ESTRELLA RESOURCES

Chile's star in copper-gold

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ASX ANNOUNCEMENT

28 August 2014

High Grade Copper intersected at Estrella's Colupo Norte Prospect

HIGHLIGHTS

Colupo Norte:

- ✓ High grade copper intersected from surface at Colupo Norte;
- ✓ Shallow RC drilling program intercepts at Colupo Norte include:
  - **4 m @ 1.1% Cu from 1m (RCCN-02), including;**
    - **1m at 2.6% Cu from 3m; and**
  - **2 m @ 1.1% Cu from 8m (RCCN-02), including;**
    - **1m at 1.5% Cu from 9m.**
- ✓ Two mineralised tourmaline breccias intersected near surface; and
- ✓ 125 m strike length identified and remains open along strike and depth.

Colupo:

- ✓ Colupo shallow RC drilling identifies prospective tourmaline breccias; and
- ✓ Colupo maiden Mineral Resource due late September.

Antucoya West:

- ✓ Large Porphyry Target drill testing ready at Antucoya West.

1. Introduction

Estrella Resources Limited (**ASX: ESR**, **Estrella** or the **Company**) is pleased to advise that it has now received the assay results from its initial 4 hole Reverse Circulation (RC) drilling program at the Colupo Norte prospect. Drilling has identified high grade copper mineralisation from surface and intersected two tourmaline breccias in the process. A strike length of 125m has been identified and mineralisation remains open along strike and depth.

In addition to the ongoing work at Colupo Norte, the Company is proceeding with obtaining its initial JORC resource at the Colupo Prospect and has undertaken a detailed review of all available data for its Antucoya West Prospect where the Company believes that there is a strong potential for a significant copper mineralised porphyry system beneath this zone

2. Colupo Norte

Estrella's initial 4 hole RC drilling program has identified high grade copper mineralisation from surface at the Colupo Norte Prospect within Estrella's flagship project, Altair. Estrella's exploration team is pleased to report that its systematic and targeted approach has been successful in identifying further Colupo-style high grade copper mineralisation commencing near-surface.

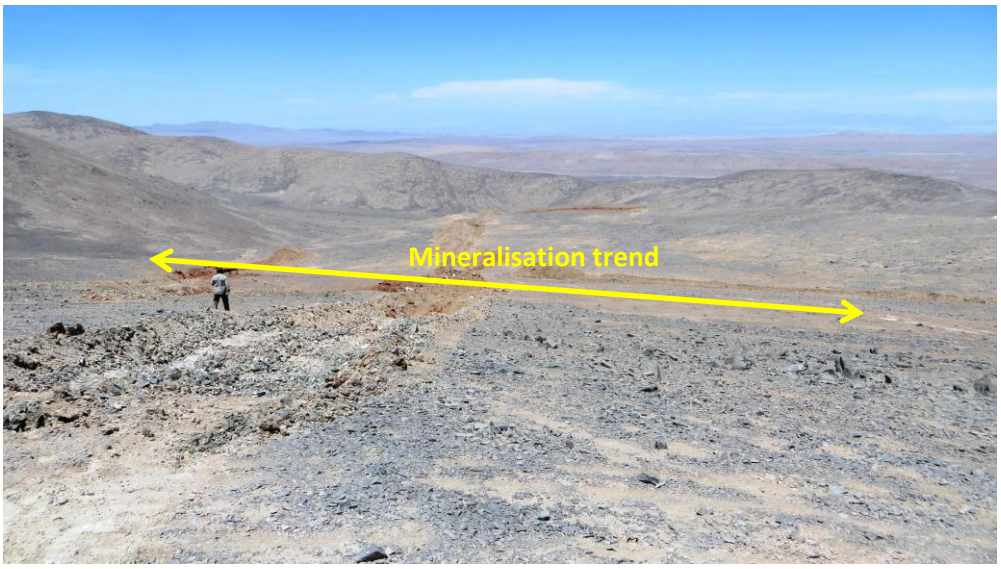

Figure 1: Trenches at Colupo Norte where shallow drilling has identified high grade copper mineralisation commencing at surface within two tourmaline breccias.

