is earning, but has yet to earn, its initial interest. Further details are by reference to the announcement of 29 July 2014.

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

Not applicable

Appendix 5B

Mining exploration entity and oil and gas exploration entity quarterly report

Introduced 01/07/96 Origin Appendix 8 Amended 01/07/97, 01/07/98, 30/09/01, 01/06/10, 17/12/10, 01/05/13, 01/09/16

Name of entity

SANTANA MINERALS LIMITED

ABN

37 161 946 989

Quarter ended ("current quarter")

31 MARCH 2018

Consolidated statement of cash flows	Current quarter \$A'000	Year to date (9 months) \$A'000
1. Cash flows from operating activities		
1.1 Receipts from customers	-	-
1.2 Payments for		
(a) exploration & evaluation	(325)	(1,733)
(b) development	-	-
(c) production	-	-
(d) staff costs	(56)	(170)
(e) administration and corporate costs	(110)	(353)
1.3 Dividends received (see note 3)	-	-
1.4 Interest received	1	3
1.5 Interest and other costs of finance paid	-	-
1.6 Income taxes paid	-	-
1.7 Research and development refunds	-	-
1.8 Other (provide details if material)	-	-
1.9 Net cash from / (used in) operating activities	(490)	(2,253)

2. Cash flows from investing activities		
2.1 Payments to acquire:		
(a) property, plant and equipment	-	-
(b) tenements (see item 10)	-	-
(c) investments	-	-
(d) other non-current assets	-	-

Mining exploration entity and oil and gas exploration entity quarterly report

Consolidated statement of cash flows		Current quarter \$A'000	Year to date (9 months) \$A'000
2.2	Proceeds from the disposal of:		
	(a) property, plant and equipment	-	-
	(b) tenements (see item 10)	-	-
	(c) investments	-	-
	(d) other non-current assets	-	-
2.3	Cash flows from loans to other entities	-	-
2.4	Dividends received (see note 3)	-	-
2.5	Other (provide details if material)	-	-
2.6	Net cash from / (used in) investing activities	-	-

3.	Cash flows from financing activities		
3.1	Proceeds from issues of shares	-	1,608
3.2	Proceeds from issue of convertible notes	-	-
3.3	Proceeds from exercise of share options	-	-
3.4	Transaction costs related to issues of shares, convertible notes or options	-	(71)
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 (Placement proceeds pending shareholder approval and share issue)	-	-
3.10	Net cash from / (used in) financing activities	-	1,537

4.	Net increase / (decrease) in cash and cash equivalents for the period		
4.1	Cash and cash equivalents at beginning of period	965	1,215
4.2	Net cash from / (used in) operating activities (item 1.9 above)	(490)	(2,253)
4.3	Net cash from / (used in) investing activities (item 2.6 above)	-	-
4.4	Net cash from / (used in) financing activities (item 3.10 above)	-	1,537
4.5	Effect of movement in exchange rates on cash held	(1)	(25)
4.6	Cash and cash equivalents at end of period	474	474

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	51	151
5.2 Call deposits	423	814
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)	474	965

6. Payments to directors of the entity and their associates

- 6.1 Aggregate amount of payments to these parties included in item 1.2
- 6.2 Aggregate amount of cash flow from loans to these parties included in item 2.3
- 6.3 Include below any explanation necessary to understand the transactions included in items 6.1 and 6.2

**Current quarter
\$A'000**

79

-

Executive and Non-Executive Directors Fees \$79k

7. Payments to related entities of the entity and their associates

- 7.1 Aggregate amount of payments to these parties included in item 1.2
- 7.2 Aggregate amount of cash flow from loans to these parties included in item 2.3
- 7.3 Include below any explanation necessary to understand the transactions included in items 7.1 and 7.2

**Current quarter
\$A'000**

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Mining exploration entity and oil and gas exploration entity quarterly report

8. Financing facilities available <i>Add notes as necessary for an understanding of the position</i>	Total facility amount at quarter end \$A'000	Amount drawn at quarter end \$A'000
8.1 Loan facilities	-	-
8.2 Credit standby arrangements	-	-
8.3 Other (please specify)	-	-
8.4 Include below a description of each facility above, including the lender, interest rate and whether it is secured or unsecured. If any additional facilities have been entered into or are proposed to be entered into after quarter end, include details of those facilities as well.		

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9. Estimated cash outflows for next quarter	\$A'000
9.1 Exploration and evaluation	100
9.2 Development	-
9.3 Production	-
9.4 Staff costs	60
9.5 Administration and corporate costs	140
9.6 Other (provide details if material)	-
9.7 Total estimated cash outflows	300

10. Changes in tenements (items 2.1(b) and 2.2(b) above)	Tenement reference and location	Nature of interest	Interest at beginning of quarter	Interest at end of quarter
10.1 Interests in mining tenements and petroleum tenements lapsed, relinquished or reduced				
10.2 Interests in mining tenements and petroleum tenements acquired or increased				

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.

Sign here:


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(Company secretary)

Date: 30 April 2018

Print name: Craig J McPherson

Notes

1. The quarterly report provides a basis for informing the market how the entity's activities have been financed for the past quarter and the effect on its cash position. An entity that wishes to disclose additional information is encouraged to do so, in a note or notes included in or attached to this report.
2. If this quarterly 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 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.