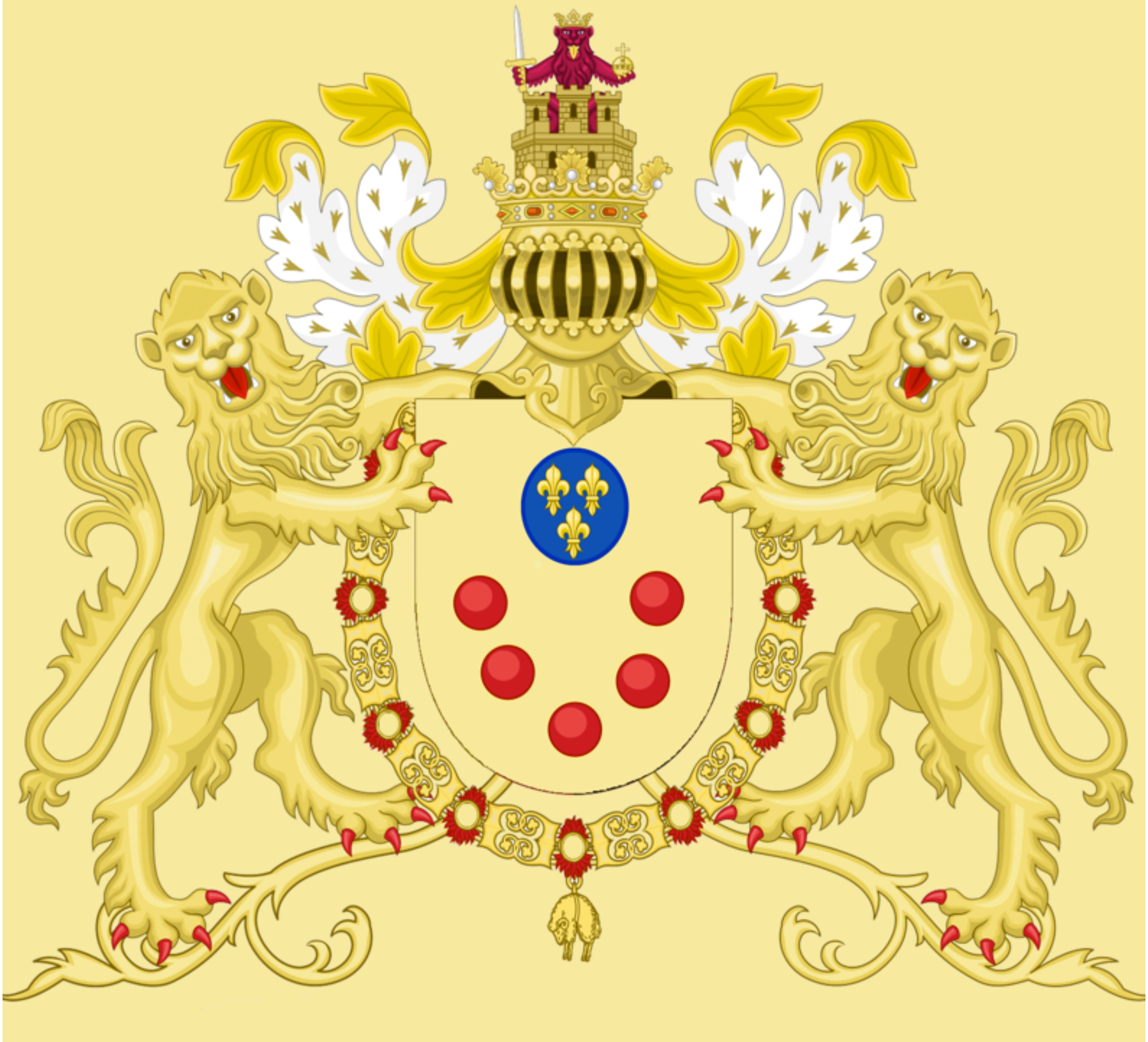
SEMI-ANNUAL REPORT 2016



SANTO MINING CORP.

CATHAY LIFESTYLE GROUP, INC.

UNITED STATES
SECURITIES AND EXCHANGE COMMISSION
Washington, DC 20549

INFORMATION AND DISCLOSURE STATEMENT
PURSUANT TO RULE 15c2-11(a)

SEMI-ANNUAL
CONSOLIDATED
UN-AUDITED FINANCIAL STATEMENTS
PERIOD ENDED JANUARY 31, 2016

333-169503
(Commission File Number)

SANTO MINING CORP.
(Exact name of registrant as specified in its charter)

FLORIDA
(State or other jurisdiction of incorporation or organization)

27-0518586
(I.R.S. Employer Identification No.)

1451 W CYPRESS CREEK ROAD
SUITE 300
FORT LAUDERDALE, FL 33309
(Address of principal executive offices) (Zip Code)

Indicate by check mark whether the registrant (1) has filed all reports required to be filed by Section 13 or 15(d) of the Securities Exchange Act of 1934 during the preceding 12 months (or for such shorter period that the registrant was required to file such reports), and (2) has been subject to such filing requirements for the past 90 days. Yes [X] No [ ]

Indicate by check mark whether the registrant has submitted electronically and posted on its corporate website, if any, every Interactive Data File required to be submitted and posted pursuant to Rule 405 of Regulation S-T (§232.405 of this chapter) during the preceding 12 months (or for such shorter period that the registrant was required to submit and post such files). Yes [ ] No [X]

Indicate by check mark whether the registrant is a large accelerated filer, an accelerated filer, a non-accelerated filer, or a smaller reporting company. See the definitions of “large accelerated filer, “accelerated filer,” “non-accelerated filer,” and “smaller reporting company” in Rule 12b-2 of the Exchange Act.

Large Accelerated filer	[ ]
Accelerated filer	[ ]
Non-accelerated filer	[ ]
Smaller reporting company	[X]

(Do not check if a smaller reporting company)

Indicate by check mark whether the registrant is a shell company (as defined in Rule 12b-2 of the Exchange Act). YES [ ] NO [X]

CAUTIONARY NOTE REGARDING FORWARD LOOKING STATEMENTS

This Semi-Annual Report (this "Report") contains "forward-looking statements" within the meaning of Section 27A of the Securities Act of 1933, as amended (the "Securities Act"), and Section 21E of the Securities Exchange Act of 1934, as amended (the "Exchange Act"). Forward-looking statements discuss matters that are not historical facts. Because they discuss future events or conditions, forward-looking statements may include words such as "anticipate," "believe," "estimate," "intend," "could," "should," "would," "may," "seek," "plan," "might," "will," "expect," "predict," "project," "forecast," "potential," "continue" negatives thereof or similar expressions. Forward-looking statements speak only as of the date they are made, are based on various underlying assumptions and current expectations about the future and are not guarantees. Such statements involve known and unknown risks, uncertainties and other factors that may cause our actual results, level of activity, performance or achievement to be materially different from the results of operations or plans expressed or implied by such forward-looking statements.

