

SMI

AUD \$0.000

Spec.

HIGH**B**

Merger finalised

The merger of Cerro Resources and Primero Mining Corp has been successfully implemented. Completion of the merger follows the handing down of the final approval from the Federal Court of Australia. Primero Mining Corp will now proceed to execute the merger, as per the Scheme of Arrangement between the two companies.

The shares in Cerro Resources will cease to trade on the Australian Stock Exchange (ASX) effective immediately.

Under the merger scheme, shareholders in Cerro Resources will receive Chess Depository Interests (CDI) in the ratio of one (1) Cerro Resources share for 0.023 of a CDI in Primero Mining Corp.

Eligible Members should receive their Primero Mining Corp CDI entitlement notifications around 22 May 2013. **Primero Mining Corp is expected to list on the ASX on 22 May 2013 (the date maybe subject to change) under the code PPM.**

To remind Members, Primero Mining Corp produced a record 111,132 gold equivalent ounces in 2012, generating revenue of US\$182.9 million. Gold equivalent production forecasts for the next three years to 2015 are 130,000 ounces, 160,000 ounces and 205,000 ounces.

Primero Mining's current production comes from the San Dimas mine located in Mexico. The following figure shows the location of the San Dimas mine and the Cerro Del Gallo project.



Source: Primero Mining Corp

Under the Scheme of Arrangement, Cerro Resources shareholders will also receive an in-specie distribution of Santana Minerals shares. The distribution will be in the ratio of one (1) Cerro Resources share for 0.1 of a share in Santana Minerals.

Eligible Members should receive their Santana Minerals share entitlement notifications around 22 May 2013. Santana Minerals is **expected to list on the ASX on 23 May 2013 (the date maybe subject to change) under the code SMI.**



As a reminder to Members, Santana Minerals will own all the assets of Cerro Resources except for the Cerro Del Gallo project assets. These assets will include the Namiquipa silver project and the Espiritu Santo gold and silver project both in Mexico. While in Australia, the Mt Philp iron project and Kalman base and precious metals joint venture project. **Santana Minerals will have no debt.** Primero Mining Corp will also inject A\$4 million in cash into Santana Mining, in exchange for a 19.99% interest in the company. The placement price will be set at the net asset backing of Santana Minerals post the merger.

Coverage of Primero Mining Corporation will be maintained by Fat Prophets with a hold recommendation. Website coverage of Primero Mining Corporation will commence closer to the proposed listing date.



Fat Prophets will initiate coverage of Santana Minerals with a hold recommendation. Website coverage of Santana Minerals will commence closer to the proposed listing date.

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Snapshot SMI

Santana Minerals

Latest Closing Price: \$0.000

Santana Minerals is primarily a Mexican focussed gold and silver explorer with two key projects located in Mexico. The company also has projects in Australia in Mt Philp and Kalman which are both in Queensland. The company was born out of the merger between Primero Mining Corp and Cerro Resources, following the merger of those two companies. Santana's key assets in the Namiquipa silver project and Espiritu Santo gold-silver project also in Mexico are hosted in major silver and gold regions in Mexico. With a focussed exploration programme these assets have major upside potential. Santana's Australian assets include the Mt Philp iron project and the Kalman molybdenum-rhenium project, both in the Mt Isa region of Queensland. Kalman is being fully funded by a joint venture partner, while little activity is being undertaken at Mt Philp.

Market Capitalisation:\$101.6m

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