CASTILLO COPPER LIMITED

ASX Release

27 June 2018

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Issued Capital:
580.1 million shares
84.5 million options

ASX Symbol:
CCZ

Targeting Broken Hill to be a substantial cobalt project

- **Recent site visit focused on Himalaya Formation outcropping in key target areas, supported by geological and laboratory reports, supports Broken Hill's potential to be a substantial cobalt project**
- **CCZ's tenure is one of the largest in the region with all mineral rights 100%-owned**
- **Within Himalaya Formation outcrops, the geology team identified quartz-albite-biotite gneiss, known to host cobalt mineralisation, which is prevalent at Cobalt Blue's (ASX: COB) Thackaringa project [total resource 72Mt @ 852ppm Co][1]**
- **'Area 1' target, has mapped pyritic albite gneiss[2], which is the definitive mineralised horizon within the Himalaya Formation that hosts the COB's Big Hill deposit (total resource 10Mt @ 697ppm Cobalt)[1]**
- **Detailed mapping and geochemical sampling to target the pyritic albite gneiss occurrences identified by the recent rock chip sampling by CCZ**
- **Review of historic geochemical assay results prove elevated cobalt located within the Himalaya Formation across the tenure**
- **Recent rock-chip assay results, the team collected from samples taken in central parts of the tenure at surface, were indicative of cobaltian pyrite mineralisation[3]**
- **While another follow-up trip is planned to complete geological mapping, the team expect to uncover further cobalt-pyrite mineralisation within highly folded Himalaya Formation units already identified across the tenure**

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Castillo Copper's Chairman Peter Meagher commented: *"The receipt of positive geological and laboratory reports, along with a successful site visit, indicate we can target developing a substantial cobalt project at our Broken Hill tenure. At this juncture, it is important to reiterate some of our key comparative advantages: we own one the largest mineralised footprints in the Broken Hill region and 100% of all mineral rights, while our ground is prospective for cobalt and other base metals. These are key strengths moving forward, as the Board has now decided to expedite the exploration program for our Broken Hill project."*

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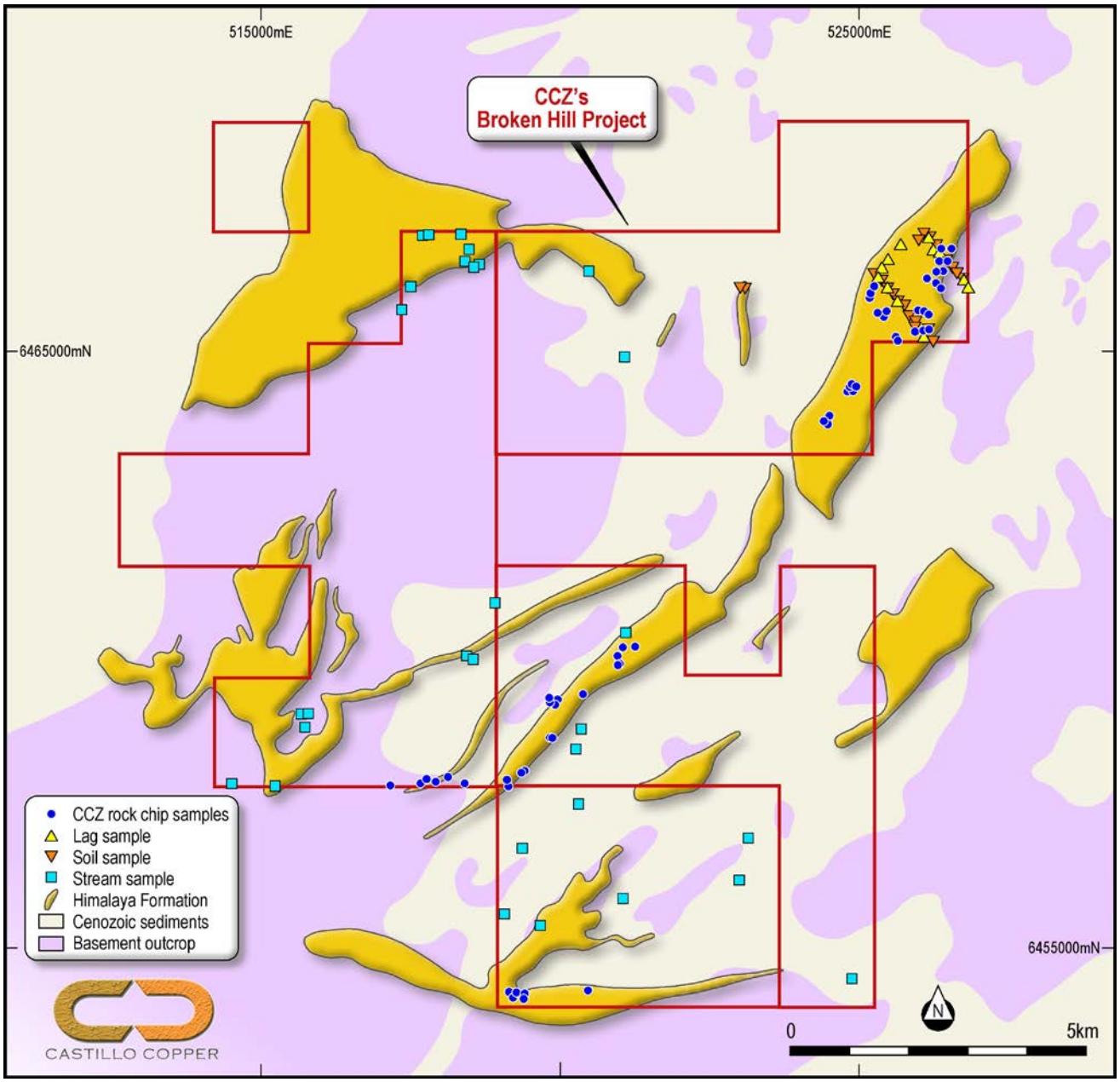
Castillo Copper Limited's ("CCZ" or **"the Company")** Board is delighted to outline further follow up work on the Broken Hill tenure, which provides incremental evidence extensive cobalt mineralisation at surface is apparent.