We cannot predict all of the risks and uncertainties. Accordingly, such information should not be regarded as representations that the results or conditions described in such statements or that our objectives and plans will be achieved and we do not assume any responsibility for the accuracy or completeness of any of these forward-looking statements. These forward-looking statements are found at various places throughout this Report and include information concerning possible or assumed future results of our operations, including statements about potential acquisition or merger targets; business strategies; future cash flows; financing plans; plans and objectives of management; any other statements regarding future acquisitions, future cash needs, future operations, business plans and future financial results, and any other statements that are not historical facts.

These forward-looking statements represent our intentions, plans, expectations, assumptions and beliefs about future events and are subject to risks, uncertainties and other factors. Many of those factors are outside of our control and could cause actual results to differ materially from the results expressed or implied by these forward-looking statements. In light of these risks, uncertainties and assumptions, the events described in the forward-looking statements might not occur or might occur to a different extent or at a different time than we have described. You are cautioned not to place undue reliance on these forward-looking statements, which speak only as of the date of this Report. All subsequent written and oral forward-looking statements concerning other matters addressed in this Report and attributable to us or any person acting on our behalf are expressly qualified in their entirety by the cautionary statements contained or referred to in this Report.

Except to the extent required by law, we undertake no obligation to update or revise any forward-looking statements, whether as a result of new information, future events, a change in events, conditions, circumstances or assumptions underlying such statements, or otherwise.

CERTAIN TERMS USED IN THIS REPORT

When this Report uses the words “we,” “us,” “our,” and the “Company,” they refer to Santo Mining Corp./Cathay Lifestyle Group, Inc. “SEC” refers to the Securities and Exchange Commission.

PART I – FINANCIAL INFORMATION

ITEM 1.
FINANCIAL STATEMENTS

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SANTO MINING CORP.
INCOME STATEMENT
(Unaudited)

Period Ending	31-Jan-16	31-Jan-14
Total Revenue	**129,784**	**-**
Cost of Revenue	-51,430	-
Gross Profit	**78,354**	**-**
Operating Expenses		
Research and Development	-	-
Sales, General and Admin.	61,392	355,000
Non-Recurring Items	-	47,000
Other	-	-
Operating Income	**16,962**	**-402,000**
Income From Continuing Operations		
Add'l Income/Expense Items	-	-100,000
Earnings Before Interest and Tax	-16,962	-501,000
Interest Expense	-	125,000
Earnings Before Tax	-16,962	-626,000
Income Tax	-	-
Minority Interest	-	-
Equity Earnings Unconsolidated Subsidiary	-	-
Net Income Cont. Operations	-16,962	-626,000
Non Recurring Events		
Discontinued Operations	-	-
Extraordinary Items	-	-
Effect of Accounting Changes	-	-
Other Items	-	-
Net Income	**16,962**	**-626,000**
Preferred Stock and Other Adjustments	-	-
Net Income Applicable to Common Shareholders	**16,962**	**-626,000**

SANTO MINING CORP.
BALANCE SHEET
(Unaudited)

Period Ending	31-Jan-16	31-Jan-14
Assets		
Current Assets		
Cash and Cash Equivalents	3,285	-
Short Term Investments	-	-
Net Receivables	86,955	-
Inventory	42,755	-
Other Current Assets	-	26,000
Total Current Assets	**132,995**	**26,000**
Long Term Investments	-	-
Property Plant and Equipment	-	-
Goodwill	-	-
Intangible Assets	10,000	-
Accumulated Amortization	-	-
Other Assets	-	197,000
Deferred Long Term Asset Charges	-	-
Total Assets	**142,995**	**223,000**
Liabilities		
Current Liabilities		
Accounts Payable	27,274	262,000
Short Term and Current Long Term Debt	-	581,000
Other Current Liabilities	-	-
Total Current Liabilities	**656,338**	**843,000**
Long Term Debt	-	-
Other Liabilities	-	-
Deferred Long Term Liability Charges	-	-
Minority Interest	-	-
Negative Goodwill	-	-
Total Liabilities	**683,612**	**843,000**
Stockholders' Equity		
Misc. Stock Options Warrants	-	-
Redeemable Preferred Stock	-	-
Preferred Stock	-	-
Common Stock	-	1,000
Retained Earnings	-	-2,171,000
Treasury Stock	-	-
Capital Surplus	-	1,550,000
Other Stockholder Equity	-	-
Total Stockholder Equity	**-**	**-620,000**
Net Tangible Assets	**-**	**-620,000**

SANTO MINING CORP.
CASH FLOW
(Unaudited)

Period Ending	31-Jan-16	31-Jan-14
Net Income	**16,962**	**-626,000**
Operating Activities		
Depreciation	-	107,000
Adjustments to Net Income	-	183,000
Changes in Liabilities	-	45,000
Changes in Accounts Receivables	86,955	-
Changes in Inventories	42,755	-
Changes in Other Operating Activities		-180,000
Total Cash Flow From Operating Activities	**146,672**	**-111,000**
Investing Activities		
Capital Expenditures	-	-
Investments	-	-
Other Cash Flows From Investing Activities	-	-
Total Cash Flow From Investing Activities	**-**	**-**
Financing Activities		
Dividends Paid	-	-
Sale/Purchase of Stock	-	-
Net Borrowings	-	90,000
Other Cash Flows From Financing Activities	-	-
Total Cash Flow From Financing Activities	**-**	**90,000**
Effect of Exchange Rate Changes	-	-
Change in Cash and Cash Equivalents	**146,672**	**-21,000**

SANTO MINING CORP.
CATHAY LIFESTYLE GROUP, INC.
NOTES TO FINANCIAL STATEMENTS
(Unaudited)

NOTE 1 – DESCRIPTION OF BUSINESS

Santo Mining Corp./Cathay Lifestyle Group, Inc. (referred to as we, the “Company”) was incorporated in the State of Nevada on July 8, 2009 and re-domiciled to the State of Florida on August 10, 2015.

