CASTILLO COPPER LIMITED

ASX Release

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CASTILLO COPPER LIMITED
ACN 137 606 476

Level 26
140 St Georges Terrace
Perth WA, 6000
Australia

Tel: +61 8 6558 0886
Fax: +61 8 6316 3337

Contact:
Alan Armstrong
Executive Director

E-mail:
info@castillocopper.com

For the latest news:

www.castillocopper.com

Directors / Officers:
Peter Meagher
Alan Armstrong
Peter Smith

Issued Capital:
580.1 million shares
84.5 million options

ASX Symbol:
CCZ

Diamond drill core assays up to 14.45% Cu, 5.93% Zn & 40.1g/t Ag at Cangai Copper Mine

- **Excellent assay results for diamond drill-hole (CC0036D) core extracted from Volkhardts DHEM Conductor 1, which focused primarily on the 9.6m high-grade mineralised intersection[1]:**
  - **The best intersection was 4.39m @ 5.06% Cu, 2.56% Zn and 20.1 g/t Ag from 49.9m**
  - **This included high grade readings up to 14.45% Cu, 5.93% Zn & 40.1g/t Ag (results still pending for gold)**
- **The upshot of these results is it continues to strengthen the Board's view that Cangai Copper Mine has the potential to be one of the highest grading copper deposits in Australia**
- **Further, these findings complement consistent high-grade assay results from RC drilling, including CC0023R which produced 11m @ 5.94% Cu, 2.45% Zn & 19.1 g/t Ag from 40m including 1m @ 10.25% Cu, 1.68% Zn & 32.5 g/t Ag from 48m[2]**
- **Moving forward, the Board's next priorities at Cangai Copper Mine comprise:**
  - **Complete the Phase II RC-drilling campaign focusing on testing DHEM Conductors under Mark's, Greenberg's and Volkhardts lodes**
  - **Undertake incremental DHEM survey work to expand the understanding of prospective extensions to the known ore body in order to define targets that may have the potential to increase the resource inventory**
- **As the area surrounding the deposit is under-explored, yet highly prospective for copper mineralisation, CCZ will undertake detailed heli-magnetic surveys within the Cangai South tenure (total area: 278.4km^2) to identify further alteration systems that have the capability of hosting high-grade ore deposits**

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Castillo Copper's Chairman Peter Meagher commented: *"The assay results from the diamond drill core significantly exceeded the Board's expectations, especially the 14.45% copper reading. Clearly, in the Board's view, Cangai Copper Mine is potentially one of the highest grading copper deposits across Australia. The Board's strategic intent has broadened to encompass, firstly, determining the scalability of the high-grade ore body at Cangai Copper Mine through more DHEM survey work and RC-drilling; and, secondly, capitalise on incremental exploration upside through flying aero-magnetic surveys over pre-selective parts of the Cangai South tenure to identify new high-grade targets."*

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Copper Limited's ("CCZ" or "the Company") Board is pleased to report solid diamond drill core assay results for drill-hole CC0036D, which validate the high-grade nature of the underlying ore body at Cangai Copper Mine. Furthermore, the Board has now mapped out forward exploration plans.

ASSAYS REAFFIRM HIGH-GRADE COPPER DEPOSIT

The diamond drill core assay findings for drill-hole CC0036D, which were from Volkhardts DHEM Conductor 1 (refer Figure 3 below), were above CCZ's geology team's expectations.

The best intersection, from 9.6m of highly mineralised core[1] (Figure 1) extracted, was **4.37m @ 5.06% Cu, 2.56% Zn & 22.7 g/t Ag from 49.9m** (Figure 2).

Notably, within this section, the best readings were up to **14.45% Cu, 5.93% Zn & 40.1g/t Ag** (gold assays are still pending).

FIGURE 1: DIAMOND DRILL CORE SAMPLES 1 & 2

Note: 53.1-54.3m chalcopyrite dominant

Note: 49.9-50.8m sphalerite and chalcopyrite

Source: CCZ geology team

These diamond core results build on the RC-drilling assays from drill-hole CC0023R which delivered **11m @ 5.94% Cu, 2.45% Zn & 19.1 g/t Ag from 40m including 1m @ 10.25% Cu, 1.68% Zn & 32.5 g/t Ag[2] from 48m.** More encouragingly, from the Board's perspective, bundling these results demonstrates that Cangai Copper Mine potentially has one of the highest grading copper deposits in Australia.

FIGURE 2: BEST DIAMOND DRILL CORE INTERSECTIONS

Hole ID	From (m)	To (m)	Length (m)	Cu %	Zn %	Ag g/t
CC0036D	49.90	54.27	4.37	5.06	2.56	22.7
INCLUDING BEST 0-1m INTERSECTIONS						
CC0036D	49.90	50.50	0.60	7.66	5.03	36.8
CC0036D	50.50	50.76	0.26	3.07	5.93	40.1
CC0036D	53.05	53.65	0.60	6.51	1.50	14.8
CC0036D	53.65	53.95	0.30	14.45	1.24	32.2
CC0036D	53.95	54.27	0.32	6.87	3.10	18.9

* Weighted Average; ^ Minimum criteria holes for 36D = 0.4% Cu; 0.2% Zn; 2 g/t Ag
Source: ALS & CCZ geology team (refer Appendix A)