COBALT MINERALISATION POTENTIAL ENHANCED

Numerous cobalt surface readings

Over the years, the Broken Hill project has been explored primarily for traditional regional minerals (Zn-Pb-Ag-Cu), with most cobalt surface readings secondary. However, on a cumulative basis, cobalt readings have been recorded right across the tenure (Figure 1), which includes recent rock chip samples taken by CCZ's geology team (refer Appendix A). However, the majority of the tenure, which is circa 125m^2 in total, remains clearly under-explored which delivers upside potential.

FIGURE 1: HISTORIC & CCZ'S CURRENT COBALT SURFACE READINGS AT BROKEN HILL



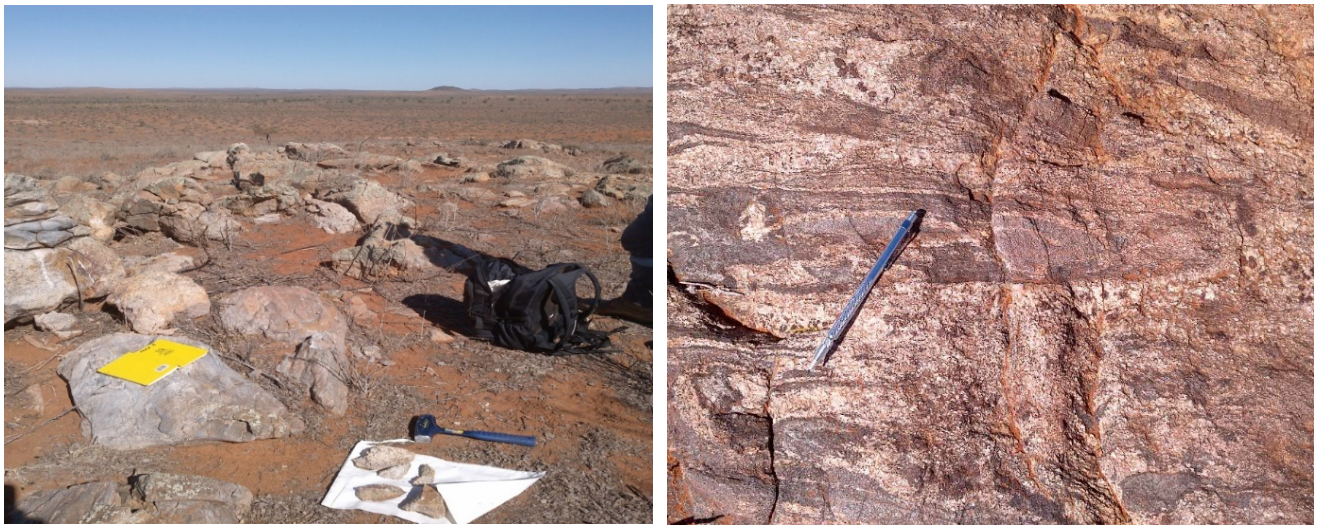
Source: CCZ geology team & Geological Survey NSW

Field trip discovery

Following the latest field trip, the geology team have now evaluated over half the high priority targets prospective for cobalt mineralisation, with another visit planned soon to complete the task. Using images from Geological Survey NSW, the team mapped/photographed Himalaya Formation outcrops within the project area (Figure 2) known as PI1 unit (see Note 1 for composition).

The significance of this Pl1 unit discovery within the tenure is that – according to the geology team – it appears to be nearly identical to units mapped at the Thackaringa project, which has a proven JORC compliant resource [72Mt @ 852ppm Co][1], owned by Cobalt Blue (ASX: COB).

FIGURE 2: OUTCROPPING OF QUARTZ-ALBITE-BIOTITE GNEISS @ CCZ'S PROJECT



Location: 524834E 6464262N

Location: 525572E 6465146N

Note 1: PI1 unit comprises plagioclase + quartz +/- K-feldspar +/- biotite rock and is "leucocratic, fine to coarse grained, saccharoidal textured, massive to moderately well bedded; bedding thin, planar, continuous; local weakly defined biotite schistosity; plagioclase is albite/oligoclase; pegmatite <20% of unit."

Source: Geological Survey NSW

Further evidence is apparent from Figure 3. At the Resources & Energy Symposium 2012, which was held in Broken Hill between 20-23 May 2012, Broken Hill Prospecting's (now COB) then managing director, Ian Pringle, delivered a presentation which illustrated "quartz-albite pyrite gneiss" (slide 9) at the Big Hill deposit which is part of the Thackaringa project.

CCZ's geology team argue the outcrop within the CCZ's Broken Hill project (Figure 2 above) is very similar to the units shown from COB's Big Hill deposit (Figure 3). Demonstrating the potential exploration upside for CCZ, the Big Hill deposit has a total JORC (2012) resource of 10Mt @ 697ppm Co[1] comprising of 6,700t contained cobalt.