Cathay Lifestyle Group Inc., is a lifestyle brand company that integrates the marketing, design, development, education and consulting for high value sales channels of luxury lifestyle products in the leisure and entertainment sector. We have a diverse portfolio of licensed brands as well as a wide range of product categories. Our partners include, membership clubs, golf clubs, financial services groups, nightclubs, restaurants, lounges, sports bars, KTV's, Duty Free Stores, e-commerce channels and direct to consumers (B2C) across Asia. Our services embody the interests, attitudes, and opinions of an elite group of consumers that embrace a particular culture. Our Lifestyle brands seek to inspire, guide, and motivate people, with the goal of our products contributing to the definition of the consumer's way of life. We operate off the ideology that we must attract and connect people and brands to ultimately spur, set and create new social phenomenon. The company has three business entities, which are as follows:

1. Cathay Cigars of Asia Corp.
2. Cathay Spirits of Asia Corp.
3. Cathay Entertainment of Asia Corp.

NOTE 2 - GOING CONCERN

The Company's unaudited condensed interim financial statements have been prepared on a going concern basis, which contemplates the realization of assets and satisfaction of liabilities in the normal course of business. The financial statements do not include any adjustment relating to recoverability and classification of recorded amounts of assets and liabilities that might be necessary should the Company be unable to continue as a going concern.

The Company has a minimum cash balance available for payment of ongoing operating expense, has experienced losses from operations since inception, and it does not have a source of revenue sufficient to cover its operating costs. Its continued existence is dependent upon its ability to continue to execute its operating plan and to obtain additional debt or equity financing. There can be no assurance the necessary debt or equity financing will be available, or will be available on terms acceptable to the Company.

NOTE 3 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The summary of significant accounting policies presented below is designed to assist in understanding the Company’s financial statements. Such financial statements and accompanying notes are representations from the Company's management, which is responsible for their integrity and objectivity. These accounting policies conform to accounting principles generally accepted in the United States of America ("U.S. GAAP") in all material respects and have been consistently applied in preparing the accompanying financial statements.

Fiscal Year End
The Company has adopted a July 31 fiscal year end.

Use of Estimates and Assumptions
The preparation of unaudited condensed interim financial statements in conformity with accounting principles generally accepted in the United States requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities as of the date of the financial statements. Actual results could differ from those estimates. Estimates are used when accounting for allowances for bad debts, collectability of accounts receivable, amounts due to service providers, depreciation and litigation contingencies, among others.

Cash
For purposes of the statement of cash flows, the Company considers all highly liquid debt instruments purchased with a maturity of three months or less to be cash equivalents to the extent the funds are not being held for investment purposes.

Use of Estimates
The Company prepares its financial statements in conformity with GAAP, which requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the reporting period. Actual results could differ from those estimates.

Foreign Currency Adjustments—Functional Currency is the U.S. Dollar
The Company's functional currency for all operations worldwide is the U.S. dollar. Nonmonetary assets and liabilities are converted using historical rates and monetary assets and liabilities are converted using exchange rates in effect at the end of the year. Income statement accounts are converted using average rates for the year. Any conversion adjustments are reflected as a separate component of stockholders' equity and have no effect on current earnings. Gains and losses resulting from foreign currency transactions are included in current results of operations.

Reclassifications
Certain amounts have been reclassified to conform to the current period presentation.

Revenue Recognition
The Company follows paragraph 605-10-S99 of the FASB Accounting Standards Codification for revenue recognition. The Company will recognize revenue when it is realized or realizable and earned. The Company considers revenue realized or realizable and earned when all of the following criteria are met: (i) persuasive evidence of an arrangement exists, (ii) the product has been shipped or the services have been rendered to the customer, (iii) the sales price is fixed or determinable, and (iv) collectability is reasonably assured.

Property and Equipment
Property and equipment are stated at cost less accumulated depreciation and amortization. The Company provides for depreciation and amortization using the straight-line method over the estimated useful lives of the related assets, which range from three to five years. Maintenance and repair costs are expensed as they are incurred while renewals and improvements which extend the useful life of an asset are capitalized. At the time of retirement or disposal of property and equipment, the cost and related accumulated depreciation and amortization are removed from the accounts and any resulting gain or loss is reflected in the results of operations.

Inventory
As of January 31, 2016, the Company's inventory consists of finished products, raw materials and finished materials valued under the FIFO method, stated at the lower of cost or market value. When raw materials are moved to the production floor, the Company will reclassify the costs to work-in-process. When the manufacturing process is complete, the Company will reclassify these costs to finished goods inventory. At this time, all accumulated costs of raw materials, direct labor used in production, and manufacturing overhead are accounted for in the cost basis of finished goods.

Impairment of Long-Lived Assets
In accordance with ASC Topic 360, formerly SFAS No. 144, Accounting for the Impairment or Disposal of Long-Lived Assets, the Company reviews its long-lived assets for impairment whenever events or changes in circumstances indicate that the carrying amount of these assets may not be fully recoverable. The assessment of possible impairment is based on the Company's ability to recover the carrying value of its asset based on estimates of its undiscounted future cash flows. If these estimated future cash flows are less than the carrying value of the asset, an impairment charge is recognized for the difference between the asset's estimated fair value and its carrying value. As of the date of these financial statements, the Company is not aware of any items or events that would cause it to adjust the recorded value of its long-lived assets for impairment.

Income Taxes
Income taxes are accounted for under the assets and liability method. Deferred tax assets and liabilities are recognized for the estimated future tax consequences attributable to differences between the financial statement carrying amounts of existing assets and liabilities and their respective tax bases and operating loss and tax credit carry forwards. Deferred tax assets and liabilities are measured using enacted tax rates in effect for the year in which those temporary differences are expected to be recovered or settled. Use of net operating loss carry forwards for income tax purposes may be limited by Internal Revenue Code section 382 if a change of ownership occurs.

Advertising Cost
The Company's policy regarding advertising is to expense advertising when incurred.

Dividends
The Company has not adopted any policy regarding payment of dividends. No dividends have been paid during any of the periods shown.

Basic Earnings (Loss) Per Share
Basic Earnings (loss) per share is calculated by dividing the Company's net loss applicable to common shareholders by the weighted average number of common shares during the period.