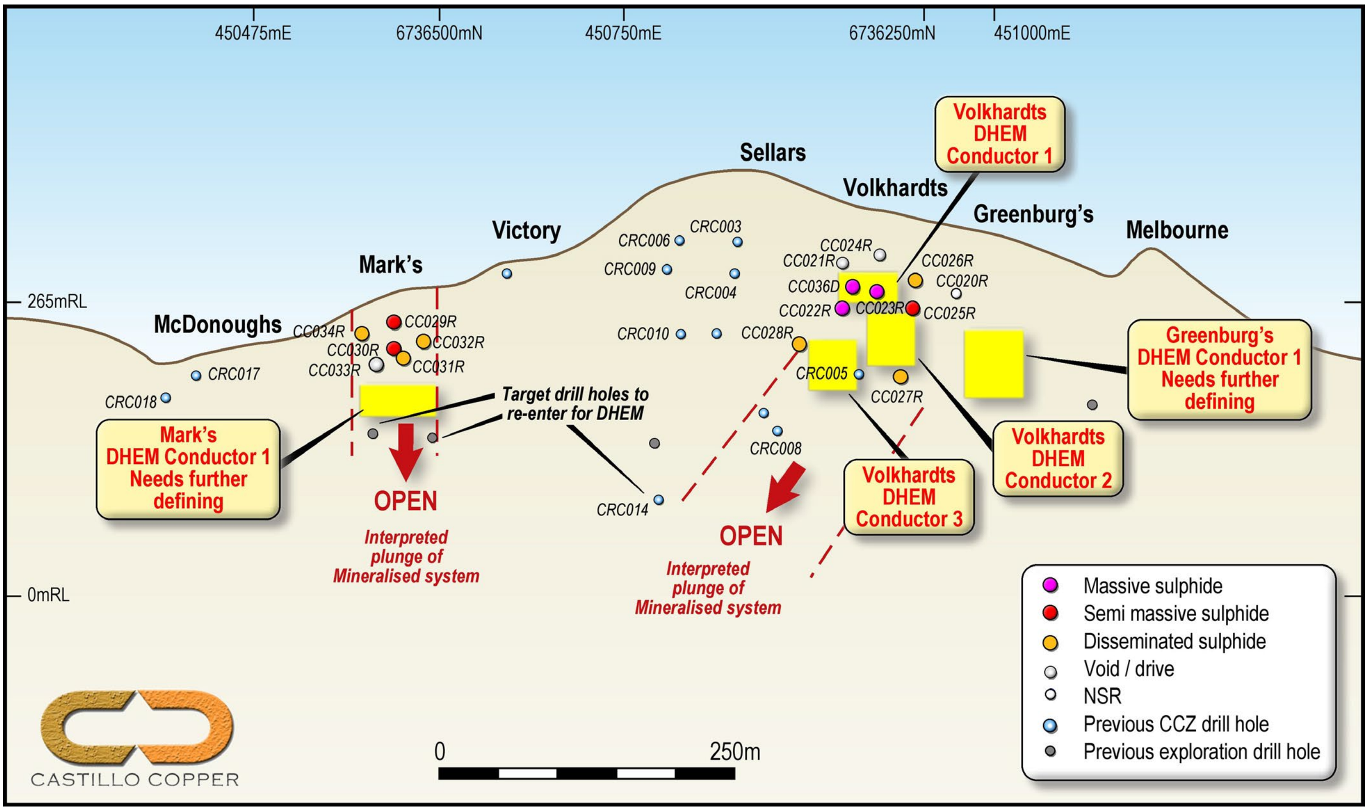
EXPLORATION UPSIDE

Cangai Copper Mine

Moving forward, the Board has several strategic initiatives to progress, given there is still considerable exploration upside at Cangai Copper Mine apparent. The immediate priorities are to complete the Phase II campaign which entails RC-drill testing the DHEM conductors identified under Mark's, Greenberg's and Volkhardts lodes to ascertain potential extensions to known massive sulphide mineralisation (Figure 4).

In addition, conduct further DHEM surveys to identify new targets that expand the known orebody to demonstrate scalability at Cangai Copper Mine.

FIGURE 4: MASSIVE SULPHIDE DHEM CONDUCTORS AT CANGAI COPPER MINE



Source: CCZ geology team

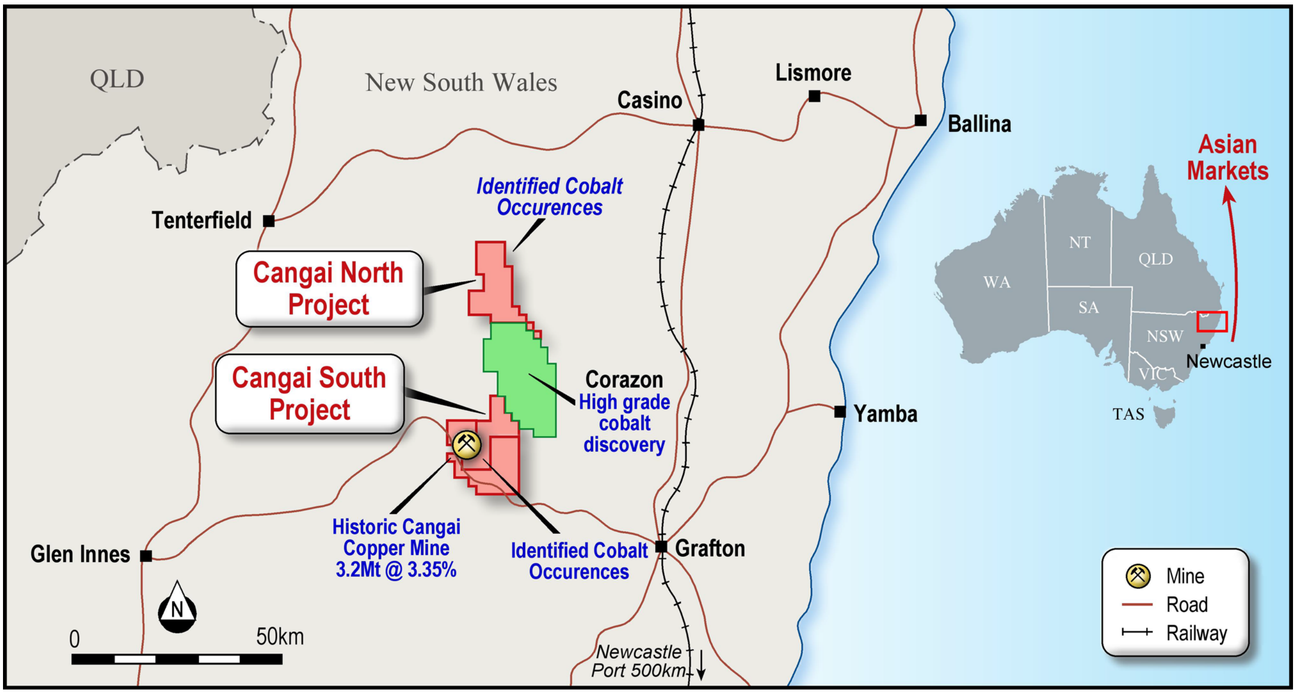
Cangai South tenure

Compared with other regions, minimal exploration, especially utilising advanced technology, has been undertaken across CCZ's ground since the early 1990s. Previous desktop work by the geology team confirms the region is largely under-explored but is highly prospective for copper-zinc-cobalt mineralisation.

However, exploration work to date at Cangai Copper Mine has shown the ore mineralisation is highly magnetic, as well as being conductive.

Consequently, the Board is now reviewing potential contractors to undertake an aero-magnetic survey (using a helicopter) over pre-selected parts of the 278.4km^2 that comprises the Cangai South tenure (Figure 4). The core objective will be to identify new potential massive sulphide targets, exhibiting similar mineralisation to Cangai Copper Mine, that may materially expand on the known ore bodies to demonstrate incremental scale.

FIGURE 4: CANGAI COPPER PROJECT



Source: CCZ geology team

Next steps

The Board is still waiting for metallurgical test-work on legacy stockpiles around Cangai Copper Mine to facilitate closing out the MOU off-take agreement with Nobel Group.

Meanwhile, further refinement and optimisation work, factoring in findings from the latest DHEM survey results, is underway to complete RC-drilling high priority targets under Mark's, Greenberg's and Volkhardts lodes.

In addition, the Board intends to finalise plans for the inaugural aero-magnetic survey to be undertaken over select parts of the Cangai South tenure.

