



**CASTILLO COPPER
LIMITED**

ASX Release

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**CASTILLO COPPER
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Issued Capital:

825.2 million shares
245.5 million options
93.7 million performance
shares

ASX Symbol:
CCZ

Exploration to focus on extending known mineralisation at Cangai Copper Mine pillar

- CCZ are finalising the documentation to extend the three exploration licences that comprise the high-grade Cangai Copper Mine (CCM) pillar and re-fined exploration plans to extend known mineralisation
- Post a recent site visit, a surface sampling & ground geophysics campaign will target the North-East Extension which extends 400-500m north-east from the line of lode and 500m to the south-east:
 - ❖ Previous work discovered the Canberra & Sydney anomalies which had high-grade assayed soil readings at **1,660ppm Cu & 500ppm Cu₁** respectively
 - ❖ In addition, assayed rock chips, found in the same area, have returned **up to 23.9% Cu & 55.5g/t Ag₁**
- The focus of the next drilling targets is to test several sizeable massive sulphide conductors – that are open at depth – to extend the orebody and demonstrate CCM's potential scale
- Earlier drill programs have already intersected high-grade massive sulphide mineralisation, comprising:
 - Diamond drilling assays **up to 14.45% Cu, 5.93% Zn & 40.1g/t Ag₂, with the best intercept being:**
 - **CC0036D: 4.39m @ 5.06% Cu, 2.56% Zn & 20.1 g/t Ag from 49.9m**
 - **RC drilling assays up to 10.25% Cu, 6.04% Zn & 32.5g/t Ag₃, with best intercepts:**
 - **CC0023R: 11m @ 5.94% Cu from 40m including 1m @ 10.25% Cu; 3m @ 8.1% Cu; 1m @ 7.53% Cu from 41m**
 - ❖ **2m @ 2.27% Cu; 2.78% Zn & 10.88g/t Ag from 56m**
 - ❖ **2m @ 1.19% Cu; 0.35% Zn & 11.22g/t Ag from 86m**
 - **CC0025R: 3m @ 2.66% Cu; 0.50% Zn & 7.38g/t Ag from 90m incl: 1m @ 4.53% Cu; 0.41% Zn & 9.71g/t Ag from 90m**
 - ❖ **3m @ 1.26% Cu; 0.37% Zn & 6.36g/t Ag from 103m**
 - **CC0022R: 2m @ 2.50% Cu; 0.38% Zn & 9.78g/t Ag from 92m incl: 5m @ 1.5% Cu; 0.37% Zn & 6.9g/t Ag from 85m₃**
- After much effort, the NSW Resources Regulator has determined the legacy stockpiles can only be removed under the grant of a mining lease

Castillo Copper's Managing Director Simon Paull commented: "Extending the known orebody and highlighting the potential scalability of the high-grade Cangai Copper Mine pillar is our main focus moving forward. Fortunately, we have several sizeable massive sulphide targets to drill-test, which are interpreted to be open at depth. In addition, our geology team will conduct further work at the North East Extension, where the Canberra and Sydney anomalies are located, so we can identify incremental targets."

Castillo Copper Limited (“CCZ”) is pleased to provide an update on the high-grade historic Cangai Copper Mine (CCM) pillar in New South Wales (NSW) following a recent site trip.