Diluted earnings per share is calculated by dividing the Company's net income available to common shareholders by the diluted weighted average number of shares outstanding during the year. The diluted weighted average number of shares outstanding is the basic weighted number of shares adjusted for any potentially dilutive debt or equity.

Stock-Based Compensation
The Company accounts for equity instruments issued to parties other than employees for acquiring goods or services under guidance of Sub-topic 505-50 of the FASB Accounting Standards Codification ("Sub-topic 505-50").

Related Parties
The registrant follows subtopic 850-10 of the FASB Accounting Standards Codification for the identification of related parties and disclosure of related party transactions.

Pursuant to Section 850-10-20 the Related parties include: (a) affiliates of the registrant; (b) Entities for which investments in their equity securities would be required, absent the election of the fair value option under the Fair Value Option Subsection of Section 825–10–15, to be accounted for by the equity method by the investing entity; (c) trusts for the benefit of employees, such as pension and profit-sharing trusts that are managed by or under the trusteeship of management; (d) principal owners of the registrant; (e) management of the registrant; (f) other parties with which the registrant may deal if one party controls or can significantly influence the management or operating policies of the other to an extent that one of the transacting parties might be prevented from fully pursuing its own separate interests; and (g) Other parties that can significantly influence the management or operating policies of the transacting parties or that have an ownership interest in one of the transacting parties and can significantly influence the other to an extent that one or more of the transacting parties might be prevented from fully pursuing its own separate interests.

The financial statements shall include disclosures of material related party transactions, other than compensation arrangements, expense allowances, and other similar items in the ordinary course of business. However, disclosure of transactions that are eliminated in the preparation of consolidated or combined financial statements is not required in those statements. The disclosures shall include: (a) the nature of the relationship(s) involved; (b) description of the transactions, including transactions to which no amounts or nominal amounts were ascribed, for each of the periods for which income statements are presented, and such other information deemed necessary to an understanding of the effects of the transactions on the financial statements; (c) the dollar amounts of transactions for each of the periods for which income statements are presented and the effects of any change in the method of establishing the terms from that used in the preceding period; and (d) amounts due from or to related parties as of the date of each balance sheet presented and, if not otherwise apparent, the terms and manner of settlement.

NOTE 4 – ACCOUNTS RECEIVABLE

As of January 31, 2016, the Company has $86,955 of accounts receivable of which $3,590 are over 90 days old. Because of this the Company has chosen to establish a reserve for bad debts of $3,590, and record a corresponding entry of $3,590 for bad debt expense.

NOTE 5 - INVENTORY

Inventory stated at cost as of January 31, 2016 is as follows:

		January 31, 2016 (Unaudited)
Finished Goods	$	42,755
Work in Process	$	0
Raw Materials	$	0
TOTAL	$	42,755

The Company values its inventory using the FIFO method.

NOTE 6 – FIXED ASSETS

Property, plant and equipment consist of the following as of January 31, 2016:

		January 31, 2016 (Unaudited)
Property, plant & equipment	$	0
Less: Accumulated depreciation	$	0
Property & equipment	$	0
TOTAL	$	0

NOTE 7 – RELATED PARTY TRANSACTIONS

On October 31, 2014, the Company entered into a promissory note of $10,000 with Mr. Raul Vasquez. These advances bear no interest, are unsecured and are due on demand.

On April 30, 2015, the Company entered into a promissory note of $54,000 with Mr. Alain French, a formal officer and director of the Company, for back salaries owed. These advances bear no interest, are unsecured and are due on demand.

On April 30, 2015, the Company entered into a promissory note of $10,000 with Mr. Mario Mendez, a formal officer of the Company, for back salaries owed. These advances bear no interest, are unsecured and are due on demand.

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NOTE 8 – CONVERTIBLE NOTES PAYABLE

Asher Notes:
On April 16, 2013, the Company borrowed $53,000 from Asher Enterprises, Inc. (“Asher”) under a Convertible Promissory Note. The note is unsecured, bears interest at 8% per annum and matures on January 22, 2014. The note is convertible into common stock of the Company and the conversion price shall equal the variable conversion price of 47% multiplied by the average of the lowest three (3) trading prices for the common stock during the thirty (30) trading day period ending on the latest complete trading day prior to the conversion date.

On July 1, 2013, the Company borrowed $32,500 from Asher under a Convertible Promissory Note. The note is unsecured, bears interest at 8% per annum and matures on April 3, 2014. The note is convertible into common stock of the Company and the conversion price shall equal the variable conversion price of 50% multiplied by the average of the lowest three (3) trading prices for the common stock during the thirty (30) trading day period ending on the latest complete trading day prior to the conversion date.

On October 23, 2013, the Company borrowed $32,500 from Asher under a Convertible Promissory Note. The note is unsecured, bears interest at 8% per annum and matures on July 25, 2014. The note is convertible into common stock of the Company and the conversion price shall equal the variable conversion price of 50% multiplied by the average of the lowest three (3) trading prices for the common stock during the thirty (30) trading day period ending on the latest complete trading day prior to the conversion date.

On January 8, 2014, the Company borrowed $32,500 from Asher under a Convertible Promissory Note. The note is unsecured, bears interest at 8% per annum and matures on October 10, 2014. The note is convertible into common stock of the Company and the conversion price shall equal the variable conversion price of 50% multiplied by the average of the lowest three (3) trading prices for the common stock during the thirty (30) trading day period ending on the latest complete trading day prior to the conversion date.

On March 20, 2014, the Company borrowed $32,500 from Asher under a Convertible Promissory Note. The note is unsecured, bears interest at 8% per annum and matures on December 20, 2014. The note is convertible into common stock of the Company and the conversion price shall equal the variable conversion price of 50% multiplied by the average of the lowest three (3) trading prices for the common stock during the thirty (30) trading day period ending on the latest complete trading day prior to the conversion date.

The Company analyzed the Asher Notes for derivative accounting consideration under FASB ASC 470 and determined that the embedded conversion feature qualified for accounting treatment as a financial derivative (See Note 7).

For the nine months ending April 30, 2014, the Company recorded a debt discount of $96,705, as result of the embedded conversion feature being a financial derivative, for proceeds received.

The discounts on these convertible notes are amortized by the Company through interest expense over the life of the notes. During the nine months ending April 30, 2014, the Company recorded $144,232 amortization of the debt discount on the Asher Notes.

