

SANTANA COMPLETES \$4M CAPITAL RAISING AND ACQUISITION OF MEKONG MINERALS ASSETS

Key Highlights:

- \$4,080,000 capital raising completed
- Finalisation of the acquisition of Mekong Mineral's assets

9 December 2019. Santana Minerals Limited (**Company** or **Santana**) is pleased to announce that it has completed 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. The Company issued 648,721,076 fully paid ordinary shares (**Consideration Shares**) and reimbursed \$210,000 of exploration costs to Mekong at completion. The Consideration Shares are subject to 12 months escrow.

The Company is also pleased to confirm that it has completed the placement of 1,360 million fully paid ordinary shares at \$0.003 per share to raise \$4.08 million (**Placement Shares**). The placement consisted of 1,333,333,333 Placement Shares pursuant to the approval received from shareholders at a general meeting held on 15 November 2019 and a further 26,666,677 Placement Shares under the Company's existing placement capacity as provided for by ASX Listing Rule 7.1.

The Company also confirms the appointment of Mr Shane Pike to the role of CEO of Santana. Mr Pike brings 20 years technical and management experience in the resources sector. His experience spans a wide range of exploration, mine development and mine geology roles and more recently he has overseen Mekong's exploration assets (for the past year) and immediately prior to that was Exploration Manager (East Coast) for Evolution Mining.

Santana's Managing Director, Mr Tony McDonald's role with the Company will change, and Mr McDonald now serves as a Non-Executive Director. Mr Anthony McClure has been appointed as a Non-Executive Director and Mr Robert Bell has elected to resign as a director of the Company, both effective at completion of the transaction.

Commenting on the successful completion of the \$4M capital raising and the acquisition of the Mekong assets, Mr Pike stated:

"We are extremely pleased and grateful to have secured such strong support from both new and existing shareholders who share our enthusiasm for the enormous promise of the Sayabouly Project in Laos. With highly encouraging trenching results and recent petrology test work confirming the existence of near-surface nickel sulphide mineralisation we look forward with great excitement to executing a maiden drill campaign at the Phu Lon Nickel Prospect commencing mid-January 2020."

For the purpose of section 708A(5) of the *Corporations Act 2001 (Cth)* (**Act**), the Company confirms that:

1. The Consideration Shares and the Placement Shares were issued without disclosure to investors under Part 6D.2 of the Act.
2. This notice is being given under paragraph 708A(5)(e) of the Act.
3. As at the date of this notice, the Company has complied with the provisions of Chapter 2M of the Act as they apply to the Company and section 674 of the Act.
4. Except as set out in this notice, as at the date of this notice there is no information:
 - a) that has been excluded from a continuous disclosure notice given to ASX in accordance with the ASX Listing Rules; and
 - b) that investors and their professional advisers would reasonably require for the purpose of making an informed assessment of:
 - i. the assets and liabilities, financial position and performance, profits and losses and prospects of the Company; or
 - ii. the rights and liabilities attaching to fully paid ordinary shares.

An Appendix 3B in respect of the Consideration Shares and Placement Shares is attached to this announcement.

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

For further information, please contact:

Shane Pike
Chief Executive Officer
+61 417 671 301 or
shane.pike@santanaminerals.com

Cameron Peacock
Investor Relations & Business Development
+61 439 908 732
cpeacock@santanaminerals.com

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 | Fully Paid Ordinary Shares |
| 2 | Number of +securities issued or to be issued (if known) or maximum number which may be issued | i) 648,721,076 Shares (Consideration Shares)
ii) 1,333,333,333 Shares (Placement Shares A)
iii) 26,666,677 Shares (Placement Shares B) |
| 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) | i) Fully Paid Ordinary Shares.
ii) Fully Paid Ordinary Shares.
iii) Fully Paid Ordinary Shares. |

<p>4 Do the +securities rank equally in all respects from the +issue date with an existing +class of quoted +securities?</p> <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 	<p>i) Yes ii) Yes iii) Yes</p>
<p>5 Issue price or consideration</p>	<p>i) 648,721,076 fully paid ordinary shares issued as consideration for the acquisition of Mekong's 75% interest in the Sayabouly Project in Lao and 85% interest in two Cambodian gold projects in which Mekong holds farmed out interests (as announced on 17 July 2019) at a deemed issue price of \$0.003 per share. ii) \$0.003 per share iii) \$0.003 per share.</p>
<p>6 Purpose of the issue (If issued as consideration for the acquisition of assets, clearly identify those assets)</p>	<p>i) Consideration for the acquisition of Mekong's 75% interest in the Sayabouly Project in Lao and 85% interest in two Cambodian gold projects in which Mekong holds farmed out interests, as detailed in the Company's 17 July 2019 announcement and notice of general meeting announced on 17 October 2019. ii) Funds raised will be used as set out at Section 4.5 of the Notice of General Meeting of Shareholders announced on 17 October 2019. iii) Funds raised will be used as set out at Section 4.5 of the Notice of General Meeting of Shareholders announced on 17 October 2019.</p>

+ See chapter 19 for defined terms.

6a	<p>Is the entity an +eligible entity that has obtained security holder approval under rule 7.1A?</p> <p>If Yes, complete sections 6b – 6h in relation to the +securities the subject of this Appendix 3B, and comply with section 6i</p>	No
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	26,666,677 Placement Shares B
6d	Number of +securities issued with security holder approval under rule 7.1A	Not applicable
6e	Number of +securities issued with security holder approval under rule 7.3, or another specific security holder approval (specify date of meeting)	648,721,076 Consideration Shares 1,333,333,333 Placement Shares A
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

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.

9 December 2019

	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	\$0.08 options (Exp 31/07/20)

10 Dividend policy (in the case of a trust, distribution policy) on the increased capital (interests)

No Change

Part 2 - Pro rata issue

- | | | |
|----|--|------|
| 11 | Is security holder approval required? | N.A. |
| 12 | Is the issue renounceable or non-renounceable? | N.A. |
| 13 | Ratio in which the +securities will be offered | N.A. |
| 14 | +Class of +securities to which the offer relates | N.A. |
| 15 | +Record date to determine entitlements | N.A. |
| 16 | Will holdings on different registers (or subregisters) be aggregated for calculating entitlements? | N.A. |

+ See chapter 19 for defined terms.

17	Policy for deciding entitlements in relation to fractions	N.A.
18	Names of countries in which the entity has security holders who will not be sent new offer documents Note: Security holders must be told how their entitlements are to be dealt with. Cross reference: rule 7.7.	N.A.
19	Closing date for receipt of acceptances or renunciations	N.A.
20	Names of any underwriters	N.A.
21	Amount of any underwriting fee or commission	N.A.
22	Names of any brokers to the issue	N.A.
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.

+ See chapter 19 for defined terms.

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

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)		

+ See chapter 19 for defined terms.

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:


.....
(Company secretary)

Date: 9 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 Notes: <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.