



**CASTILLO COPPER
LIMITED**

ASX Release

12 February 2018

**CASTILLO COPPER
LIMITED**
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Directors / Officers:

Peter Meagher
Alan Armstrong
Neil Hutchison

Issued Capital:

580.1 million shares
67.5 million options

ASX Symbol:

CCZ

New Chairman Appointed

Castillo Copper Limited's ("CCZ" or "the Company") Board is pleased to announce the appointment Mr Peter Meagher as Chairman with immediate effect. Mr Meagher replaces Mr David Wheeler, who has resigned to focus on his other business interests and directorships.

Mr Meagher has over 30 years experience as a director of listed companies including companies in the resources sector. Previously Chairman of Extract Resources (ASX: EXT) Mr Meagher was instrumental in building up its projects, which were eventually acquired by China Guangdong Nuclear Power Group through a takeover which valued Extract at over A\$2.1bn in 2012.

The Board is pleased to secure the services of a globally experienced corporate finance and mining executive in Mr Meagher as Castillo seeks to quickly progress activities at its high-grade Cangai Copper Mine in NSW towards production. Mr Meaghers' appointment comes at exciting time with the base metal cycle in an upswing and unprecedented demand for key lithium-ion battery inputs bringing new projects to life.

PETER MEAGHER

Originally from Perth, Mr Meagher commenced his career as an equity analyst with roles in London then Hong Kong, prior to moving back to Sydney with a company owned by Hambros Bank in a corporate finance role. Subsequently, Mr Meagher has held senior positions with several investment banks during his career in Sydney and Perth where he provided corporate advice across varying sectors to assist businesses to raise capital to grow their operations.

Mr Meagher has also worked as finance director for a large listed group that had operations in hotels, property development, mining and oil exploration. He was managing director of Axiom Properties from 1998 through until 2006. Since the mid-2000s, Mr Meagher has been involved in a number of private and public companies, assisting junior explorers at varying evolutionary stages including Oklo Resources (Mali gold exploration) and White Star Resources (Chile copper/gold exploration).

Mr Meagher maintains an active interest in strategic investment in junior resources companies, especially throughout the early stages of their development, in Australia and overseas. He has Commerce/Economics degrees from the University of Western Australia and is a Certified Practising Accountant.

Castillo Copper's Executive Director Alan Armstrong commented: *"The incumbent Board members are delighted to welcome Peter Meagher to Castillo Copper and look forward to working with him as we progress an aggressive agenda, to re-open Cangai Copper Mine.*

Peter has considerable capital markets and resource industry experience and his insights will be an invaluable asset to leverage moving forward.

I would also like to thank David Wheeler for his valuable contribution in getting Castillo Copper to this exciting stage and wish him all the best in his future endeavours."

Castillo Copper's incoming Chairman Peter Meagher commented: *"Castillo Copper has acquired ownership of an outstanding project in the Cangai Copper Mine. Progress by the company in developing the project to date has been extremely impressive and a great deal of successful work has been carried out by the management team within a relatively short period.*

I am looking forward very much to helping build upon the company's excellent achievement so far. Our important early objective will be to reopen the Cangai Copper Mine. At the same time we will continue to ramp up the current exploration activities on our ground nearby the mine, with the intention of significantly further expanding the present resource base of high grade copper.

Included as part of our plans is the reprocessing of existing copper stockpiles which we believe will yield high grade, DSO, ore and provide early cashflow."

Conclusion

This is an exciting appointment and the Board looks forward to rapidly executing CCZ's strategy under Mr Meagher. At the same time, the Board would like to thank Mr David Wheeler for his contribution to CCZ and wish him all the best with his future activities.

Castillo will seek shareholder approval to issue the following proposed options, to acquire CCZ shares, to directors at an exercise price of \$0.10 and expiring on 31 December 2023:

- Mr Peter Meagher – 5 million, as part of his remuneration package;
- Mr Alan Armstrong – 1 million, to further incentivise; and
- Mr Neil Hutchison – 1 million, to further incentivise.

In addition, Castillo will seek shareholder approval for the issue of 8 million options to Hartleys Limited, and or their nominees, who have been appointed as corporate advisor and a maximum of 2 million options to consultants, and or their nominees, in lieu of fees, to acquire CCZ shares, at an exercise price of \$0.10 and expiring on 31 December 2023.

For and on behalf of Castillo Copper

Alan Armstrong

Executive Director

ABOUT CASTILLO COPPER

Castillo Copper Limited (ASX: CCZ) is an ASX-listed base metal explorer that's **flagship project is the historic Cangai Copper Mine** near Grafton in northeast NSW. The project comprises a volcanogenic massive sulphide ore deposit, with one of Australia's highest grade JORC compliant Inferred Resources for copper: 3.2Mt @ 3.35% (6 September 2017). In terms of contained metal, the Inferred Resource is 107,600t Cu, 11,900t Zn, 2.1Moz Ag and 82,900 Moz Au. A notable positive is the presence of supergene ore with up to 35% copper and 10% zinc which is ideal feedstock for direct shipping ore. Incrementally, the project holds five historic stock piles of high-grade ore located near Cangai Copper Mine.

In brief, CCZ's Australian assets are 100% owned and comprise four tenure groups detailed briefly as follows:

- **NSW assets:** Consists of two projects: 1) Jackaderry, which includes Cangai Copper Mine, is in an area highly prospective for copper-cobalt-zinc and made up of three tenements; and, 2) Broken Hill which consists of two contiguous tenements prospective for cobalt-zinc that are located within a 20km radius of Broken Hill and just north of Cobalt Blue's ground (ASX: COB).
- **Queensland assets:** Comprises two projects: 1) Mt Oxide made up of four prospects (two are contiguous) in the Mt Isa region, northwest Queensland, and are well known for copper-cobalt systems; and, 2) Marlborough which includes three prospects located north-west of Gladstone (adjacent to Queensland Nickel mining leases) in an area with proven high-grade cobalt-nickel systems.

Finally, CCZ' holds six exploration concessions in Chile.