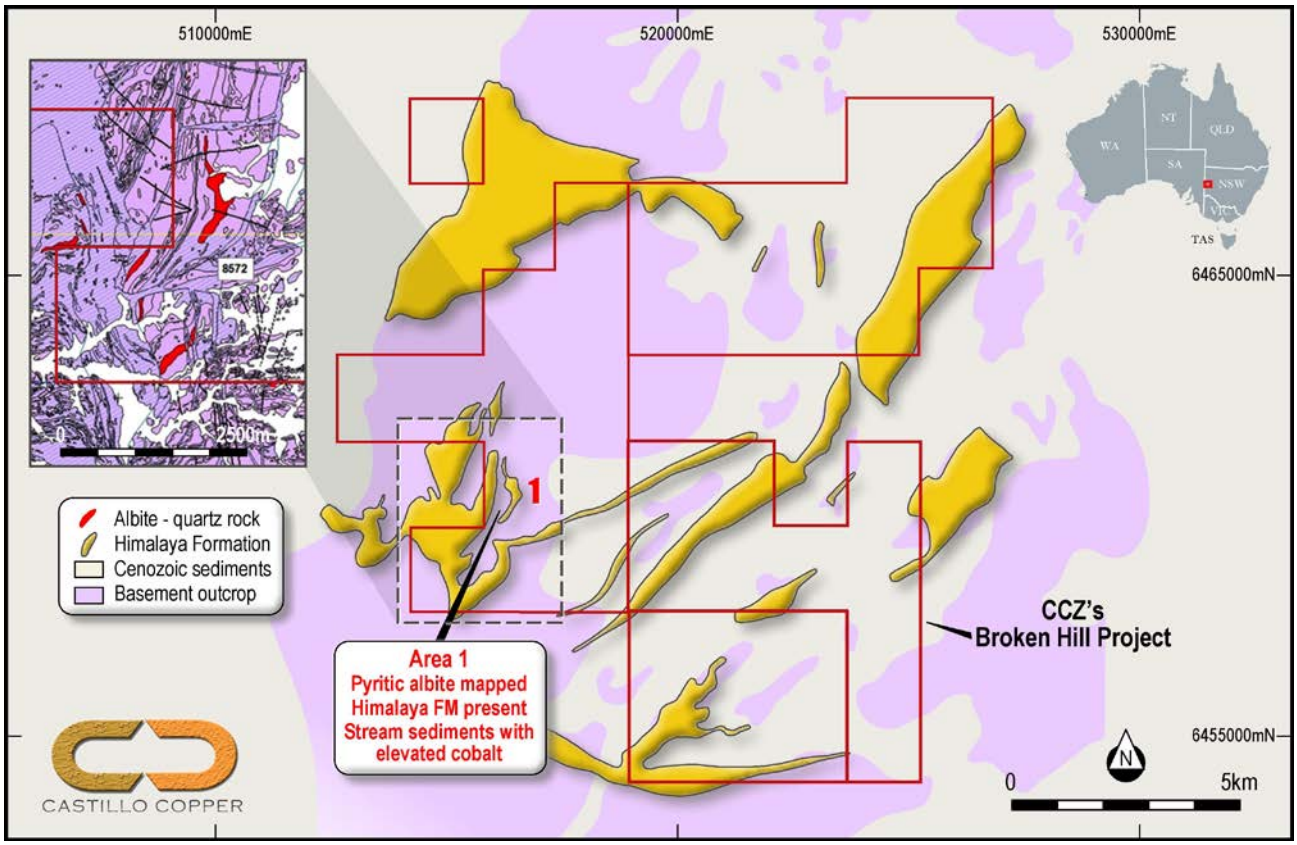
The rock type at the Big Hill deposit is known as PI2 unit, which comprises plagioclase + quartz + pyrite rock. It is similar to the PI1 unit but contains sparse to abundant pyrite as disseminated grains and aggregates, weathered surfaces stained yellow brown to purple grey with pyrite rich layers common.

FIGURE 3: QUARTZ-ALBITE-PYRITE GNEISS @ COB'S BIG HILL DEPOSIT

Source: Resources & Energy Symposium 2012, Broken Hill, 20-23 May 2012, Broken Hill Prospecting Presentation[5]

Importantly, highlighting another nexus to the Thackaringa project, there are occurrences of the PI2 unit, with pyrite mineralisation, at CCZ's Broken Hill tenure according to Geological Survey NSW (Figure 4). Further, these occurrences align with the historic geochemical analysis which demonstrated elevated cobalt readings[2] within the Himalaya Formation.

FIGURE 4: PI2 UNIT WITHIN THE BROKEN HILL PROJECT



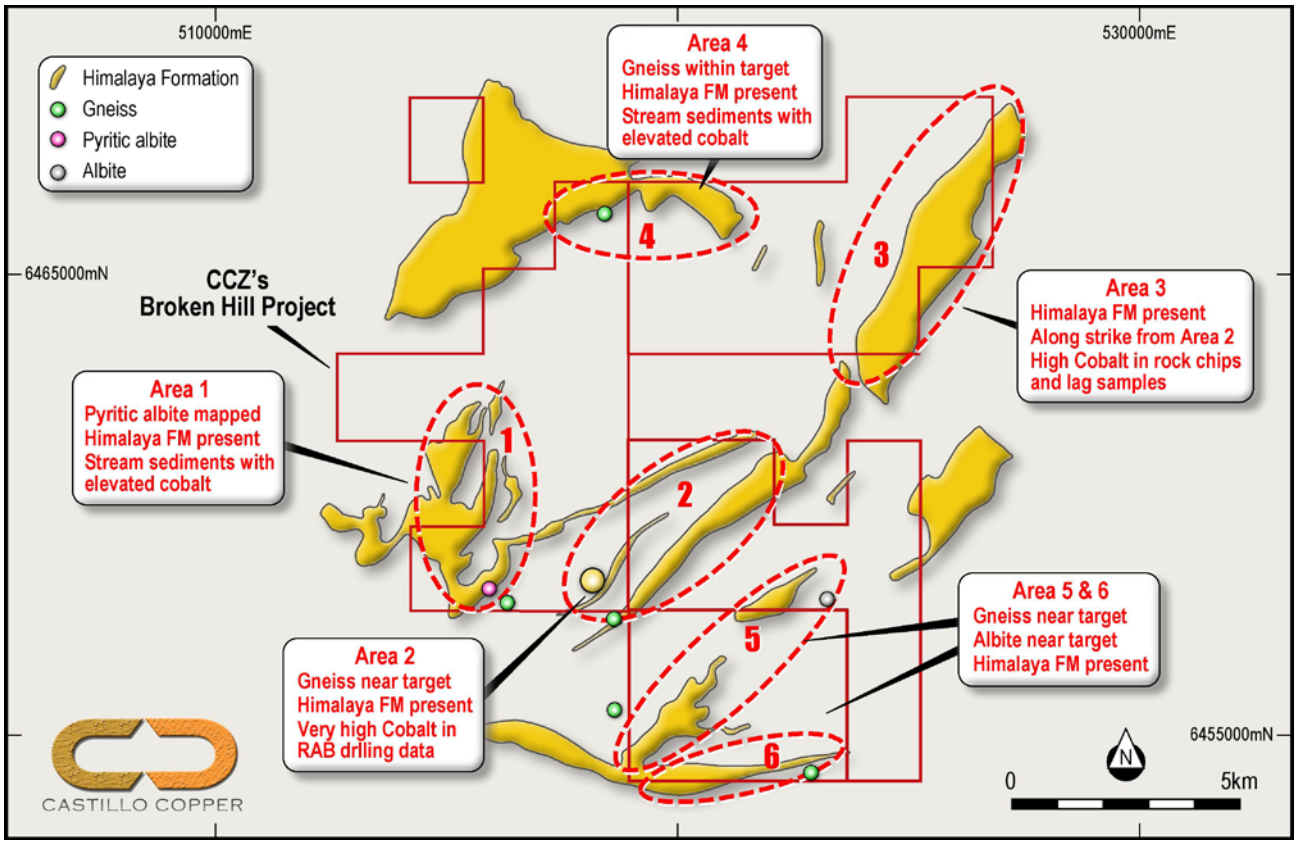
Source: CCZ geology team and Geological Survey NSW

Microscopy: confirms PI2 unit present at Broken Hill project

To deliver further empirical evidence the PI2 unit is present within the Himalaya Formation at the Broken Hill tenure, CCZ's geology team reviewed historic samples via thin section analysis under a powerful microscope.