Assay results from the initial drill program have been received which demonstrates that all mineralisation is hosted within two tourmaline breccias (refer Table 1 below).

Table 1: Colupo Norte assay summary using 0.2% Cu cut-off. Note, all mineralisation is host within Tourmaline Breccias.

Hole ID	Easting	Northing	RL	EOH	Azimuth	Dip	From (m)	To (m)	Interval	Cu%
RCCN-01	400,988	7,517,317	2075	24	230	-70	2	8	6	0.4
							9	10	1	0.4
RCCN-02	400,981	7,517,410	2075	26	230	-70	1	5	4	**1.1**
						incl	*3*	*4*	*1*	***2.6***
							8	10	2	**1.1**
						incl	*9*	*10*	*1*	***1.5***
RCCN-03	400,983	7,517,383	2075	20	230	-70	1	4	3	0.4

(Coordinates in PSAD56, zone19s)

Table 2: Colupo Norte assay results summary without using a copper grade cut. Note, all intersections are within tourmaline breccias.

Hole ID	Easting	Northing	RL	EOH	Azimuth	Dip	From (m)	To (m)	Interval	Cu%	Cu ppm
RCCN-01	400,988	7,517,317	2075	24	230	-70	0	13	13	0.2	
							18	23	5	0.2	
RCCN-02	400,981	7,517,410	2075	26	230	-70	0	10	10	0.8	
RCCN-03	400,983	7,517,383	2075	20	230	-70	0	5	5	0.3	
							8	12	4	-	658
							14	17	3	-	881

(Coordinates in PSAD56, zone19s)

The Colupo Norte Prospect is 2.8 km north northwest of the Colupo Prospect with both Prospects having easy vehicle access. Estrella's exploration team identified copper oxide mineralisation at Colupo Norte in January 2014 (refer ASX announcement 28 January 2014). The initial interest in Colupo Norte followed regional hyperspectral image processing that Estrella undertook across the Altair Project and identified similar alteration zones expressed at surface to those observed at Colupo. Subsequent mapping of trenches at Colupo Norte revealed one tourmaline breccia with copper oxide in a similar fault setting to Colupo. The hyperspectral work identified numerous other similar alteration zones which Estrella's exploration team is currently assessing with field visits.

The purpose of the RC drill program at Colupo Norte was to cost-effectively penetrate the 'Caliche' gravel cover to identify occurrences of tourmaline breccias and test the near-surface mineralisation potential of the copper oxide. Three of the four holes drilled at Colupo Norte intersected mineralised tourmaline breccias as shown in Tables 1 and 2. Three drill holes were drilled to 20 metres depth, with the maximum depth drilled to 26 metres (hole RCCN-02). The fourth hole was drilled in the opposite direction to test the dip direction of the tourmaline breccias. No mineralisation was intersected and the dip was confirmed to be to the northeast.

Estrella is greatly encouraged by the results from the shallow RC drill holes because holes RCCN-01, 02 and 03 each intersected two mineralised tourmaline breccias (where previously only one was thought to occur) along a 125 metre strike length. The system remains open along strike and at depth.

The hyperspectral image processing technique has identified approximately a dozen other targets within the same 30 km trend along the Buey Muerto Fault Zone (BMZ) upon which both Colupo and Colupo Norte are situated. Estrella's exploration team is rapidly assessing each target in the field to be ready for drill testing in October. Some of the targets identified lie within Estrella's 100% owned tenements and will be announced to the market once the field program is completed and all information has been collated.

Figure 2: Strong copper oxide mineralisation within a tourmaline breccia from surface at Colupo Norte.

Figure 3: Locality map of Estrella's Altair Project in Region II, northern Chile (Map Datum WGS84 Zn19s).

3. More Tourmaline breccias identified at Colupo

Assay results have also been received for the 21 shallow RC drill holes from the program at Colupo. Several holes successfully intersected tourmaline breccias with anomalous copper and molybdenum values. The purpose of the drilling program was to identify tourmaline breccias near to the known extents of mineralisation but concealed by the 'caliche' gravel cover. Mineralisation at Colupo is host within the tourmaline breccias with the first objective being to locate the breccias. All drill holes were drilled to only 20 metres deep to conserve costs and avoid unnecessarily drilling long intercepts of non-prospective volcanic rocks. It is unlikely that every breccia will host high grade mineralisation within the first few metres although it can occur (for example, high grades at Colupo Norte in hole RCCN-02). Consequently, any detection of tourmaline breccias is considered highly prospective and requires deeper drilling to test their metal content.