A summary of value changes to Asher Notes for the period ended from July 31, 2013 to April 30, 2014 is as follows:

	Asher Note #1	Asher Note #2	Asher Note #3	Asher Note #4	Asher Note #5	Total
Carrying value at July 31, 2013	$ 19,993	$ 3,533	$ -	$ -	$ -	$ 23,526
Additional borrowing	-	-	32,500	32,500	32,500	97,500
Less: repayment of principal	- 53,000	- 32,500	- 32,500	- 12,794	-	- 130,794
Less: discount related to fair value of the embedded conversion feature	-	-	- 32,500	- 31,705	- 32,500	-96,705
Add: amortization of discount	33,007	28,967	32,500	30,310	19,448	144,232
Carrying value at April 30, 2014	$ -	$ -	$ -	$ 18,311	$ 19,448	$ 37,759

JMJ Notes:

On June 12, 2013, the Company issued to JMJ Financial ("JMJ") convertible promissory note in the principal amount of $335,000 (the "Note") with a maturity date of one year from the effective date of each payment for total consideration of $300,000 (the "Consideration") (there was an original issue discount (the "OID") of $35,000). As of July 31, 2013, the Company received $60,000 cash from JMJ and recorded $7,000 OID. The interest rate of the Note is 0% if repaid within the first 90 days, and shall increase to 12% after 90 days.

On September 25, 2013 and December 10, 2013, JMJ advanced the Company additional $25,000 and $30,000, respectively. The Company recorded $2,917 original issuance discount on the September 25 advances.

On March 31, 2014, JMJ advanced the Company an additional $20,000. The Company recorded a $20,000 discount on the advance.

Pursuant to the terms of the Note, JMJ may elect to convert all or part of the outstanding unpaid principal and accrued interest into shares of the Company's common stock (up to an amount that would result in JMJ Financial holding no more than 4.99% of the outstanding shares of common stock of the Company) at a conversion price of the lesser of: (i) $0.138, or (ii) 60% of the lowest trade price in the 25 trading days preceding the conversion.

The Company analyzed the Convertible Promissory Notes for derivative accounting consideration under FASB ASC 470 and determined that the embedded conversion feature qualified for accounting treatment as a financial derivative (See Note 7).

For the six months ending April 30, 2014, the Company recorded a debt discount of $65,384, as result of the embedded conversion feature being a financial derivative, for proceeds received.

The discounts on these convertible notes are amortized by the Company through interest expense over the life of the notes. During the nine months ending April 30, 2014, the Company recorded $75,797 amortization of the debt discount on the JMJ Notes.

A summary of value changes to JMJ Notes for the period ended from July 31, 2013 to April 30, 2014 is as follows:

	JMJ Note #1	JMJ Note #2	JMJ Note #3	JMJ Note #4	Total
Carrying value at July 31, 2013	$ 17,890	$ -	$ -	$ -	$ 17,890
Additional borrowing		27,917	30,000	20,000	77,917
Less: repayment of principal	-18,432	-	-	-	-18,432
Less: discount related to fair value of the embedded conversion feature	-	-20,129	-22,338	-20,000	-62,467
Less: original issuance discount	-	-2,917	-	-	-2,917
Add: amortization of discount	50,837	13,701	8,629	2,630	75,797
Carrying value at April 30, 2014	$ 50,295	$ 18,572	$ 16,291	$ 2,630	$ 87,788

LG Capital Notes:
On April 4, 2014, the Company issued a 10% Convertible Promissory Note (the “LG Capital Note”) to LG Capital, in the principal amount of $40,000, with a maturity date of April 4, 2015. The Note is convertible into shares of the Company’s common stock at any time beginning on the date that is 180 days following the date of the Note and ending on the Maturity Date, at a price for each share of Common Stock equal to 50% of the lowest closing bid price for the twenty prior trading days including the date of conversion. The Company recorded a debt discount for the beneficial conversion feature calculated in the amount of $40,000. During the nine months ending April 30, 2014, the Company recorded $2,849 amortization of the debt discount on the LG Capital Notes. Upon the occurrence of an event of default, the interest rate shall be increased to 24% per annum.

GELXPO Notes:
On March 25, 2013 and April 3, 2013 in exchange for consideration related to the Mineral Claims Acquisition “Richards Claim” the company issues to GEXPLO a convertible note in the amount of $70,000. These advances bear interest, are unsecured and are due on demand.

As of April 30, 2013 and July 31, 2013, the Company had a payable note in the amount of $79,696 to Ms. Ruiz, for the advances she made to the Company to cover incorporation costs of the Company and ongoing legal and accounting fees related to the Company’s SEC reporting obligations. These advances bear no interest, are unsecured and are due on demand.

On May 31, 2012, the Company entered into a convertible promissory note with GEXPLO, SRL, the total amount loaned was $59,770 as of May 31, 2012 for exploration expenses that the Company paid on GEXPLO’s behalf for Alexia Claim which was acquired by the Company in July 2012. The loan is non-interest bearing and matured on December 31, 2012. The loan was cancelled by the Company as consideration in the Acquisition Agreement, on July 30, 2012. See Note 4 for the shares transferred between Ms. Ruiz and GEXPLO.

Through April 30, 2014, the Company had made advances to GEXPLO, for a total of $140,142 for exploration expenses he was going to pay on the Company's behalf. These advances were originally recorded as deposits. During the nine months ending April 30, 2014, GEXPLO paid the Company's exploration expense and the entire deposit amount was then expensed by the Company.

Machiavelli LTD LLC
On April 1, 2015, Machiavelli LTD LLC, purchased the GEXPLO "Richards Claim note" described above and was issued an amended and restated note for the principal and interest accrued of $70,000 as of April 3, 2013. The note was amended and is now convertible into common stock of the Company and the conversion price shall equal the variable conversion price of 35% multiplied by the average of the three lowest trading prices in the previous ten day period.

Beaufort Capital Partners, LLC:
On December 17, 2015, the Company borrowed $20,000 from Beaufort Capital Partners under a Convertible Promissory Note (the "BCP-Note1") with a face value of $25,000. The note is unsecured, bears late-fee interest at 12% per annum and matures on December 17, 2016. The note is convertible into common stock of the Company and the conversion price shall be equal to a 45% discount from the lowest intraday traded price for the common stock during the fifteen (15) trading days prior to a notice of conversion.