Specifically, samples were obtained from Geological Survey NSW, which came from the highly prospective “Area 1” (Figure 5) within the tenure and COB’s Big Hill deposit[1]. In turn, the team was able to correlate the mineralogy of the “Area 1” sample to the known mineralisation at COB’s Big Hill deposit, thereby definitively proving the geology sequences to be comparable.

FIGURE 5: SIX AREAS PROSPECTIVE COBALT VS HIMALAYA FORMATION MINERALISATION



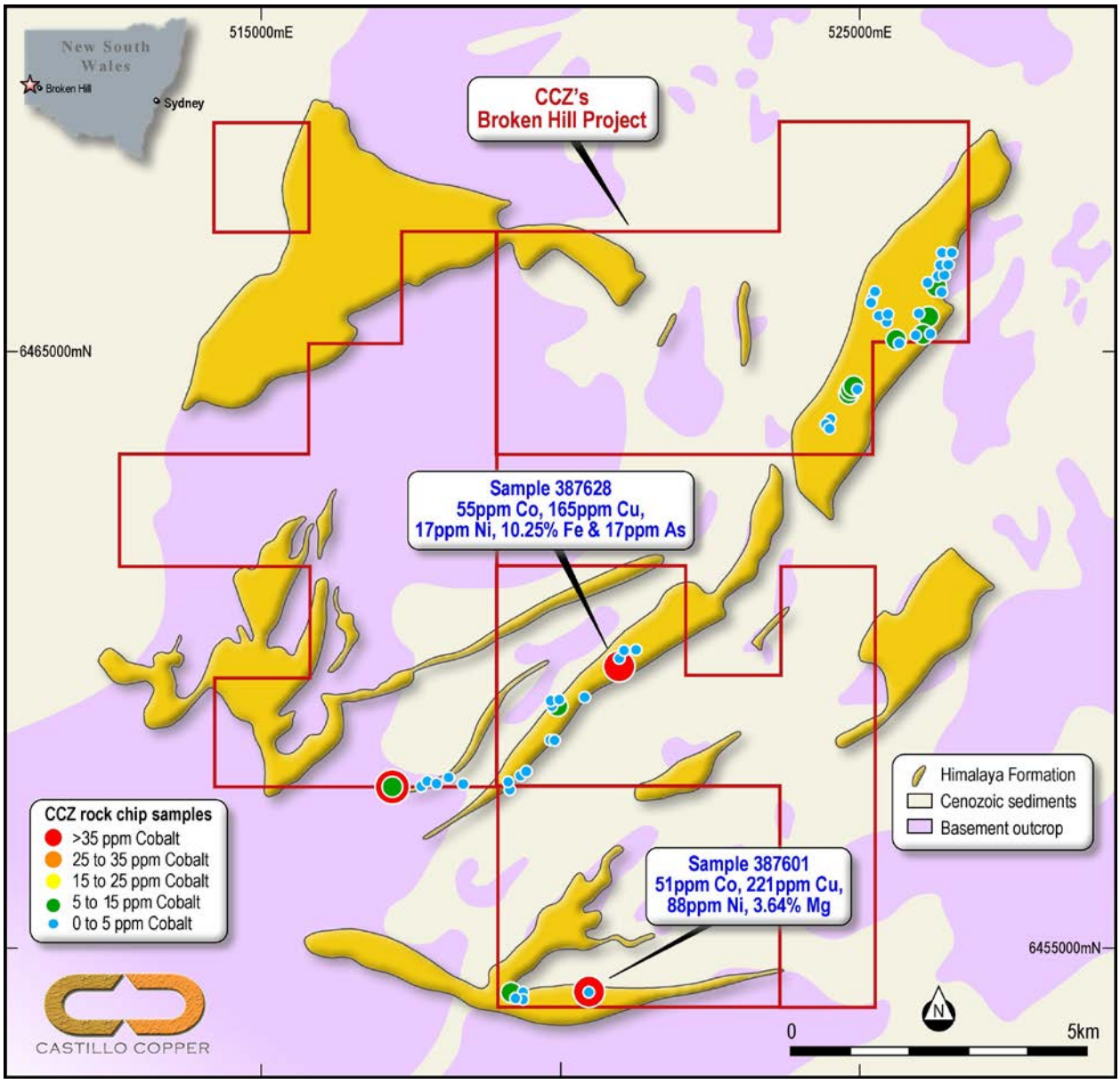
Note – Disclaimer: In a previous ASX Release on 2 May 2018, the map contained a typographic error in the scale bar. This error has been amended with the map above now displaying the correct scale.

Source: CCZ geology team and Geological Survey NSW

Rock-chip sampling results

Assay results for rock-chip samples taken from key target areas (Figure 6) during the recent field trip were positive for cobalt mineralisation over the Himalaya Formation (Appendix A). Several samples contained >50ppm Co which is significant, given the weathered nature of the rock units; the median value was 21ppm Co.

FIGURE 6: SAMPLE LOCATIONS WITH KEY ASSAYS OF INTEREST



Source: CCZ geology team & Geological Survey NSW

Neighbour, Australian Mines (ASX: AUZ), undertook a successful surface geochemistry program targeting weathered in-situ bedrock (sampled from C horizon below surface), with anomalous values >15ppm Co deemed significant.[4] The geology team confirmed a high degree of similarity between samples taken from CCZ's ground and AUZ's tenure, which further highlights the upside potential for hosting cobalt mineralisation.

Of particular interest to the geology team, were the following two samples:

- **Sample 387601:** This sample, located on the edge of the mapped Himalaya Formation, contains elevated Co-Cu-Zn-Mg readings. According to a legacy report,[3] there is a cobaltian pyrite body

enclosed by a metamorphosed hydrothermal alteration zone characterised by an increase in quartz, magnesian fluorobiotite and Rb. Significantly, the elevated Mg suggests this sample may lie within a prospective cobalt alteration zone.