Assay results for the non-prospective volcanic units at Colupo are typically below 80 ppm. The best anomalous intervals detected within the prospective tourmaline breccias were in holes RCBC-017 and RCBC-018 (800 ppm Cu) (see Table 3). Estrella will further test this zone to see if it is a displaced section of the main WNW trending mineralised tourmaline breccias. It is important to note that in Table 2, similar anomalous values were detected in hole RCCN-03 at Colupo Norte to the anomalous values detected in tourmaline breccias at Colupo (approximately 800 ppm), where just 27 metres away, high grade copper grades were intersected in hole RCCN-02 within the same tourmaline breccias.

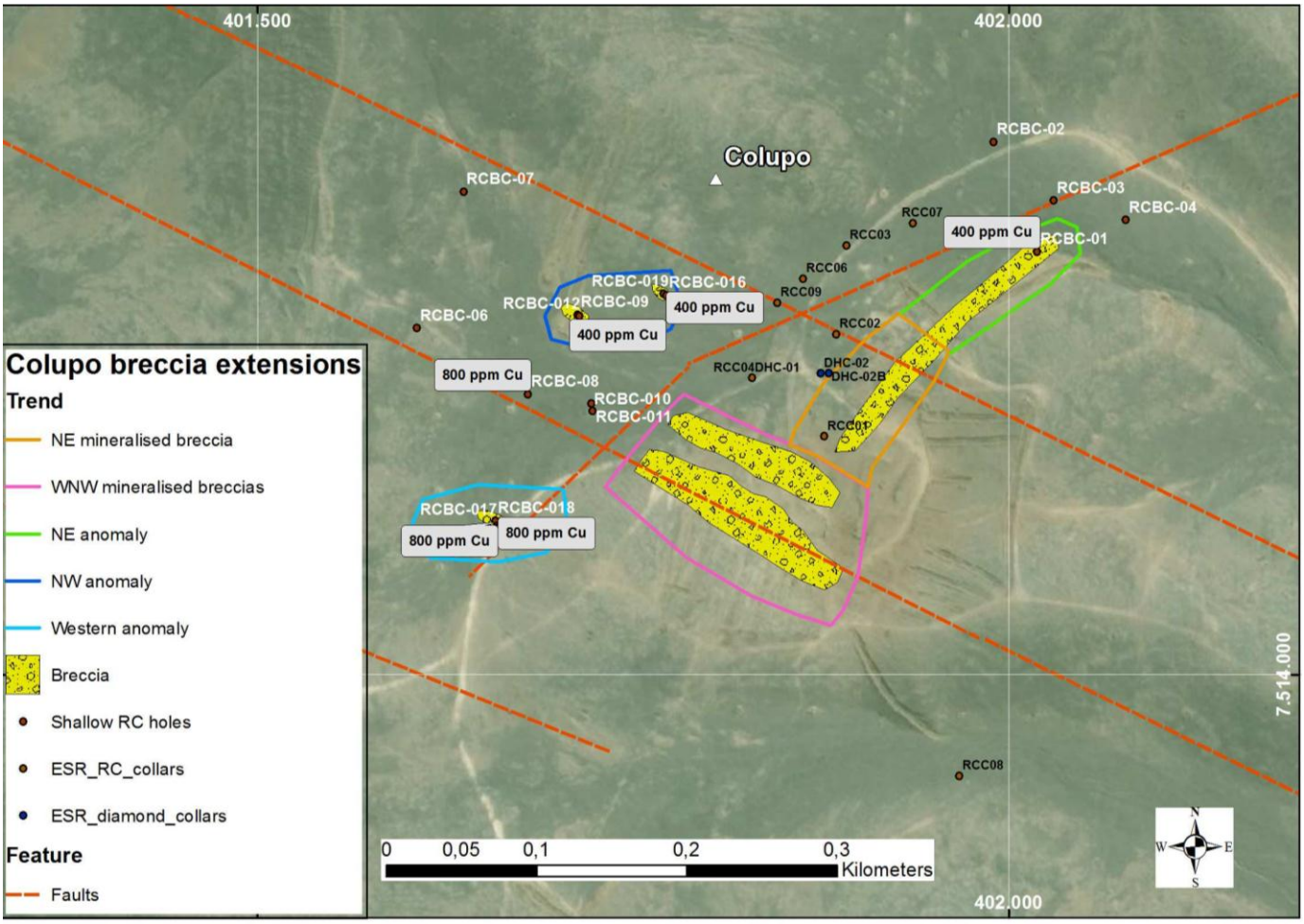

Figure 4: Colupo drill plan layout showing follow up tourmaline breccia zones identified by the shallow RC drill hole campaign (Map Datum WGS84, zn19s).

Table 3: Copper oxide anomalies in tourmaline breccias intersected by shallow RC drill holes at Colupo.

Hole ID	Easting	Northing	RL	EOH	Azimuth	Dip	From (m)	To (m)	Interval	Cu ppm
RCBC-01	402,223	7,514,634	1910	20	0°	-90°	8	10	2	355
							10	12	2	425
RCBC-08	401,884	7,514,539	1910	20	190°	-70°	14	16	2	800
RCBC-012	401,918	7,514,591	1910	20	120°	-70°	16	18	2	397
RCBC-017	401,864	7,514,454	1910	20	210°	-70°	0	2	2	761
							2	4	2	542
RCBC-018	401,862	7,514,455	1910	20	120°	-70°	0	2	2	485
							2	4	2	789
							4	6	2	556
							10	12	2	432
RCBC-019	401,974	7,514,606	1910	20	120°	-70°	6	8	2	444

(Coordinates in PSAD56, zone19s)

The combination of identifying several more Tourmaline Breccias at Colupo and Colupo Norte highlights the potential for Estrella to extend the known mineralisation at these prospects and discover more prospects with high grade near-surface occurrences in a similar geological setting. Continued exploration success will greatly assist Estrella's objective of eventually extracting the ore for economic purposes.

4. Colupo progressing to Mineral Resource and Exploration Target