Beaufort Capital Partners, LLC:
On January 11, 2016, the Company borrowed $7,500 from Beaufort Capital Partners under a Convertible Promissory Note (the "BCP-Note1") with a face value of $10,000. The note is unsecured, bears late-fee interest at 12% per annum and matures on January 11, 2017. The note is convertible into common stock of the Company and the conversion price shall be equal to a 45% discount from the lowest intraday traded price for the common stock during the fifteen (15) trading days prior to a notice of conversion.

NOTE 9 – EQUITY TRANSACTIONS

During the six months ending January 31, 2016, the Company had the following equity transactions:

Preferred Stock
On August 1, 2015, the board of directors of the Company determined that it was in the best interests of the Company to file a Certificate of Designation that authorized the issuance of up to 500,000,000 shares of a new series of preferred stock, under the following designation:
Preferred "A" Stock
Trading Symbol: N/A
Exact Title and Class of Securities Outstanding: Common Stock CUSIP: N/A
Par or Stated Value: $0.001
Total Shares Authorized: 5,000,000
Total Shares Issued & Outstanding: 3,000,000 as of December 11, 2015
Mr. Matthew Arnett: 1,500,000
Mr. Franjose Yglesias: 1,500,000
Total Shares Reservation: 0 as of December 11, 2015

Total in Treasury: 2,000,000 as of December 11, 2015
Preferred “A” Stock has Voting Right Conversion Rate 1 X 1,000

Preferred “B” Stock
Trading Symbol: N/A
Exact Title and Class of Securities Outstanding: Common Stock CUSIP: N/A
Par or Stated Value: $0.001
Total Shares Authorized: 50,000,000
Total Shares Issued & Outstanding: 0 as of December 11, 2015
Total Shares Reservation: 0 as of December 11, 2015
Total in Treasury: 50,000,000 as of December 11, 2015
Preferred “B” Stock has Voting Right Conversion Rate 1 X 100

Preferred “C” Stock
Trading Symbol: N/A
Exact Title and Class of Securities Outstanding: Common Stock CUSIP: N/A
Par or Stated Value: $0.001
Total Shares Authorized: 445,000,000
Total Shares Issued & Outstanding: 0 as of December 11, 2015
Total Shares Reservation: 0 as of December 11, 2015
Total in Treasury: 445,000,000 as of December 11, 2015
Preferred “C” Stock has Voting Right Conversion Rate 1 X 10

Common Stock
On November 2, 2015, the Company and Mr. Eric Kibanoff Viray executed a consulting agreement, pursuant to which Mr. Viray would receive 25,000,000 of the shares on November 2, 2015. The 25,000,000 shares, valued at $10,000, were issued by the Company and the expense was recorded.

NOTE 10 – MANAGEMENT ACCURED SALARYS & COMMISSIONS

On January 1, 2015, the Company entered into Employment Contracts with Franjose Yglesias, President/CEO and Matthew Arnett, Vice President/Secretary. The contracts each have a term of 5 years with a base salary of $1 per year plus 15% commission of sales annually.

OFFICER NAME	SALARY	SALES COMMISSION
Franjose Yglesias	$0	$0
Matthew Arnett	$0	$0

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ITEM 2.
MANAGEMENT'S DISCUSSION, ANALYSIS & RESULTS OF OPERATIONS

The following discussion and analysis provides information which management of the Company believes to be relevant to an assessment and understanding of the Company's results of operations and financial condition. This discussion should be read together with the Company's financial statements and the notes to the financial statements, which are included in this report.

Forward-Looking Statements
This Report contains forward-looking statements that relate to future events or our future financial performance. Some discussions in this report may contain forward-looking statements that involve risk and uncertainty. A number of important factors could cause our actual results to differ materially from those expressed in any forward-looking statements made by us in this Report. Forward-looking statements are often identified by words like "believe," "expect," "estimate," "anticipate," "intend," "project" and similar words or expressions that, by their nature, refer to future events.

In some cases, you can also identify forward-looking statements by terminology such as "may," "will," "should," "plans," "predicts," "potential," or "continue," or the negative of these terms or other comparable terminology. These statements are only predictions and involve known and unknown risks, uncertainties, and other factors that may cause our actual results, levels of activity, performance or achievements to be materially different from any future results, levels of activity, performance or achievements expressed or implied by these forward-looking statements.

Although we believe that the expectations reflected in the forward-looking statements are reasonable, we cannot guarantee future results, levels of activity, or achievements. You should not place undue certainty on these forward-looking statements, which apply only as of the date of this Report. These forward-looking statements are subject to certain risks and uncertainties that could cause actual results to differ materially from historical results or our predictions. Except as required by applicable law, including the securities laws of the United States, we do not intend to update any of the forward-looking statements in an effort to conform these statements to actual results.

Business History
On April 2, 2015, Santo Mining Corp. (the "Company") entered into certain "Plan of Exchange" Agreement (the "Agreement') with Cathay Cigars of Asia Corporation, a Florida corporation ("Cathay"). Pursuant to the terms of the Agreement, the Company agreed to acquire 100% of the capital stock of Cathay in exchange for the issuance of 300,000 shares of Series A Preferred Stock of the Company "Transaction"), effectively giving Cathay majority voting power in the Company (the "Transaction"). The Transaction is conditioned upon, among others, 1) Company's issuance of 300,000 shares of Series A Preferred Stock within 30 days of the execution date of the Agreement; 2) elimination of any known or potential liabilities of the Company not covered by Cathay; 3) Mr. Alan French and Mr. Mario Mendez's resignation from the board of the directors (the "Board") and as officers of the Company; 4) delivery of Company's corporate documents to Cathay; 5) Company's note-holders' release of any and all penalties in connection to the reorganization of the Company following the Transaction.

Pursuant to the Agreement and subsequent to the closing of the Transaction, Cathay agreed to 1) pay off Company's liabilities up to $159,347.23, 2) assist the Company to re-obtain its trading status on Over-the-Counter Bulletin Board ("OTCBB") and cover all filing and compliance costs, and 3) assume responsibility to existing note-holders of the Company. The Company agreed to initiate and complete process relating to the reverse split of Company's Common Stock by two hundred to one (200:1)

On October 15, 2015, Santo Mining Corp. (the "Company") filed a Form 15.

