

17 May 2018

The Manager Companies
ASX Limited
20 Bridge Street
Sydney NSW 2000

(2 pages by email)

DIVESTMENT OF BECKER GOLD PROJECT

The Directors of Collerina Cobalt Limited ('Collerina' or 'the Company') are pleased to announce the Company has agreed to the divestment of the Becker Gold Project ('Becker' or 'the Project') to Santana Minerals Limited ('Santana'). Santana will assume control of Becker by acquiring 100% of the shares in Carlin Resources Pty Ltd ('Carlin'), a wholly owned subsidiary of Collerina which holds the rights to earn up to 85% of the Project located in Chile's Region VII.

Under the terms of the executed Share Purchase Agreement ('SPA'), Santana will assume all obligations of Carlin in relation to the Project including milestone payments and minimum exploration expenditure requirements. As consideration for the disposal of Becker, Collerina will receive:

- (i) 10,000,000 fully paid ordinary shares in Santana (ASX:SMI);
- (ii) repayment of a loan from Collerina to Carlin, capped at a maximum of \$500,000 payable in 10 equal monthly instalments (each, an "Instalment") commencing 7 days after Santana has raised sufficient funds to complete the planned 1,000m+ drill program and make the Instalments. Instalments will be paid in cash unless Collerina elects to receive an Instalment in the form of Santana shares (to be issued pending Santana's sufficient placement capacity) and based on the 7-day VWAP prior to the issue of those Santana shares; and
- (iii) additional Top-Up consideration, consisting of:
 - (a) \$850,000 upon definition of a Resource of 1,000,000 ounce gold or gold equivalent on the Tenements; plus
 - (b) \$425,000 for each additional Resource defined of 500,000 ounce gold or gold equivalent on the Tenements.

With the Company's primary focus on the advancement of its flagship HPA-Nickel-Cobalt project in Collerina, NSW, Becker had become a "non-core" project to the Company in terms of allocation of resources. The divestment allows the Company to monetise the asset and also retain a degree of exposure to the project's exploration potential.

For further information, please contact Peter Nightingale on +61 2 9300 3310.

Yours sincerely

A handwritten signature in black ink, appearing to read 'Peter J. Nightingale', written in a cursive style.

Peter J. Nightingale
Director

pjn9401