For and on behalf of Castillo Copper

Alan Armstrong

Executive Director

References:

1) CCZ ASX Release 27 November 2018
2) CCZ ASX Release 3 September 2018

COMPETENT PERSON STATEMENT

The information in this report that relates to Exploration Targets, Exploration Results, Mineral Resources or Ore Reserves is based on information compiled by Peter Smith, a Competent Person who is a Member of the Australasian Institute of Mining and Metallurgy. Peter Smith is employed by Castillo Copper Pty Ltd. Peter Smith has sufficient experience that is relevant to the style of mineralisation and type of deposit under consideration and to the activity being undertaken to qualify as a Competent Person as defined in the 2012 Edition of the 'Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves'. Peter Smith consents to the inclusion in the report of the matters based on his information in the form and context in which it appears.

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 Inferred Resources for copper: 3.2Mt @ 3.35% Cu Inferred Resource reported according to the guidelines of the JORC Code (2012) (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 (three 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.

APPENDIX A: ASSAY RESULTS FOR DRILL-HOLE CC0036D & GRAPHICS

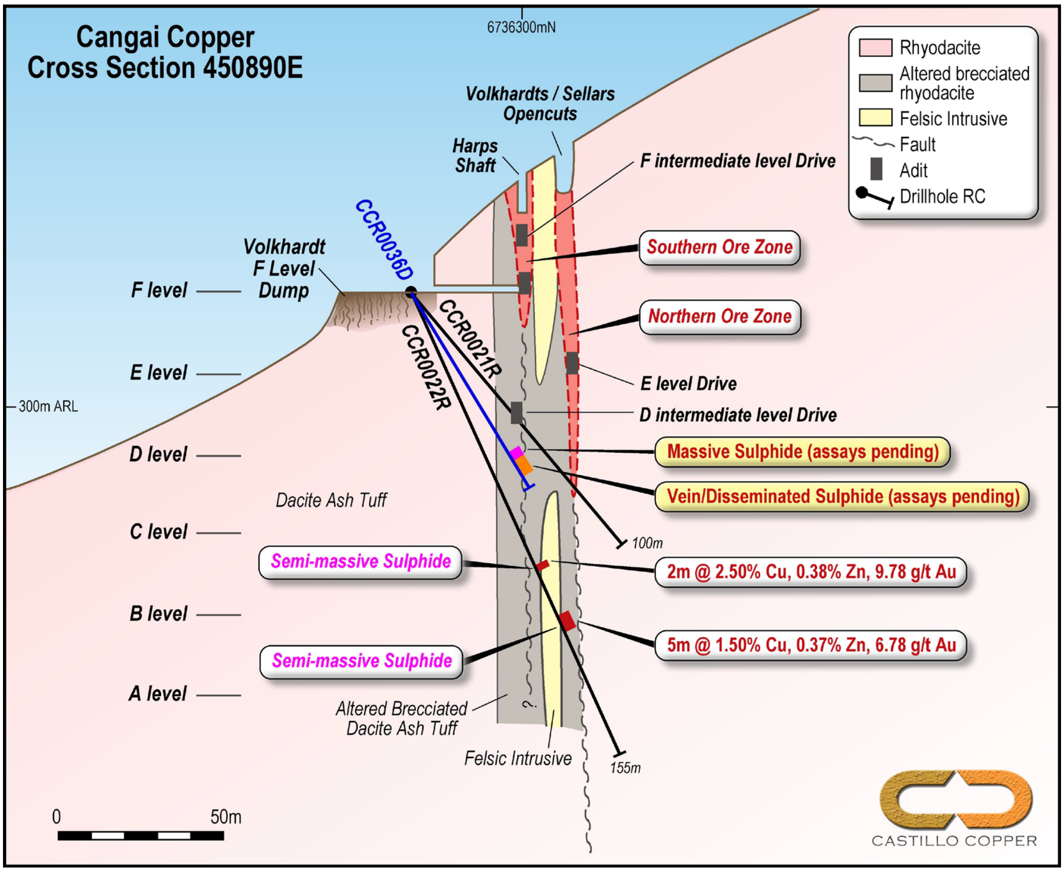
FIGURE A1: DRILL-HOLE ASSAYS

Hole ID	From (m)	To (m)	Cu (%)	Zn (%)	Ag (g/t)
CC0036D	49.2	49.9	0.192	0.013	0.86
CC0036D	49.9	50.5	7.660	5.030	36.8
CC0036D	50.5	50.76	3.070	5930	40.1
CC0036D	50.76	51	0.186	0.038	0.93
CC0036D	51	52.23	0.046	0.130	0.48
CC0036D	52.23	53.05	0.020	0.012	0.14
CC0036D	53.05	53.65	6.510	1.505	14.75
CC0036D	53.65	53.95	14.450	1.240	32.6
CC0036D	53.95	54.27	6.870	3.100	18.85
CC0036D	54.27	55.1	0.257	0.065	0.66