Operations
The company operates primarily as a manufacturing, marketing and distribution company. The company has created a cigar brand called JT 1492 & ZH 1421, additionally the company has agreements with multi cigar manufactures and vendors to export cigars to the Asian market. The company has sales via its website portals in Hong Kong B2C, and to the Diplomatic Duty Free Stores in Beijing China.

The company is currently working on distribution agreements with multiple Rum manufactures in the Caribbean and Latin America for the Asian Market.

Our Market
The company's goals are to implement our 6 revenue-generating divisions supply the Asia Pacific Rim with luxury re-known Non-Cuban cigars and our house brand JT 1492 to both wholesales and distributors in the Asian markets. We import, premium brand name cigars from Nicaragua, Honduras and the Dominican Republic, including our JT 1492 label. Our costs are less due to our leveraging of Free Trade Agreements between governments in Central America, the Caribbean and Asia; our supply is more reliable do to our sourcing channels. Implementing our education certification programs will guaranty us loyal clients and customers, providing sommelier services will only increment our sales and exposure as we partner with brands like The W Hotel, Johnny Walker House, Royal Crown and large beverage wine and spirits companies. All this gets wrap up with our mobile app to insure customer and brand loyalty via online sales and revenue generating advertisement.

Asian Market
China cigars market; represent a tiny corner of the market for tobacco products, which is dominated by cigarettes. In terms of US dollar sales and not adjusted for currency fluctuations, the tobacco market accounted for USD 186 billion in 2012. Cigar sales represented a bit less than USD 4 billion of that market. However the cigar market tripled in size in the five years from 2007 to 2012, going from USD 1.4 billion in sales to USD 3.9 billion.

China's cigar market is centered in major metropolitan areas like Shanghai, Beijing and Guangzhou. Chinese cigar smokers are people with medium-to- high income. Most cigars, 96 percent, according to Euromonitor, are distributed to and sold through tobacco specialists. This is the traditional retail format.

Although nearly all cigars are sold in smoke shops, most tobacconists don't have a cigar section, which indicates a lot of room for improvement. According to a survey of Cigar Ambassador, nearly 80 per cent of tobacco retail shops have no established cigar sales section. Most of the retail market and retailers themselves do not know much about cigars, according to Cigar Ambassador.

There is an estimate of 40-million cigar smokers in China; if they consumed just one cigar a week, the total number of cigars smoked in China annually would be 2.08 billion at an average retail price of $35 it will generate revenues exceeding USD 70 billion.

More and more Non-Cuban cigar companies are expanding their sales outside of U.S. borders.

APAC - Over all the Asia Pacific Rim will see an increase of over 800% in the next 5 years of Non-Cuban Cigar sales.

Revenue
Sales for the 6 months ending January 31, 2016, was $127,545 comprised of direct sales to consumers, stores and sales via internet, compered to $0 for the Semi-Annual ending January 31, 2014.

Cost of Goods Sold
The Company is reporting Cost of Goods Sold of $51,430 for the 6 months ending January 31, 2016, compered to $0 for the Semi-Annual ending January 31, 2014.

Operating & Administrative Expenses
Operating expenses for the 6 months ending January 31, 2016, was $61,392 compared to $402.000 for the Semi-Annual ending January 31, 2014.

Officers Compensation
Officer compensations for the 6 months ending January 31, 2016 was $1 and sales commissions was $12,000 as follows:

Franjose Yglesias Semi-Annual Salary		$	0.50
Matthew Arnett Semi-Annual Salary		$	0.50
Franjose Yglesias Semi-Annual Sales Commission		$	6,000
Matthew Arnett Semi-Annual Sales Commission		$	6,000
	TOTAL	$	12,001

Critical Accounting Policies
The discussion and analysis of our financial condition and results of operations are based upon The Company's financial statements, which have been prepared in accordance with accounting principles generally accepted in the United States. The preparation of these financial statements requires us to make estimates and judgments that affect the reported amounts of assets, liabilities, revenues and expenses, and related disclosure of contingent assets and liabilities. On an ongoing basis, we evaluate our estimates based on historical experience and on various other assumptions that are believed to be reasonable under the circumstances, the results of which form the basis for making judgments about the carrying values of assets and liabilities that are not readily apparent from other sources. Actual results may differ from these estimates under different assumptions or conditions.

Management believes that the application of these policies on a consistent basis enables us to provide useful and reliable financial information about our operating results and financial condition. Some of the critical accounting estimates are detailed below.

Critical Accounting Estimates and New Accounting Pronouncements

Critical Accounting Estimates

The preparation of financial statements in accordance with accounting principles generally accepted in the U.S. requires management to make estimates and assumptions that affect reported amounts and related disclosures in the financial statements. Management considers an accounting estimate to be critical if:

- It requires assumptions to be made that were uncertain at the time the estimate was made, and changes in the estimate or different estimates that could have been selected could have a material impact on our results of operations or financial condition.

- It recognizes that certain convertible debt is a derivative instrument and as such measures these instruments at their fair value.

The Company base estimates and judgments on experience, current knowledge, and beliefs of what could occur in the future, observation of trends in the industry, information provided by customers and information available from other sources. Actual results may differ from these estimates under different assumptions or conditions. The Company has identified the following accounting policies and estimates as those that are believed to be the most critical to the financial condition and results of operations and that require management's most subjective and complex judgments in estimating the effect of inherent uncertainties: share-based compensation expense, income taxes, and derivative financial instruments.

Share-Based Compensation Expense

We calculate share-based compensation expense for option awards and warrant issuances ("Share-based Awards") based on the estimated grant/issue-date fair value using the Black-Scholes-Merton option-pricing model ("Black-Scholes Model"), and recognize the expense on a straight-line basis over the vesting period, net of estimated forfeitures. The Black-Scholes Model requires the use of a number of assumptions including volatility of the stock price, the weighted average risk-free interest rate, and the vesting period of the Share-based Award in determining the fair value of Share-based Awards. Although we believe our assumptions used to calculate share-based compensation expense are reasonable, these assumptions can involve complex judgments about future events, which are open to interpretation and inherent uncertainty. In addition, significant changes to our assumptions could significantly impact the amount of expense recorded in a given period.

New Accounting Pronouncements

The Company has implemented all new accounting pronouncements that are in effect. These pronouncements did not have any material impact on the financial statements unless otherwise disclosed, and the Company does not believe that there are any other new accounting pronouncements that have been issued that might have a material impact on its financial position or results of operations.