EXPLORATION PRIORITIES TO EXTEND KNOWN MINERALISATION

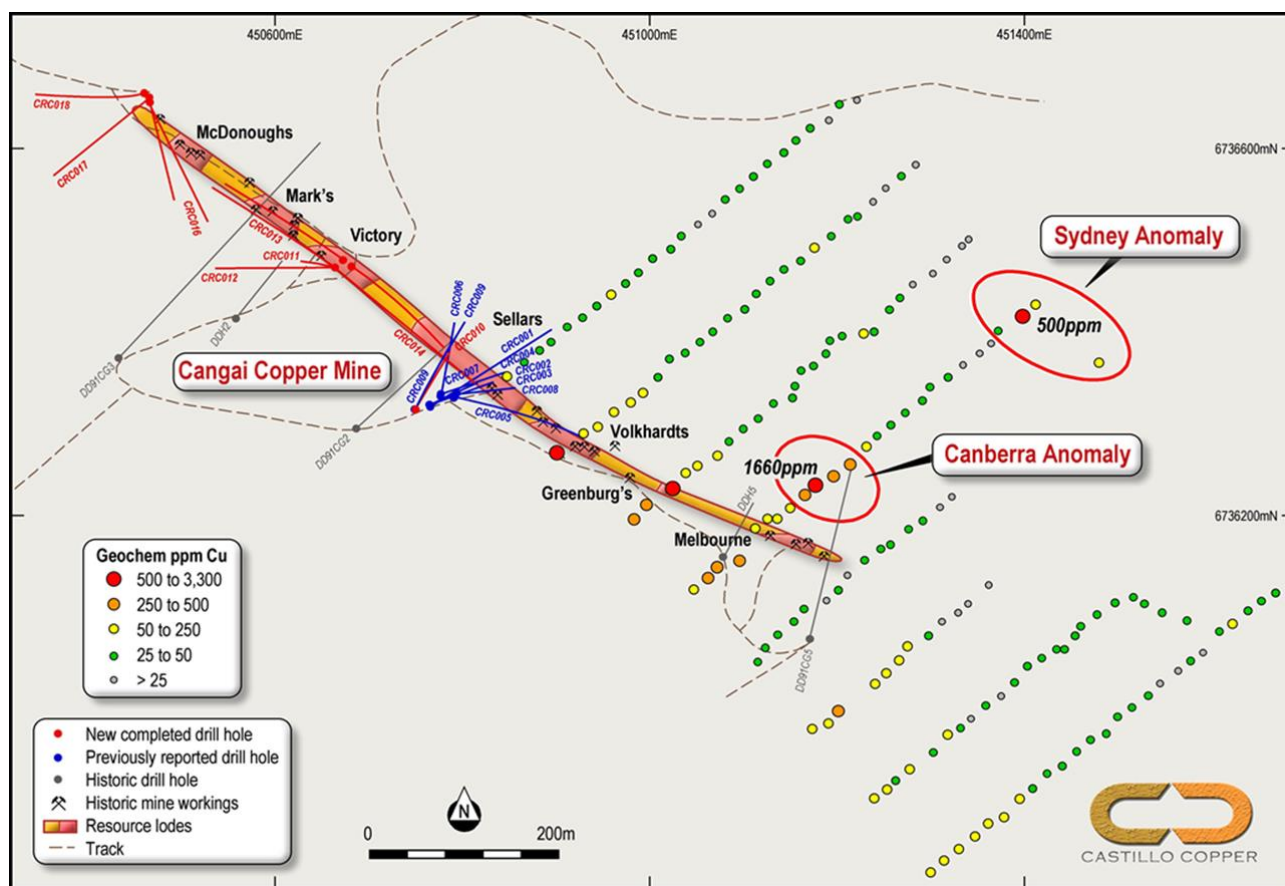
The purpose of the site visit was to review historic work and re-fine the exploration plans to focus on extending known mineralisation.

Canberra and Sydney soil anomalies

One of the main priority areas, which requires further surface sampling and ground geophysics, is the North-East Extension. This zone extends circa 800m South-East from the Sellers lode and 400-500m north-east (Figure 1).

Within this area are two previously discovered anomalies, Canberra and Sydney, where high-grade assayed soil readings came in at **1,660ppm Cu and 500ppm Cu₁** respectively. Further, supporting the prospectivity of this area, assayed rock chips found within the same vicinity returned high-grade readings **up to 23.9% Cu & 55.5g/t Ag₁**.

FIGURE 1: NORTH-EAST EXTENSION – CANBERRA & SYDNEY ANOMALIES



Source: CCZ geology team (CCZ ASX Release 10 September 2018)

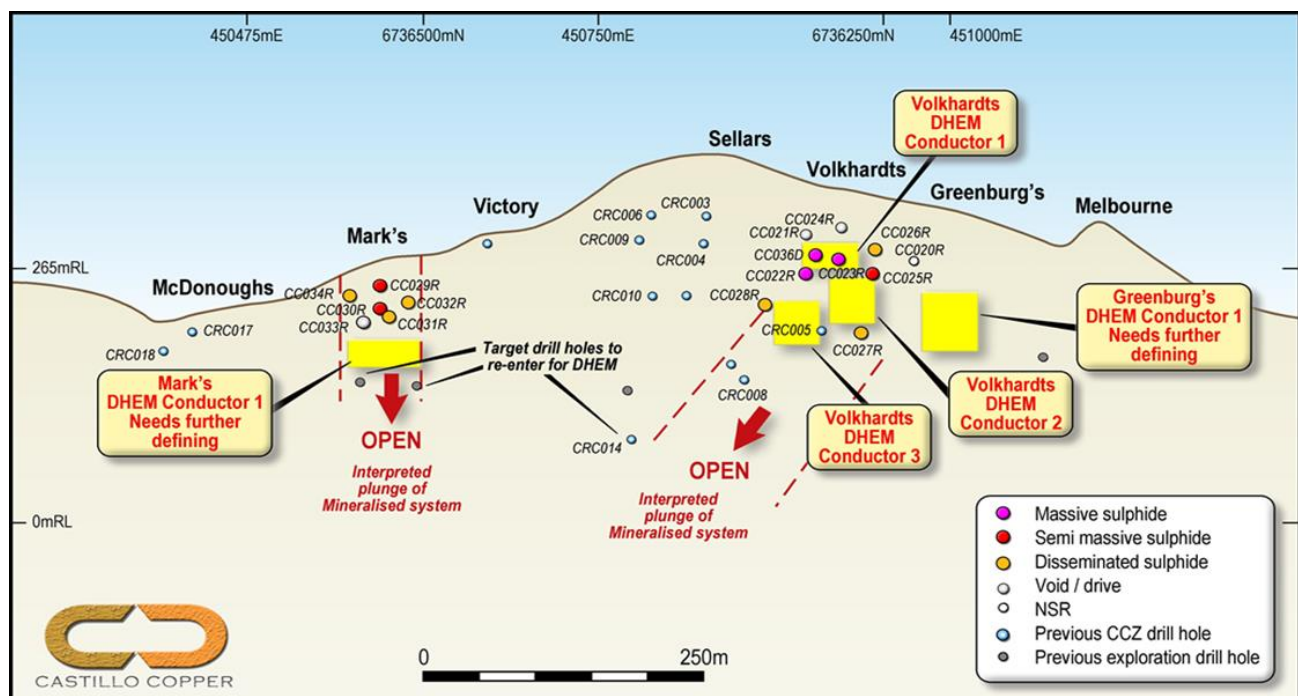
High-grade drill targets already identified