^ Minimum criteria = 4000ppm Cu or 2000ppm Zn or 2ppm Ag

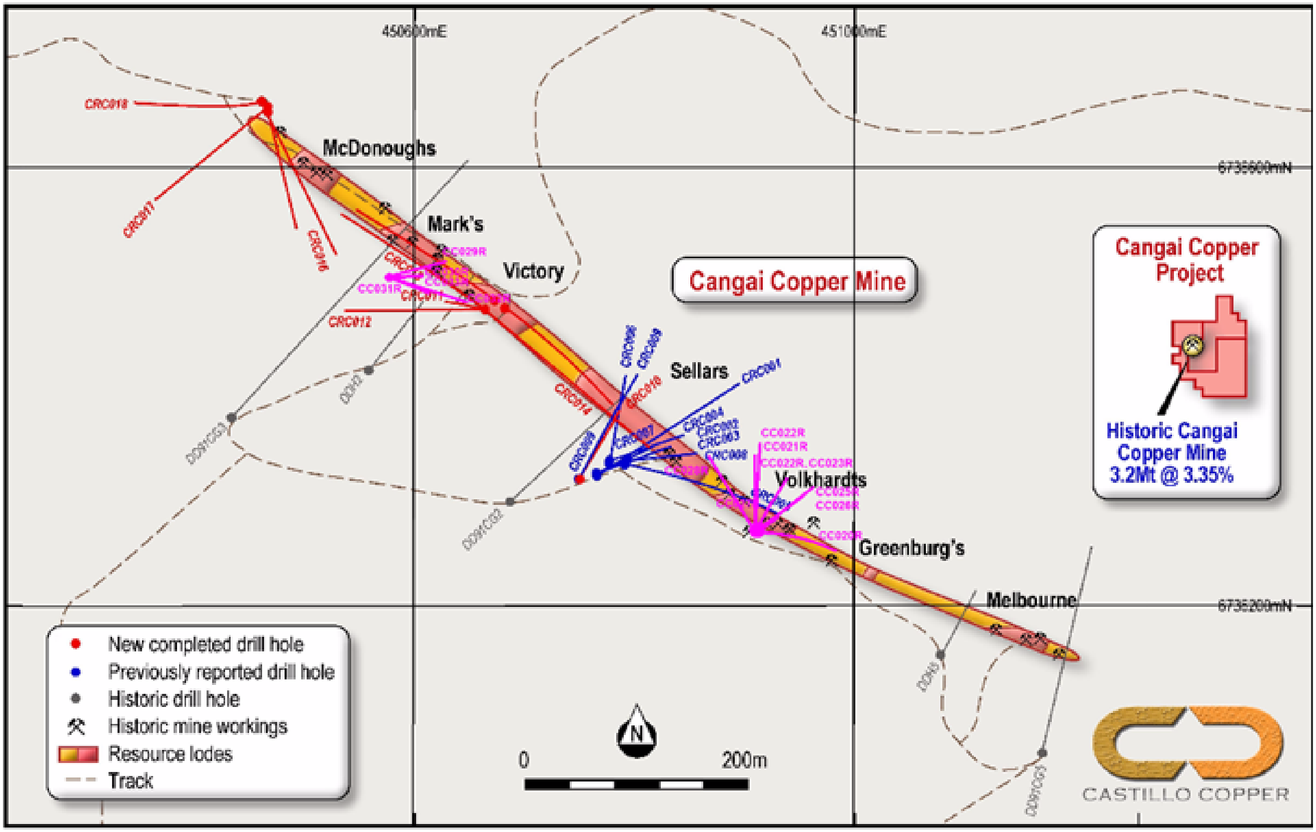
Source: ALS & CCZ geology team

FIGURE A2: DRILL-HOLE 36D CROSS SECTION



Source: CCZ geology team

FIGURE A3: DRILL-HOLES COMPLETED ALONG LINE OF LODE



Source: CCZ geology team

APPENDIX B: JORC CODE, 2012 EDITION – TABLE 1; CANGAI DRILLING PROGRAM

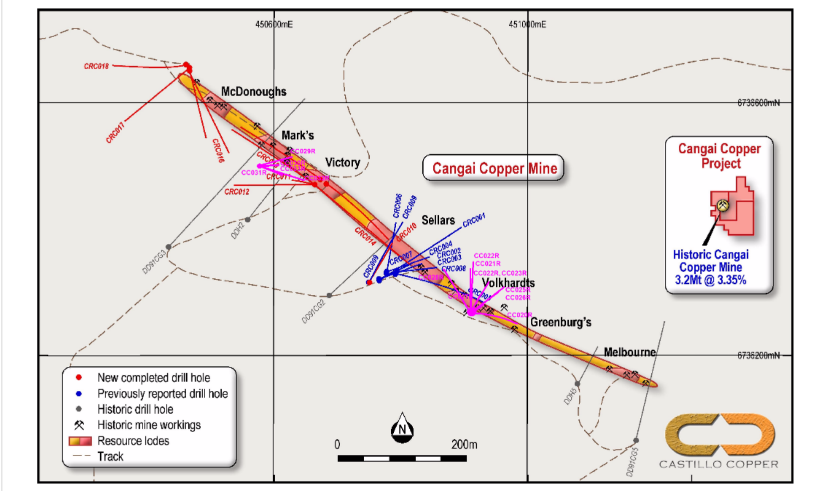
Section 1 Sampling Techniques and Data (Criteria in this section apply to all succeeding sections.)

Criteria	JORC Code explanation	Commentary
Sampling techniques	• *Nature and quality of sampling (e.g. 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 (e.g. '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 (e.g. submarine nodules) may warrant disclosure of detailed information.*	Samples from the Cangai drilling program were collected using the reverse circulation method of drilling on a 1 metre basis. Initially 20-25kg of chips and dust was collected and riffled down to a 1-2kg sample for further lab analysis. All samples are delivered for to ALS Laboratory in Brisbane QLD where the lab undertakes the splitting and compositing of the 5m composite samples and undertakes multi-element analysis on the 1m and 5m composite samples. The 1m samples were also sent to ALS Brisbane for a suite of major oxide and trace element determinations as described in later sections. The drilling program completed to date is shown in the Appendices within the report.
Drilling techniques	• *Drill type (e.g. core, reverse circulation, open hole hammer, rotary air blast, auger, Bangka, sonic, etc.) and details (e.g. 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.).*	Drilling was provided by Budd Drilling using a modified track-mounted UDH RC rig as illustrated below:

		Figure A1-1 Budd Drilling at Cangai  Diamond Core drilling was carried out using a Proactive Drilling Services, Commachio Drill Rig configured to run HQ Triple Tube. Drill core was oriented using the Reflex Act III orientation tool.
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.*	Sample recovery was generally 90-100% for each metre except when mining cavities (workings >5m wide) were intersected.

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.* *•The total length and percentage of the relevant intersections logged*	All drilling has been completed to high modern-day standard by a competent field teams & drill crew. Logging of the lithology has been to coded sheets for data entry into Excel and added to the geology database. Plastic chip trays were used to store sample on 1m intervals for future reference as illustrated below: Budd Drilling has provided a single shot tool for hole deviation. Readings are taken every 30m downhole. Hole deviations are in-line with expectations and follow the trend of the geological features. Diamond core was surveyed post drilling with a W&R Deviation tool. Figure A1-2 1M Sample chips preserved in plastic sample trays  CRC013 was planned as a vertical hole but deviated to the southwest.
Subsampling 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.*	RC sample are collected in 1m samples and riffle split in to calico bags at the rig. The samples are weighed details recorded. A pXRF unit is utilized to test the samples for mineralisation to determine which samples are tested as individual meters and which samples are to composited into 5m samples. Composite samples are being homogenized and riffle split at the labs prior to assaying. Diamond core are logged for structural measurements of Alpha and Beta angles as well as RQD. Drillcore is then ½ cored and then ¼ cored with ½ core remaining in core tray for further reference, and ¼ core sent to the assay labs, whilst a ¼ core is cut and made available for metallurgical sampling if required. The drillcore after processing and logging, is then dried andsulphide intersections are vacuum sealed to prevent deterioration of the sulphide minerals. Industry acceptable standards and blanks were used as certified reference material to ensure satisfactory performance of the laboratory.

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.*	Multi-suite analysis methodology (MS-ME61) which involves a four-acid digestion, is being completed by ALS in Brisbane QLD, for the following elements ; Ag, As, Se, Ca, K, S, Ba, Sb, Sn, Cd, Pd, Zr, Sr, Rb, Pb, Hg, Zn, W, Cu, Ni, Co, V, Ti, Au, Ga, Ge, LI, La, Fe, Mn, Cr, Sc, Mo, Th, U, Ta. Samples containing >1000ppm Cu are being tested for Au by fire assay method CU-OG62.
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.*	Field reading of multi-elements are estimated using Olympus Vanta M Portable XRF analyser as conducted as in internal check prior to sending samples for laboratory analysis. Reading times using 2 beam Geochem Mode was employed via 30sec/beam for a total of 60 sec. All logging and sampling data is collected, and data entered into excel spread sheets.
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.*	Drill pads were initial located using an RTK differential GPS. Drillholes collar locations have been picked using a Garmin handheld GPS to ±3m. At completion all drill hole will be accurately surveyed. Collars RLs are corrected and tagged to a recently completed Drone DTM topography model which has accuracies for AHD of ±0.3m.
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.*	Drillholes CC0019R was abandoned after 36m due to Rig problems Drillhole CC0020R deviated to much from the original plan and was abandoned at 155m All other drillhole have been drilled from the same drill pad on the Mullock dump from the Volkhardts F level adit, in a fan fashion on 4 nominal sections. Or from prepared drill pads for the Marks drilling. Other than field 5m composites the raw assay results returned from the labs have not been composited in the database (other than the 5m sample composites of non mineralised samples at the lab).