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ITEM 3.
QUANTITATIVE AND QUALITATIVE DISCLOSURES ABOUT MARKET RISK

Not required.

ITEM 4.
CONTROLS AND PROCEDURES.

Evaluation of Disclosure Controls and Procedures
We maintain “disclosure controls and procedures” as such term is defined in Rule 13a-15(e) under the Securities Exchange Act of 1934. In designing and evaluating our disclosure controls and procedures, our management recognized that disclosure controls and procedures, no matter how well conceived and operated, can provide only reasonable, not absolute, assurance that the objectives of disclosure controls and procedures are met. Additionally, in designing disclosure controls and procedures, our management necessarily was required to apply its judgment in evaluating the cost-benefit relationship of possible disclosure controls and procedures. The design of any disclosure controls and procedures is also based in part upon certain assumptions about the likelihood of future events, and there can be no assurance that any design will succeed in achieving its stated goals under all potential future conditions.

The Company’s Chief Executive Officer has evaluated the effectiveness of our disclosure controls and procedures as of the end of the period covered by this report. Based on such evaluation, and as discussed in greater detail below, the Chief Executive has concluded that, as of the end of the period covered by this report; disclosure controls and procedures were no longer effective:

- To give reasonable assurance that the information required to be disclosed in reports that are file under the Securities Exchange Act of 1934 is recorded, processed, summarized and reported within the time periods specified in the Securities and Exchange Commission’s rules and forms, and

- To ensure that information required to be disclosed in the reports that are file or submitted under the Securities Exchange Act of 1934 is accumulated and communicated to management, including our CEO and our Treasurer, to allow timely decisions regarding required disclosure.

Changes in Internal Control over Financial Reporting
There are no changes in internal control over financial reporting during the last fiscal quarter that has materially affected, or is reasonably likely to materially affect, our internal control over financial reporting.

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PART II - OTHER INFORMATION

ITEM 1. LEGAL PROCEEDINGS

None

ITEM 1A. RISK FACTORS

Not applicable.

ITEM 2. UNREGISTERED SALES OF EQUITY SECURITIES AND USE OF PROCEEDS

Based on the share exchange agreement, and on the closing date of April 2, 2015, the controlling stockholder of Cathay Cigars of Asia, Inc., sold all 1,000 issued and outstanding shares of common stock of Cathay Cigars of Asia, Inc., to Santo Mining Corp. in consideration for the issuance of 300,000 shares of the Series A Preferred shares of Santo Mining Corp. Such securities were not registered under the Securities Act. These securities qualified for exemption under Section 4(2) of the Securities Act since the issuance of securities by us did not involve a public offering. The offering was not a “public offering” as defined in Section 4(2) due to the insubstantial number of persons involved in the transaction, size of the offering, manner of the offering and number of securities offered. The Company has not undertaken an offering in which it sold a high number of securities to a high number of investors. In addition, these shareholders had the necessary investment intent as required by Section 4(2) since they agreed to and received share certificates bearing a legend stating that such securities are restricted pursuant to Rule 144 of the Securities Act. This restriction ensures that these securities would not be immediately redistributed into the market and therefore not be part of a “public offering.” Based on an analysis of the above factors, we have met the requirements to qualify for exemption under Section 4(2) of the Securities Act for this transaction.

ITEM 3. DEFAULTS UPON SENIOR DEBT

None

ITEM 4. [Removed and Reserved]

None

ITEM 5. OTHER INFORMATION

Pursuant to the share exchange agreement on April 2, 2015, the controlling stockholder of Cathay Cigars of Asia, Inc., sold all 1,000 issued and outstanding shares of common stock of Cathay Cigars of Asia, Inc., to Santo Mining Corp. in consideration for the issuance of 300,000 shares of the Series A Preferred shares of Santo Mining Corp.

The share exchange was accounted for as a reverse merger whereby the stock history presented in the Statement of Stockholders' Equity will only show the stock history of the new operating company, Cathay Cigars of Asia, at the time of and just prior to the recapitalization.

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SIGNATURES

In accordance with the requirements of the Exchange Act, the registrant caused this report to be signed on its behalf by the undersigned, thereunto duly authorized.

Santo Mining Corp.
(Registrant)

Date: February 15, 2016	By:	/s/ Franjose Yglesias Chief Executive Officer
	By:	/s/ Mathew Arnett Secretary of the Board

CERTICATTION PURSUANT TO
SECTION 302 OF
THE SARBANES-OXLEY ACT OF 2002

I, Franjose Yglesias, certify that:

(1) I have reviewed this Semi-Annual Report of Santo Mining Corp.;

(2) Based on my knowledge, this report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this report;

(3) Based on my knowledge, the financial statements, and other financial information included in this report, fairly present in all material respects the financial condition, results of operations and cash flows of the registrant as of, and for, the periods presented in this report;

(4) The registrant's other certifying officer(s) and I are responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a-15(e) and 15d-15(e)) and internal control over financial reporting (as defined in Exchange Act Rules 13a-15(f) and 15d-15(f)) for the registrant and have:

a) Designed such disclosure controls and procedures, or caused such disclosure controls and procedures to be designed under our supervision, to ensure that material information relating to the registrant, including its consolidated subsidiaries, is made known to us by others within those entities, particularly during the period in which this report is being prepared;
b) Designed such internal control over financial reporting, or caused such internal control over financial reporting to be designed under our supervision, to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles;
c) Evaluated the effectiveness of the registrant's disclosure controls and procedures and presented in this report our conclusions about the effectiveness of the disclosure controls and procedures, as of the end of the period covered by this report based on such evaluation; and
d) Disclosed in this report any change in the registrant's internal control over financial reporting that occurred during the registrant's most recent fiscal quarter (the registrant's fourth fiscal quarter in the case of an annual report) that has materially affected, or is reasonably likely to materially affect, the registrant's internal control over financial reporting; and

(5) The registrant's other certifying officer(s) and I have disclosed, based on our most recent evaluation of internal control over financial reporting, to the registrant's auditors and the audit committee of registrant's board of directors (or persons performing the equivalent functions):

a) All significant deficiencies and material weaknesses in the design or operation of internal control over financial reporting which are reasonably likely to adversely affect the registrant's ability to record, process, summarize and report financial information;
b) Any fraud, whether or not material, that involves management or other employees who have a significant role in the registrant's internal control over financial reporting.

By: ______________________
Chief Executive Officer
February 15, 2016