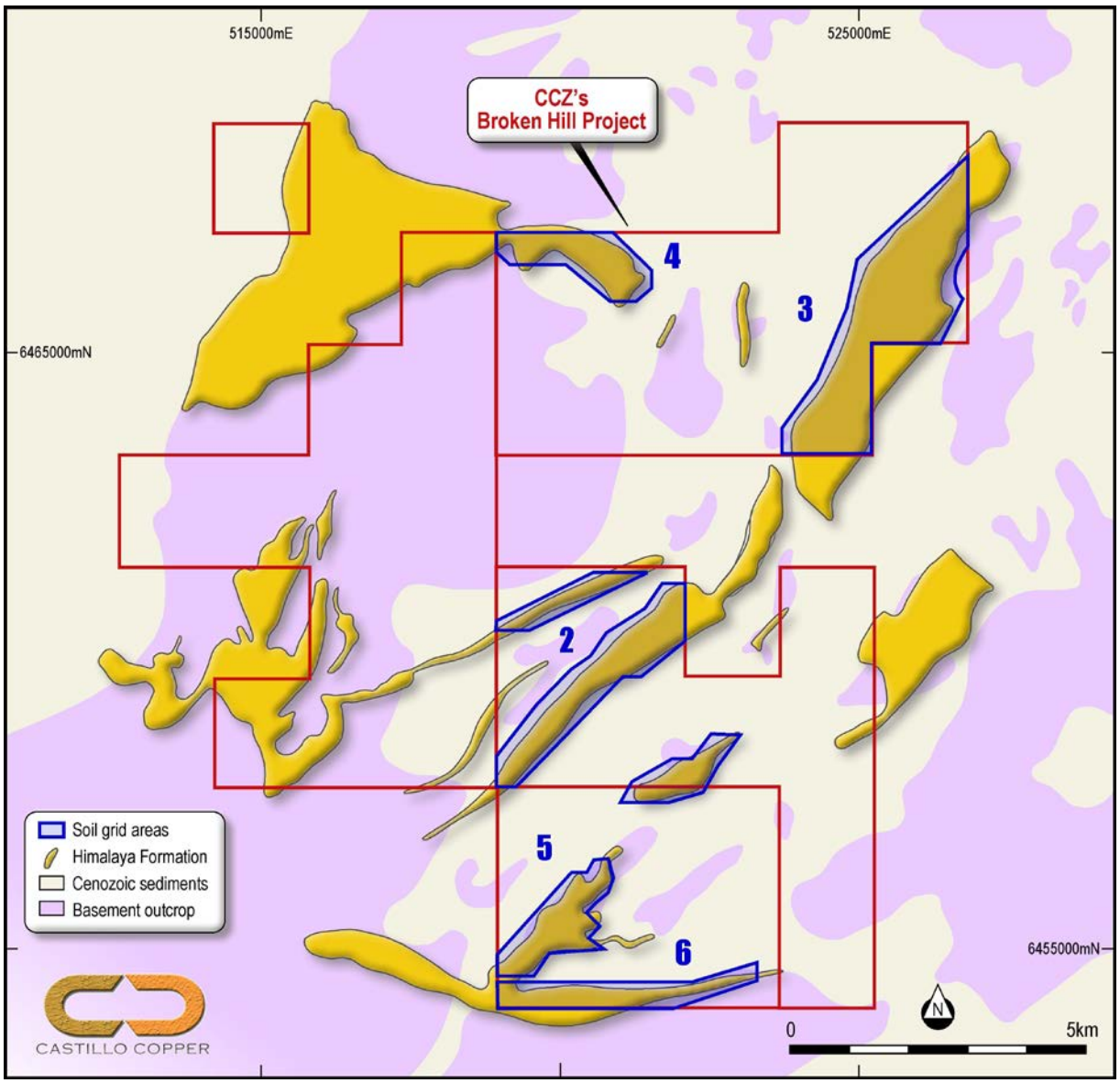
- **Sample 3876258:** This sample, located well within a mapped Himalaya Formation unit, not only contained elevated Co but increased Cu-Fe-As readings. These elements are indicative of pyrite, which is associated with cobalt in the region.

The elevated cobalt samples were aligned with the Himalaya Formation, supporting the interpretation of the targeted zones from the previous announcement[2].

Next steps

With "Area 1" already mapped as it is outcropping the next phase is to progress a soil sampling program over the other remaining prospective areas (Figure 7), especially as most of the Himalaya Formation within the tenure is not exposed at surface. The core objectives are to confirm and constrain mineralised zones by detecting trace cobalt values in overlying soils which have been transported to surface through weathering processes.

FIGURE 7: PROSPECTIVE AREAS FOR SOIL SAMPLING PROGRAM



Source: CCZ geology team and Geological Survey NSW

For and on behalf of Castillo Copper

Alan Armstrong

Executive Director

COMPETENT PERSON STATEMENT

The information in this document that relates to Exploration Results is based on, and fairly represents, information and supporting documentation prepared by Mr Peter Smith, BSc (Geophysics) (Sydney) AIG ASEG, who is a Member of The Australasian Institute of Geoscientists (AIG). Mr Smith has sufficient experience which is relevant to the style of mineralisation and type of deposit under consideration and to the activity which he is undertaking to qualify as a Competent Person as defined in the 2012 Edition of the "Australasian Code for Reporting of Mineral Resources and Ore Reserves" (JORC Code). Mr Smith has approved and consented to the inclusion in this document of the matters based on his 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.

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 three 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.

REFERENCE LIST

1) COB ASX Release 19 March 2018
2) CCZ ASX Release 2 May 2018
3) R. Plimer, I. (1977). The origin of the albite-rich rocks enclosing the cobaltian pyrite deposit at Thackaringa, N.S.W., Australia. Mineralium Deposita - MINER DEPOS. 12. 175-187. 10.1007/BF00206025.
4) AUZ ASX Release 29 May 2018
5) https://www.slideshare.net/SymposiumEvents/brokenhillprospecting1420