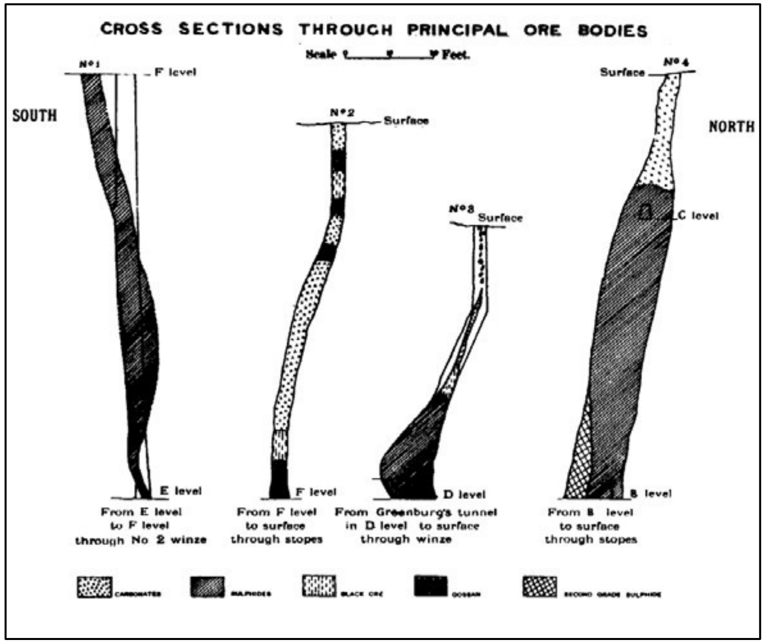
		450600mE 451000mE 6736600mN 6736200mN CRC018 CRC017 CRC016 McDonoughs Mark's CC029R Victory CC031R CRC011 CRC012 Cangai Copper Mine CRC006 CRC009 Sellars CRC001 CRC010 CRC014 CRC004 CRC002 CRC003 CRC007 CRC008 CC022R CC021R CC022R, CC023R Volkhardts CC025R CC026R CC020R Greenburg's Melbourne DDH2 DD91CG3 DD91CG2 DDH5 DD91CG5 Cangai Copper Project Historic Cangai Copper Mine 3.2Mt @ 3.35% New completed drill hole Previously reported drill hole Historic drill hole Historic mine workings Resource lodes Track 0 200m N CASTILLO COPPER

<table>
<tr>
<td>Orientation of data in relation to geological structure</td>
<td>• 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.</td>
<td>The drilling is planned to intersect workings and drill into data gaps between orebodies such that in general the intersections are where possible (due to restricted access) perpendicular to a strike of 126 degrees.

Additional surface bedding and foliation data, and that from some of the accessible underground mine adits was compiled from a UNSW Honours thesis (Brauhart 1991). Information is available from underground workings, open cut(s), shaft(s), adit(s), shallow pits and scrapings. The Lode sub-vertical to vertical, striking 126 degrees true north and pitching at 60 degrees to the west. The high-grade ore as mined, varies from 0.3m-3.9m wide

The known copper-gold mineralisation around Cangai strikes from 290-330 degrees, It should be noted that these orebody shapes were drawn at >13% Cu so that the with the major orebody shapes shown by Figure A1-5, below:

Figure A1-5: Orientation of Copper-Gold Mineralisation at the Cangai Mine



modelled wireframes in this current resource have been enlarged to try to capture mineralisation down to 0.5% Cu.</td>
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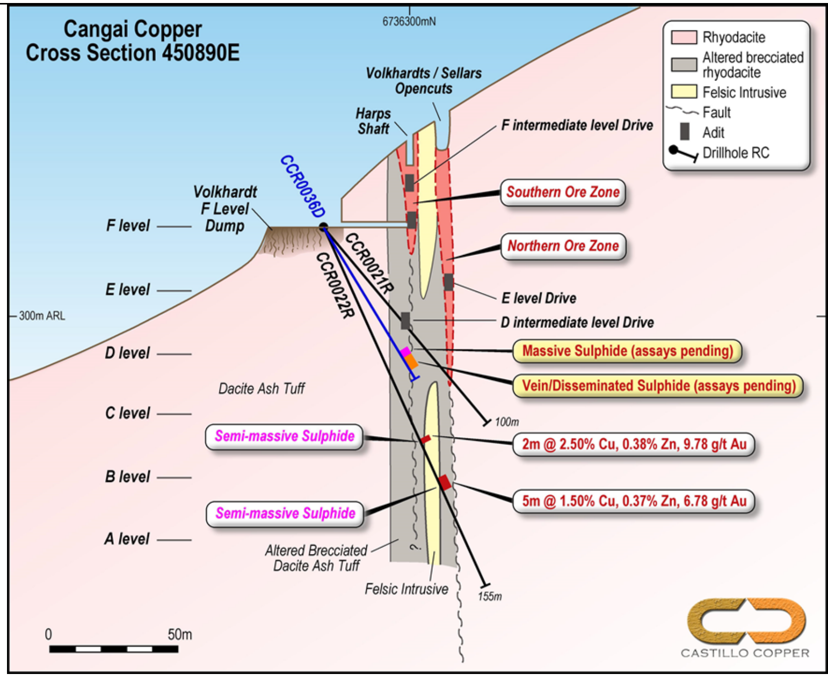


Sample security	• *The measures taken to ensure sample security.*	Samples were bagged and have been delivered by Gnomic Exploration Staff to ALS Laboratories Brisbane.
Audits or reviews	• *The results of any audits or reviews of sampling techniques and data.*	No audits or reviews have yet been undertaken. This will commence once all assay results have been received.