With three drilling campaigns, coupled with two DHEM surveys, having already been completed along the line of lode, there are ample targets already identified for follow up drill-testing. Notably, this includes several sizeable massive sulphide conductors which are open at depth (Figure 2) that can potentially extend the known orebody and demonstrate CCM's scale.

Highlights from earlier drilling campaigns, which have intersected high-grade massive sulphide mineralisation, clearly illustrates the upside potential CCM could deliver, including:

- ❖ **Diamond drilling assays up to 14.45% Cu, 5.93% Zn & 40.1g/t Ag₂, with the best intercept:**
 - **CC0036D: 4.39m @ 5.06% Cu, 2.56% Zn & 20.1 g/t Ag from 49.9m₂**
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FIGURE 2: CANGI COPPER MINE – SIZEABLE MASSIVE SULPHIDE TARGETS



Source: CCZ geology team (CCZ ASX Release – 27 November 2018)

Historic stockpiles

After exploring several possible angles, researching various exemptions, the NSW Resources Regulator has determined that CCM's historic stockpiles can be removed but only once a mining lease is in place. Additional drilling will be required on the remaining slag stockpile to firm up tonnages, assay grades, groundwater seepage testing and soil characterisation.

This ruling has not dented management's determination to move forward with developing the CCM pillar, as it remains a critical component of the Board's strategic intent to evolve CCZ into a mid-tier copper group.

PHOTO GALLERY

PHOTO 1 & 2: GREEN DOUBLE & MELBOURNE ADITS



451090mE, 6736200mN MGA Zone 56
Source: CCZ geology team



451150mE, 6736170mN MGA Zone 56
Source: CCZ geology team

PHOTO 3 & 4: SHEAR ZONE AND GOSSAN SAMPLE



451150mE, 6736170mN MGA Zone 56
Source: CCZ geology team
Note: For all photos refer to CCZ ASX Release – 10 September 2019



451150mE, 6736170mN MGA Zone 56
Source: CCZ geology team

Next steps

Cangai Pillar III

- Work out appropriate timing for a team to go to site to carry out further infill soil sampling and possible surface EM or IP ground geophysics work focused on the North East Extension.

Mt Oxide Pillar I

- Complete reviews on Flapjack and Arya prospects within the Mt Oxide pillar.
- Issue requests for quotes to select drilling contractors for the inaugural campaign at Mt Oxide to commence once approvals are secure.

For and on behalf of Castillo Copper

Simon Paull

Managing Director

ABOUT CASTILLO COPPER

Castillo Copper Limited (ASX: CCZ) is a base metal explorer primarily focused on copper then zinc & nickel.

The group is embarking on a strategic transformation to morph into a mid-tier copper group underpinned by three core pillars:

- **Pillar I:** The Mt Oxide project in the Mt Isa copper-belt district, north-west Queensland, which delivers significant exploration upside through having several high-grade targets and a sizeable untested anomaly within its boundaries in a copper-rich region.
- **Pillar II:** Four high-quality prospective assets across Zambia's copper-belt which is the second largest copper producer in Africa.
- **Pillar III:** Cangai Copper Mine in northern New South Wales, which is one of Australia's highest grading historic copper mines.

In addition, Castillo Copper is progressing a dual listing on the Standard Board of the London Stock Exchange.

References

- 1) CCZ ASX Release – 10 September 2018
- 2) CCZ ASX Release – 11 December 2018
- 3) CCZ ASX Release – 3 September 2018

Competent Person Statement

The information on the page that relates to Exploration Results is based on information compiled or reviewed by Mr Mark Biggs, a consultant of Castillo Copper Limited. Mr Biggs is a member of the Australian Institute of Mining and Metallurgy (member #107188) and has sufficient experience of relevance to the styles of mineralisation and types of deposits under consideration, and to the activities undertaken, to qualify as a Competent Person as defined in the 2012 Edition of the Joint Ore Reserves Committee (JORC) Australasian Code for Reporting of Exploration Results, and Mineral Resources. Mr Biggs holds a AusIMM Online Course Certificate in 2012 JORC Code Reporting. Mr Biggs also consents to the inclusion in this report of the matters based on information in the form and context in which it appears.

The Australian Securities Exchange has not reviewed and does not accept responsibility for the accuracy or adequacy of this release.