APPENDIX A: ROCK CHIP SAMPLE ASSAY RESULTS

Sample ID	Easting GDA94z55	Northing GDA94z55	As (ppm)	Co (ppm)	Cu (ppm)	Fe (%)	Mg (%)	Ni (ppm)	S (%)	Description
387601	520410	6454296	<5	51	221	14.45	3.64	57	<0.01	Chlorite +/- garnet schist, garnets are large to very large idoblastic
387602	520409	6454295	<5	40	10	15	5.53	147	0.01	Weathered chlorite schist highly weathered garnets
387603	519096	6454264	<5	5	17	0.79	0.07	3	0.01	Medium grained Q-ab-bt gneiss
387604	519159	6454171	<5	2	9	0.58	0.03	2	<0.01	Medium grained Q-ab-bt rock
387605	519202	6454254	<5	1	3	0.78	0.08	5	<0.01	Medium grained Q-ab-bt rock
387606	519342	6454236	<5	1	3	0.25	0.03	<1	0.01	Weathered Qz-Ab rock
387607	519336	6454140	<5	<1	4	0.81	0.07	1	<0.01	Medium grained Qz-ab-bt rock
387608	524773	6464252	<5	13	3	4.52	0.9	27	<0.01	Moderately weathered Qz-Bt-Garnet schist
387609	524775	6464228	<5	2	3	0.55	0.05	2	0.01	Moderately weathered Qz-Ab-Bt gneiss
387610	524832	6464260	<5	1	4	0.7	0.09	2	0.02	Moderately weathered Qz-Ab-Bt gneiss
387611	524802	6464299	<5	6	8	3.32	1.22	34	0.02	Varibly weathered Qz-Ab-Bt gneiss
387612	524839	6464358	5	7	6	3.01	0.73	20	0.01	Varibly weathered Qz-Ab-Bt gneiss
387613	524896	6464315	<5	1	2	0.41	0.03	<1	<0.01	Varibly weathered Qz-Ab-Bt rock
387614	524461	6463835	<5	1	4	0.56	0.05	3	<0.01	Varibly weathered medium to coarse grained Qz-Ab +/- Bt rock
387615	524435	6463685	<5	4	6	1.4	0.34	8	<0.01	Varibly weathered coarse grained Qz-Ab rock
387616	524361	6463734	5	1	4	0.47	0.09	2	0.01	Varibly weathered Qz-Ab-Bt rock
387617	525574	6465145	<5	9	7	3.27	0.84	18	0.01	Varibly weathered Qz-Ab-Bt gneiss
387618	525599	6465077	<5	1	2	0.76	0.09	5	0.02	Varibly weathered Qz-Ab-Bt rock
387619	525900	6465216	<5	1	4	0.54	0.06	2	0.01	Coarse grained Qz-Ab-Kfeld-Bt rock
387620	526019	6465241	<5	7	6	4.36	1.12	32	0.03	Fine grained Qz-Ab-Kfeld-Bt rock
387621	526136	6465261	5	1	1	0.42	0.04	2	<0.01	Varibly weathered Qz-Ab-Bt rock /pegmatitic
387622	525949	6465581	<5	2	2	0.43	0.04	2	0.01	Weathered coarse grained Qz-Ab+/-Kfeld-Bt rock
387623	526037	6465559	<5	<1	3	0.38	0.03	4	0.01	Varibly weathered Qz-Ab-Bt rock/pegmatitic looking more Bt rich bands
387624	526107	6465517	<5	13	8	4.48	0.83	32	0.01	Qz-Bt gneiss more psamitic rich layers
387625	521204	6459988	5	1	3	0.59	0.09	2	<0.01	Varibly weathered coarse grained Qz-Ab-Bt rock
387626	520998	6459976	<5	4	6	0.88	0.16	6	0.01	Varibly weathered coarse grained Qz-Ab-Bt rock
387627	520908	6459844	5	2	3	0.41	0.05	1	0.01	Varibly weathered coarse grained Qz-Ab-Bt rock
387628	520941	6459706	17	55	165	10.25	0.15	24	1.15	Hematite-limonite (after pyrite) siliceous rock
387629	520918	6459681	6	52	83	6.27	0.02	15	0.16	Qz-Ab rock fe stained pitts after pyrite
387630	520333	6459201	<5	1	2	0.73	0.11	2	<0.01	Varibly weathered Qz-Ab-Bt rock
387631	519899	6459120	7	2	8	0.51	0.06	1	0.01	Qz-Ab rock minor kfeld
387632	519869	6459043	<5	5	38	0.52	0.07	9	0.01	Qz-Ab +/- Bt kfeld rock
387633	519776	6459068	<5	3	4	0.67	0.13	5	<0.01	Varibly weathered coarse grained Qz-Ab-Bt rock
387634	519757	6459146	<5	2	9	0.5	0.05	1	<0.01	Varibly weathered coarse grained Qz-Ab-Bt rock
387635	519084	6457667	5	1	3	0.68	0.05	1	0.01	Varibly coarse to medium grained weathered Qz-Ab-Bt rock
387636	519055	6457773	5	3	15	0.6	0.05	2	0.01	Varibly coarse to medium grained weathered Qz-Ab-Bt rock
387637	519366	6457951	<5	2	16	0.69	0.08	13	0.01	Varibly coarse to medium grained weathered Qz-Ab-Bt rock
387638	519308	6457891	<5	3	5	0.76	0.16	3	0.01	Varibly coarse to medium grained weathered Qz-Ab-Bt rock
387639	519781	6458490	<5	1	5	0.43	0.03	3	<0.01	Varibly coarse to medium grained weathered Qz-Ab-Bt +/- Kfeld rock
387640	519821	6458479	<5	2	6	0.52	0.04	3	0.01	Varibly coarse to medium grained weathered Qz-Ab-Bt rock