Table A1-1: Cangai Copper Drilling Collar Table Stage 2

Hole_ID	Hole_Type	Max_Depth (m)	NAT_Grid_ID	NAT_East	NAT_North	NAT_RL	Hole Inc	Hole Dec (Grid)	NAT_Survey_ Method
CC0026R	RC	102	MGA94_56	450915	6736270	324	53	49	Theodolite
CC0027R	RC	145	MGA94_56	450912	6736270	324	81	27	Theodolite
CC0028R	RC	140	MGA94_56	450907	6736272	325	59	329	Theodolite
CC0029R	RC	84	MGA94_56	450582	6736501	259	55	75	Theodolite
CC0030R	RC	103	MGA94_56	450583	6736500	259	75	88	Theodolite
CC0031R	RC	127	MGA94_56	450582	6736498	259	75	112	Theodolite
CC0032R	RC	118	MGA94_56	450583	6736498	260	55	112	Theodolite
CC0033R	RC	147	MGA94_56	450582	6736500	259	85	82	Theodolite
CC0034R	RC	79	MGA94_56	450541	6736547	236	85	27	Theodolite
CC0035D	DD	100	MGA94_56	450909	6736270	324	77	24	GPS
CC0036D	DD	61.4	MGA94_56	450890	6736272	324	62	18	GPS

Source: CCZ geology team

TABLE 1: DIAMOND DRILL-HOLE PROFILE – CC0036D

From (m)	To (m)	Lithology	Mineralisation
-	23.0	Dacitic ash tuff	Trace sulpides
23.0	23.4	Felsic intrusive	Trace sulpides
23.4	49.9	Dacitic ash tuff, rare banded mudstone	Trace sulpides
49.9	50.8	Massive sulphide	Sphalerite (15%), chalcopyrite (10%), pyrite (30%) & phyrrotite (30%)
51.2	53.1	Highly altered bleached dacitic ash tuff	Disseminated & vein sulphides
53.1	54.3	Massive sulphide	Chalcopyrite (45%), sphalerite (5%), pyrite (30%) & phyrrotite (30%)
54.2	60.3	Highly altered bleached dacitic ash tuff	Minor disseminated but percentage in narrow veins

*** For visual sulphide estimates**

Disseminated sulphides > 5%-10% sulphides
Semi-Massive 10% - 30% sulphides
Massive over 30% sulphides

Source: CCZ geology team

Cangai Copper Drilling Stage 1 Intersection Summary Table

Hole ID	From (m)	To (m)	Length (m)	Cu %	Zn %	Ag g/t	Au g/t
CC0026R	0	1	1	0.24	0.08	0.32	
CC0026R*	14	17	3	0.24	0.03	0.04	
CC0026R*	53	60	7	0.42	0.13	2.28	
inc	59	60	1	0.82	0.27	2.79	
CC0027R	1	2	1	0.38	0.16	0.06	
CC0027R	12	13	1	0.22	0.05	0.05	
CC0027R	125	126	1	0.55	0.39	2.50	
CC0028R*	0	2	2	0.23	0.08	0.11	
CC0028R*	105	108	3	0.28	0.01	0.33	
CC0028R*	109	111	2	0.42	0.11	2.37	
inc	109	110	1	0.53	0.13	2.92	
CC0028R	119	120	1	0.27	0.06	2.12	
CC0029R*	35	38	3	2.06	0.65	8.39	
inc	36	37	1	4.57	1.41	19.15	0.36
CC0030R*	56	59	3	1.70	0.40	4.02	
inc	56	58	2	2.45	0.56	5.83	0.24
CC0031R	71	72	1	1.47	0.30	5.58	0.14
CC0032R*	58	62	4	0.90	0.26	2.11	
inc	58	60	2	1.44	0.41	3.38	0.19
CC0033R	74	75	1	0.21	0.06	1.06	
CC0034R*	41	43	2	0.57	0.16	3.35	
inc	41	42	1	0.98	0.26	5.55	0.17

* Weighted Average

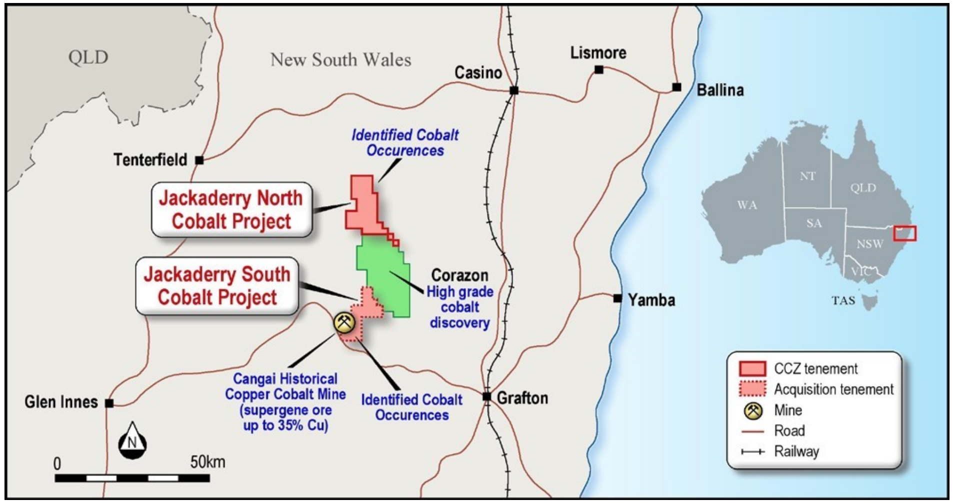
Minimum criteria = 0.2% Cu or 0.2% Zn or 2 g/t Ag

Hole ID	From (m)	To (m)	Cu (ppm)	Zn (ppm)	Ag (g/t)
CC0036D	49.2	49.9	0.192	0.013	0.86
CC0036D	49.9	50.5	7.660	5.030	36.8
CC0036D	50.5	50.76	3.070	5930	40.1
CC0036D	50.76	51	0.186	0.038	0.93
CC0036D	51	52.23	0.046	0.130	0.48
CC0036D	52.23	53.05	0.020	0.012	0.14
CC0036D	53.05	53.65	6.510	1.505	14.75
CC0036D	53.65	53.95	14.450	1.240	32.6
CC0036D	53.95	54.27	6.870	3.100	18.85
CC0036D	54.27	55.1	0.257	0.065	0.66

^ Minimum criteria = 4000ppm Cu or 2000ppm Zn or 2ppm Ag

Source: ALS & CCZ geology team

Section 2: Reporting of Exploration Results (Criteria listed in the preceding section also apply to this section)

<table>
<tr><th>Criteria</th><th>JORC Code explanation</th><th>Commentary</th></tr>
<tr><td>Mineral tenement and land tenure status</td><td>• 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.</td><td>• Castillo Copper holds 100% of EL 8625 & EL 8635. The tenure has been granted for a period of thirty-six months until 17th July 2020, for Group 1 minerals. The location of the tenure is shown in Figure A2.1 below:
Figure A2.1: Location of EL 8625 and EL8635 Jackaderry South


The current drilling has all been completed on EL 8625 and EL 8635 Jackaderry South only.</td></tr>
</table>

Exploration done by other parties	• *Acknowledgment and appraisal of exploration by other parties.*	Some mining history and discovery information provided by North Broken Hill Ltd (1970) is as follows: **Cangai** The Cangai copper mine, located 10 km north west of Jackadgery, is one of the richest copper and gold mines in the region. This deposit was discovered in 1901 by J. Sellers and was subsequently mined by the Grafton Copper Mining Company Ltd from 1904 to 1917. A copper smelter was built and a substantial village with a sawmill developed. Recorded production is 5080 tonnes of copper, 52.7 kg of gold and 1035 kg of silver (Henley and Barnes 1992). The mine was unusual in that its discovery post-dated much of the initial mineral discoveries in New England. It had the distinction of paying its own way from ore produced from the mine and paid rich dividends to its shareholders as a result of the rich ore and the low production costs related to the self fluxing ore and that ore could be easily hauled downhill to the smelter. The mine prompted upgrades to roads and communications into the area. Previous explorers (Brownlow, 1989; Abraham-Jones, 2012) have noted that a 'basement window' of exposed magmatic hydrothermal alteration and historical copper workings may represent the western and upper extent of a much larger hydrothermal system concealed under Mesozoic cover to the east, prospective for: • Quartz-tourmaline-sulphide-cemented, magmatic-hydrothermal breccia hosted copper-gold-molybdenum-cobalt (Cu-Au-Mo-Co) deposit; • Concealed porphyry copper-gold-molybdenum-cobalt (Cu-Au-Mo-Co) ore body associated with quartz diorite to tonalitic porphyry apophyses proximal to the tourmaline-sulphide cemented breccia's; • Potential also exists for copper-gold (Cu-Au) skarn; Considerable exploration has taken place in and around the Cangai Copper Mine (closed) by several large explorers such as Western Mining and CRA Exploration, the results of which are covered in the Local Geology section

Geology	*Deposit type, geological setting and style of mineralisation.*	Regional Geology The underlying geology is contained within the Coffs Harbour Block, east of the Demon Fault. The major basement unit is the Silurian-Devonian Silverwood Group (locally the Willowie Creek Beds), a mixed sequence of tuffaceous mudstones, intermediate to basic igneous rocks, slates, and phyllites, a low stage of regional metamorphism. Overlying this rock formation is a younger tectonic melange of Early Carboniferous age – the Gundahl Complex of slates, phyllites and schist, with chert, greenstone and massive lithic greywackes. These rocks are intruded by the Early Permian Kaloe Granodiorite (tonalite), which also in turn is intruded by numerous later-stage mafic (lamprophyre) dykes. Local Geology The local geology is well understood as considerable exploration has taken place in and around the Cangai Copper Mine (closed) by several major explorers such as Western Mining and CRA Exploration, the results of which are covered in the section below. The mineralisation is controlled by the presence of shear zones within the country rock and persistent jointing. Chloritic alteration is pervasive, with the major minerals identified (Henley and Barnes 1990) as: • **Azurite** major ore • **Chalcocite** major ore • **Chalcopyrite** major ore • **Copper** major ore • **Malachite** major ore • **Pyrite** major ore • **Pyrrhotite** major ore • **Arsenopyrite** minor ore • **Sphalerite** minor ore • **Cuprite** minor ore • **Gold** minor ore • **Limonite** minor ore • **Chlorite** major gangue • **Calcite** major gangue • **Quartz** major gangue • **Sericite** minor gangue

		Western Mining 1982-1984 Western Mining found that the recognition of substantial amounts of pyrrhotite in high grade ore collected from mine dumps led to the reappraisal of previous explorer's ground magnetics (Brown, 1984). Two soil anomalies were identified @ +60ppm Cu (max 1100ppm) and several strong linear magnetic anomalies (=250nT above background). Soil sampling and detailed ground inspections conducted over the linear magnetic high failed to identify any anomalous geochemistry or a possible source lithology. A 180m diamond drill hole was drilled to test the anomaly. Given the poor results of both the drilling and the follow-up stream sediment sampling, no further work was recommended. The decision was made to relinquish the licence in 1984. **CRA Exploration 1991-1992** CRA Exploration examined the geological form, setting and genesis of the mineralisation at the Cangai Copper Mine over several years. The work carried out consisted of geological mapping, collection of rock chip samples, and underground investigations at the mine site. Drill core from a CRA exploration program and mine dumps were also inspected. They concluded that the Cangai Copper Mine is hosted by sedimentary rocks of the Siluro-Devonian Willowie Creek Beds of tuffaceous mudstones, tuffaceous sandstones and conglomerates. Mineralisation appears to be associated with steeply plunging ore shoots in and adjacent to the main shear zone (Figure A2-2). Massive primary ore consists of chalcopyrite, pyrite and pyrrhotite with lesser sphalerite and minor arsenopyrite and galena. A detailed, well documented report was produced, but no reasons were given for the relinquishment of the licence.

Figure A2.2: Rock Chip Sampling at Cangai Copper Mine

Appendix 5 Ore Sample Assays

Similar dump samples to those collected by the author were submitted for analysis by CRA Exploration. Selected assays are presented below. Values are ppm unless otherwise stated.

	1	2	3	4	5	6
Cu	15.3%	28.6%	12.4%	14.8%	10.6%	11.0%
Pb	640	1200	1800	7550	800	2500
Zn	4.68%	1.27%	2.35%	9.50%	6400	5.10%
Ag	76	86	30	49	160	150
As	4750	1650	4850	3800	4750	7150
Mn	185	240	370	430	155	150
Au	1.80	2.50	0.72	2.30	1.32	1.85
Fe	30.9%	22.6%	28.2%	32.9%	33.8%	27.4%
S	27.5%	3.73%	16.6%	29.6%		
Co	70	25	300	330	370	300
V					<10	<10
Ba					<10	20
Ni					<5	<5
Bi					30	80
Cd					14	90

Sample description

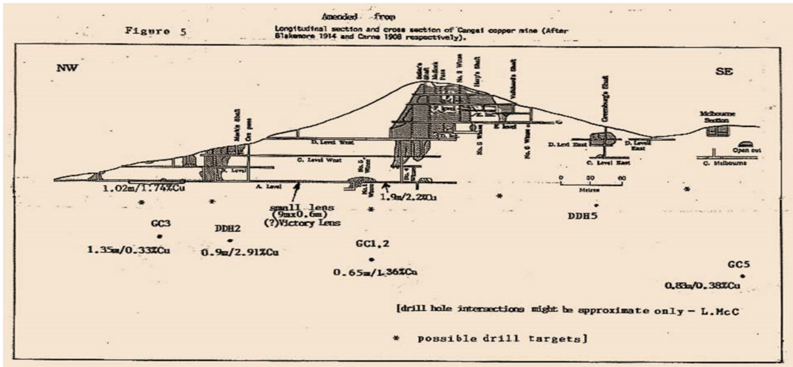
1 Massive chalcopyrite-pyrite ore
2 Oxide material
3 Massive pyrite chalcopyrite rock with gangue clasts
4 Well banded pyrite-sphalerite ore
5 Weakly banded massive sulfide
6 Weakly banded massive sulfide

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:* • *easting and northing of the drill hole collar ○ elevation or RL (Reduced Level – elevation above sea level in metres) of the drill hole collar* • *dip and azimuth of the hole* • *down hole length and interception depth* • *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*	Drill hole collar summary table (A1-1) and intersection summary tables are included as an Appendices in the report and shown in table A1-1 above. Mineralised zones are identified by the field geologist and flagged as geological/mineralised zones as shown in Table A1-2.