Sample ID	Easting GDA94z55	Northing GDA94z55	As (ppm)	Co (ppm)	Cu (ppm)	Fe (%)	Mg (%)	Ni (ppm)	S (%)	Description
387641	526334	6465943	8	1	11	0.62	0.07	2	0.01	Varibly coarse to medium grained weathered Qz-Ab-Bt rock
387642	526252	6466030	<5	10	10	2.56	1.09	31	0.03	Varibly weathered finer grained here Qz-Ab-Bt gneiss
387643	526094	6466101	5	1	2	0.46	0.04	1	0.01	Fine grained Qz-Ab rock more psammitic
387644	526260	6466215	<5	4	5	1.16	0.31	9	0.01	Coarse grained Qz-Ab +/- Bt rock
387645	526371	6466225	<5	1	3	0.69	0.09	3	0.01	Coarse grained Qz-Ab +/- Bt rock
387646	526423	6466403	<5	1	2	0.76	0.12	7	0.01	Coarse grained Qz-Ab +/- Bt rock
387647	526306	6466391	<5	1	3	0.52	0.04	2	0.01	Qz-Ab +/- Bt rock
387648	526341	6466599	5	1	4	0.5	0.07	2	0.01	Coarse grained Qz-Ab +/- Bt rock
387649	526507	6466594	<5	4	8	2.12	0.67	17	0.01	Qz-Bt_Ab rock Bt rich
387650	525387	6465463	<5	1	3	0.41	0.04	1	0.01	Coarse grained Qz-Ab +/- Bt rock
387651	525430	6465575	<5	1	2	0.43	0.04	2	<0.01	Coarse grained Qz-Ab +/- Bt rock
387652	525273	6465543	<5	1	4	0.46	0.04	<1	0.01	Coarse grained Qz-Ab +/- Bt rock
387653	525147	6465773	<5	1	2	0.59	0.07	1	0.01	Coarse grained Qz-Ab +/- Bt rock
387654	525161	6465846	<5	1	3	0.49	0.04	1	0.01	Coarse grained Qz-Ab +/- Bt rock
387655	525221	6465974	<5	<1	3	0.51	0.04	1	0.01	Coarse grained Qz-Ab +/- Bt rock
387656	517104	6457686	<5	10	31	1.54	0.27	9	0.01	Coarse grained Qz-Ab +/- Bt rock
387657	517109	6457680	11	78	330	12.6	0.14	280	0.02	Goethitic quartz vein in Qz-Ab rock
387658	517631	6457720	<5	2	7	0.57	0.04	2	0.01	Varibly weathered Qz-Ab-Bt rock
387659	517708	6457797	<5	1	3	0.45	0.02	<1	0.01	Varibly weathered coarse grained Qz-Ab rock
387660	517873	6457758	<5	1	8	0.47	0.02	8	0.01	Varibly weathered Qz-Ab rock
387661	518073	6457835	<5	2	4	0.76	0.09	6	0.01	Variably weathered Qz-Ab +/- Bt rock
387662	518325	6457725	<5	2	31	0.76	0.07	4	<0.01	Varibly weathered Qz-Ab rock

Source: ALS

JORC Code, 2012 Edition – Table 1 report template

Section 1 Sampling Techniques and Data

(Criteria in this section apply to all succeeding sections.)

Criteria	JORC Code explanation	Commentary

Sampling techniques	• *Nature and quality of sampling (eg cut channels, random chips, or specific specialised industry standard measurement tools appropriate to the minerals under investigation, such as down hole gamma sondes, or handheld XRF instruments, etc). These examples should not be taken as limiting the broad meaning of sampling.*
	• *Include reference to measures taken to ensure sample representivity and the appropriate calibration of any measurement tools or systems used.*
	• *Aspects of the determination of mineralisation that are Material to the Public Report.*
	• *In cases where 'industry standard' work has been done this would be relatively simple (eg 'reverse circulation drilling was used to obtain 1 m samples from which 3 kg was pulverised to produce a 30 g charge for fire assay'). In other cases more explanation may be required, such as where there is coarse gold that has inherent sampling problems. Unusual commodities or mineralisation types (eg submarine nodules) may warrant disclosure of detailed information.*
		• A total of 62 rock chip samples were analysed
		  • Samples were dispatched to ALS Adelaide for preparation. They were crushed to 6mm then pulverized to 75µm before being split and bulk residue retained.
		  • Analysis was via HF-HNO3-HCL04 acid digest + HCL leach ICP-AES finish (ME-ICP61).
		• Historic sampling previously reported in Table 1 on 2nd May 2018

Drilling techniques	• *Drill type (eg core, reverse circulation, open-hole hammer, rotary air blast, auger, Bangka, sonic, etc) and details (eg core diameter, triple or standard tube, depth of diamond tails, face-sampling bit or other type, whether core is oriented and if so, by what method, etc).*	• No exploration drilling undertaken to date.
Drill sample recovery	• *Method of recording and assessing core and chip sample recoveries and results assessed.* • *Measures taken to maximise sample recovery and ensure representative nature of the samples.* • *Whether a relationship exists between sample recovery and grade and whether sample bias may have occurred due to preferential loss/gain of fine/coarse material.*	• No exploration drilling undertaken to date.
Logging	• *Whether core and chip samples have been geologically and geotechnically logged to a level of detail to support appropriate Mineral Resource estimation, mining studies and metallurgical studies.* • *Whether logging is qualitative or quantitative in nature. Core (or costean, channel, etc) photography.*	• No exploration drilling undertaken to date

Criteria	JORC Code explanation	Commentary
	• *The total length and percentage of the relevant intersections logged.*	

Sub-sampling techniques and sample preparation	• *If core, whether cut or sawn and whether quarter, half or all core taken.*
	• *If non-core, whether riffled, tube sampled, rotary split, etc and whether sampled wet or dry.*
	• *For all sample types, the nature, quality and appropriateness of the sample preparation technique.*
	• *Quality control procedures adopted for all sub-sampling stages to maximise representivity of samples.*
	• *Measures taken to ensure that the sampling is representative of the in situ material collected, including for instance results for field duplicate/second-half sampling.*
	• *Whether sample sizes are appropriate to the grain size of the material being sampled.*
		• Procedure for rock chip sample collection:
		  • 1-1.5kg of sample collected via geopick
		  • Samples were bagged and tagged with unique assay number for analysis

Quality of assay data and laboratory tests	• *The nature, quality and appropriateness of the assaying and laboratory procedures used and whether the technique is considered partial or total.* • *For geophysical tools, spectrometers, handheld XRF instruments, etc, the parameters used in determining the analysis including instrument make and model, reading times, calibrations factors applied and their derivation, etc.* • *Nature of quality control procedures adopted (eg standards, blanks, duplicates, external laboratory checks) and whether acceptable levels of accuracy (ie lack of bias) and precision have been established.*	• Rock chip and soil samples were delivered by courier to the ALS laboratory in Adelaide, SA • ALS has an in-house QA-QC protocol
Verification of sampling and assaying	• *The verification of significant intersections by either independent or alternative company personnel.* • *The use of twinned holes.* • *Documentation of primary data, data entry procedures, data verification, data storage (physical and electronic) protocols.* • *Discuss any adjustment to assay data.*	• All assay data was delivered in both csv and pdf/certified assay certificate format from ALS • Data was manually checked, and all QA/QC samples assessed for analytical precision and variance. The data was entered into Pitney Bowes MapInfo Professional and validated by the CCZ Geology Team. • All electronic data is backed up and no hard copy data is retained.
Location of data points	• *Accuracy and quality of surveys used to locate drill holes (collar and down-hole surveys), trenches, mine workings and other locations used in Mineral Resource estimation.* • *Specification of the grid system used.* • *Quality and adequacy of topographic control.*	• Rock chip and soil samples locations (easting, northing, RL) were picked up by handheld Garmin Oregon 750t. • This is adequate for current requirements with lateral accuracy of plus or minus 10m.