Data aggregation methods	*In reporting Exploration Results, weighting averaging techniques, maximum and/or minimum grade truncations (e.g. 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.*	No top cuts have been applied to reporting of the Significant Intersections and lower cut of 0.5% (5,000ppm) Cu has generally been used. No more than 1m of lower internal dilution has been used in the calculations. Full detailed assay intervals for the key elements are included in the Appendices of this report Summary Intersections have been reported based on estimated sulphide content Minimum criteria = 0.5% Cu or 0.2% Zn or 2 g/t Ag if assays **For visual sulphide estimates** *Disseminated sulphides > 5%-10% sulphides* *Semi-Massive 10% - 30% sulphides* *Massive over 30% sulphides*

<table>
<tr>
<td>Relationship between mineralisation widths and intercept lengths</td>
<td>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 (e.g. 'down hole length, true width not known').</td>
<td>All intersections are reported as downhole widths. Once assays are returned and the geological controls are fully established, the 3D modelling package will determine true widths which will be reported in due course.

The Lode is currently modelled to be sub-vertical to vertical, striking 126 degrees and pitching at 60 degrees west. Varies from 0.3m-3.9m wide. The main mining was from Volkardts, Melbourne, Marks, Sellers & Greenbergs lens. The secondary supergene zone grades averaged 20-35% Cu. The sulphide zone decreased to 8-10% Cu at depth. The Lode was largest at structural intersections. Breccia was recorded at D level.
The host rock is massive fine-grained intermediate volcanic, and bedding is difficult to define. The deposit is structurally controlled with lodes following or adjacent to the shear zone. A temperature of formation is suggested to be about 380 degrees centigrade (Brauhart 1991). The NSW Geological Survey has characterized Cangai as a metahydrothermal structurally-controlled deposit. Figure A2-3, below is a cross-section showing the four (4) main near vertical mineralised zones at the Cangai Mine.

Figure A2-3: NW to SE Cross-section of workings at Cangai Mine


Geo-registering was undertaken in June 2018, particularly the anomalous zones (which are in the process of being digitised off the 1908,1912, and 1914 mine plans (Brauhart 1991), which become priority targets for geological mapping, ground magnetic and EM surveys.
Data has also been extracted from a thorough UNSW Honours Thesis as referenced below:
Brauhart, C. (1991). The Geology & Mineralisation of the Cangai Copper Mine, Coffs Harbour Block Northeastern New South Wales. CRAE Report No: 17739. University of NSW.</td>
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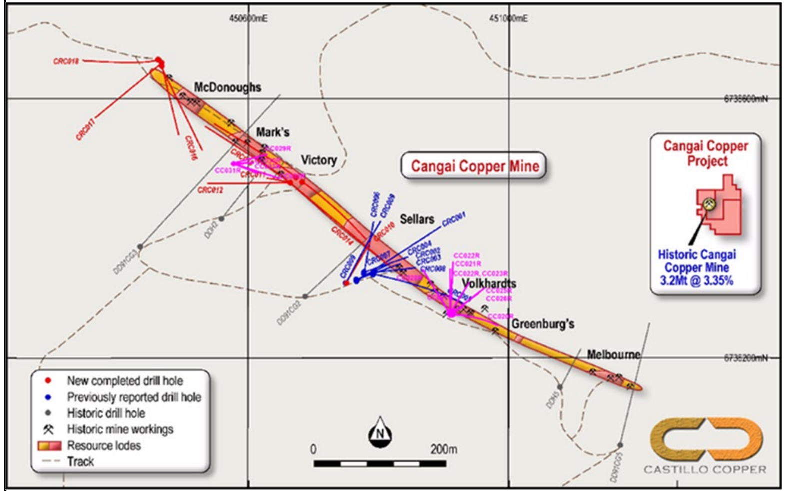
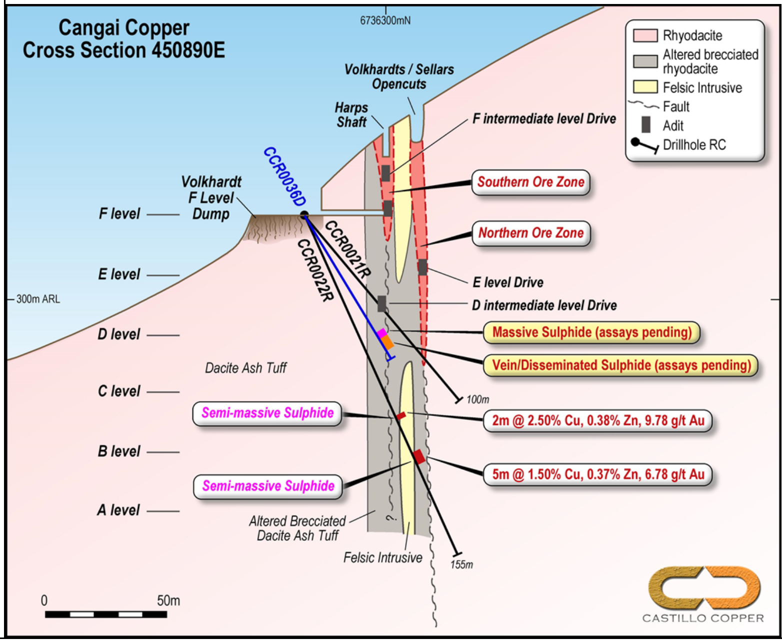
<tr>
<td>Diagrams</td>
<td>Appropriate maps and sections (with scales) and tabulations of intercepts should be included for any significant discovery being reported These should include, but not be limited to a plan view of drill hole collar locations and appropriate sectional views.</td>
<td>Appropriate diagrams have been included in the body text of the announcement.




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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 avoiding misleading reporting of Exploration Results.*	All drillholes completed to date have been reported.
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.*	Historical explorers have also conducted airborne and ground gravity, magnetic, A new EM Survey has been undertaken and has been previously reported (Multiple conductors discovered from FLEM survey, drill program to be expanded 8th January ASX Release). Castillo Copper has collected and continues to collect DHEM data, to identify off hole conductors. The configuration utilized is that of a single fixed loop, with a combination of sensor probes (including EMIT's Atlantis Digital Fluxgate probe, and Geonics BH43-3C) with station spacing at 5m down the drillhole. Survey frequency and sample stacking are optimized to ensure clean data is available for the consultant geophysicist to interpret. Interpretation of the data is carried out using EMIT's Maxwell EM modelling software.
Future Work	*The nature and scale of planned further work (e.g. 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.*	Castillo Copper is preparing for completion a Phase 2 of drilling with 39 drillholes submitted for regulatory approval by the NSW Dept Mines. Targeting the following locations • Smelter Creek Copper Smelter Dumps • Along strike and under the McDonoughs workings • Proximal to Marks' workings • Underneath Volkhardts' workings • DHEM anomaly located along strike from CRC005