Criteria	JORC Code explanation	Commentary
Data spacing and distribution	• *Data spacing for reporting of Exploration Results.* • *Whether the data spacing and distribution is sufficient to establish the degree of geological and grade continuity appropriate for the Mineral Resource and Ore Reserve estimation procedure(s) and classifications applied.* • *Whether sample compositing has been applied.*	• Rock chip sample spacing is irregular and results are indicative only. The results are not appropriate for Mineral Resource and Ore Reserve estimation. • Samples from both rock chips and soil are appropriate for guiding the and refining the selection of areas for exploration drilling.
Orientation of data in relation to geological structure	• *Whether the orientation of sampling achieves unbiased sampling of possible structures and the extent to which this is known, considering the deposit type.* • *If the relationship between the drilling orientation and the orientation of key mineralised structures is considered to have introduced a sampling bias, this should be assessed and reported if material.*	• Rock chip samples were taken opportunistically where outcropping units were observed within the tenements.
Sample security	• *The measures taken to ensure sample security.*	• All samples were temporarily stored at site accommodation then delivered by courier to ALS Minerals Laboratory in Adelaide. This acted as physical security in the chain of custody, with sample itinerary sheets used for handing samples over to the ALS Minerals Laboratory.
Audits or reviews	• *The results of any audits or reviews of sampling techniques and data.*	• No reviews or audits have been conducted to this point.

Section 2 Reporting of Exploration Results

(Criteria listed in the preceding section also apply to this section.)

Criteria	JORC Code explanation	Commentary
Mineral tenement and land tenure status	• *Type, reference name/number, location and ownership including agreements or material issues with third parties such as joint ventures, partnerships, overriding royalties, native title interests, historical sites, wilderness or national park and environmental settings.* • *The security of the tenure held at the time of reporting along with any known impediments to obtaining a licence to operate in the area.*	• Castillo Copper (“CCZ”) holds: • EL8599 consisting of 20 units (approx. 60 km2). The tenure has been formally granted for the term of 36 months until 20 June 2020. • EL 8572 consisting of 19 units (approx. 57km2). The tenure has been formally granted for the term of 36 months until 23 May 2020.
Exploration done by other parties	• *Acknowledgment and appraisal of exploration by other parties.*	• Previously reported in Table 1 on 2nd May 2018
Geology	• *Deposit type, geological setting and style of mineralisation.*	• Previously reported in Table 1 on 2nd May 2018

Criteria	JORC Code explanation	Commentary
Drill hole Information	• *A summary of all information material to the understanding of the exploration results including a tabulation of the following information for all Material drill holes:* o *easting and northing of the drill hole collar* o *elevation or RL (Reduced Level – elevation above sea level in metres) of the drill hole collar* o *dip and azimuth of the hole* o *down hole length and interception depth* o *hole length.* • *If the exclusion of this information is justified on the basis that the information is not Material and this exclusion does not detract from the understanding of the report, the Competent Person should clearly explain why this is the case.*	• Previously reported in Table 1 on 2nd May 2018 • No new drilling completed and reported in this announcement.
Data aggregation methods	• *In reporting Exploration Results, weighting averaging techniques, maximum and/or minimum grade truncations (eg cutting of high grades) and cut-off grades are usually Material and should be stated.* • *Where aggregate intercepts incorporate short lengths of high grade results and longer lengths of low grade results, the procedure used for such aggregation should be stated and some typical examples of such aggregations should be shown in detail.* • *The assumptions used for any reporting of metal equivalent values should be clearly stated.*	• Previously reported in Table 1 on 2nd May 2018 • No new drilling completed and reported in this announcement.
Relationship between mineralisation widths and intercept lengths	• *These relationships are particularly important in the reporting of Exploration Results.* • *If the geometry of the mineralisation with respect to the drill hole angle is known, its nature should be reported.* • *If it is not known and only the down hole lengths are reported, there should be a clear statement to this effect (eg 'down hole length, true width not known').*	• The mineralisation is hosted within lateritic material, likely overlain by alluvial material. • Rock chip were collected at surface from areas interpreted to overlie the Himalaya Formation • No exploration drilling undertaken to date.
Diagrams	• *Appropriate maps and sections (with scales) and tabulations of intercepts should be included for any significant discovery being reported These should include, but not be limited to a plan view of drill hole collar locations and appropriate sectional views.*	• No significant discovery reported to date. • No new exploration drilling undertaken to date.

Criteria	JORC Code explanation	Commentary
Balanced reporting	• *Where comprehensive reporting of all Exploration Results is not practicable, representative reporting of both low and high grades and/or widths should be practiced to avoid misleading reporting of Exploration Results.*	• A selection of Rock Chip Geochemistry Samples (results in ppm) is reported below, these are discussed within the body of this announcement: • Only partial results received to date and listed in the body of the announcement. Full results to be released in follow up announcement.
Other substantive exploration data	• *Other exploration data, if meaningful and material, should be reported including (but not limited to): geological observations; geophysical survey results; geochemical survey results; bulk samples – size and method of treatment; metallurgical test results; bulk density, groundwater, geotechnical and rock characteristics; potential deleterious or contaminating substances.*	• Previously reported in Table 1 on 2nd May 2018 • GSNSW historic thin sections reviewed. Slides T38105 and T38107 publicly available via the NSW's Department of Primary Industries Division of Resources and Energy Platforms of DIGS, Minview and Geoscience Warehouse. • Slide imagery accessed via the GSNSW Londonderry Core Shed.
Further work	• *The nature and scale of planned further work (eg tests for lateral extensions or depth extensions or large-scale step-out drilling).* • *Diagrams clearly highlighting the areas of possible extensions, including the main geological interpretations and future drilling areas, provided this information is not commercially sensitive.*	• Final analysis and interpretation of rock chip samples • Soil sampling program • Exploration drilling program at Target Area 1