The next step along Estrella's path to becoming a copper producer is progressing to a maiden JORC 2012 Mineral Resource statement for Colupo. Estrella expects to release the resource statement in late September 2014, which will include both a Mineral Resource statement and an Exploration Target.

5. Antucoya West porphyry target

In August, Estrella reviewed all geological data obtained from the recent 38 RC hole porphyry detection program (refer ASX announcement 5 August 2014) with respect to the geophysical dataset across Antucoya West and the Antucoya mine development (owned by Antofagasta Minerals PLC, LON:ANTO). Estrella's recent exploration activity at Antucoya West has been highly successful in identifying mineralisation, increasing understanding of the geology and the relevance of all the geophysical responses, which has boosted the project's porphyry prospectivity.

Estrella's exploration team has concluded following the review that the highest ranked porphyry target lies 1000 metres to the northeast of hole RCAW019. Estrella believes that there is strong potential for a significant copper mineralised porphyry system beneath this zone. Based on the MT inversion depth slices (see Figure 7) copper sulphide mineralisation is expected to commence at approximately 150 metres beneath the surface, copper oxide mineralisation is expected between the surface and 150 metres.

In summary, Estrella believes in the strong potential and has selected the porphyry target zone location because of:

- The large 'washed-out' anomaly between two magnetic highs (La Negra Volcanics) is similar to the 'washed-out' zone over Antucoya (not Estrella owned) (see Figure 4);
- The extensive presence of Cu-Copiapite and Jarosite oxidation located above a strong pyrite zone;
- Typically, copper sulphides such as Chalcopyrite emit chargeability responses around 25 to 35 msecs. Estrella currently believes that the chargeability responses consistent with Chalcopyrite lie immediately adjacent to the pyrite zones (see Figure 5) and

- The Magnetotelluric (**MT**) inversion model (Figure 6) indicates that the Chalcopyrite target zone commences at about 150 metres depth.

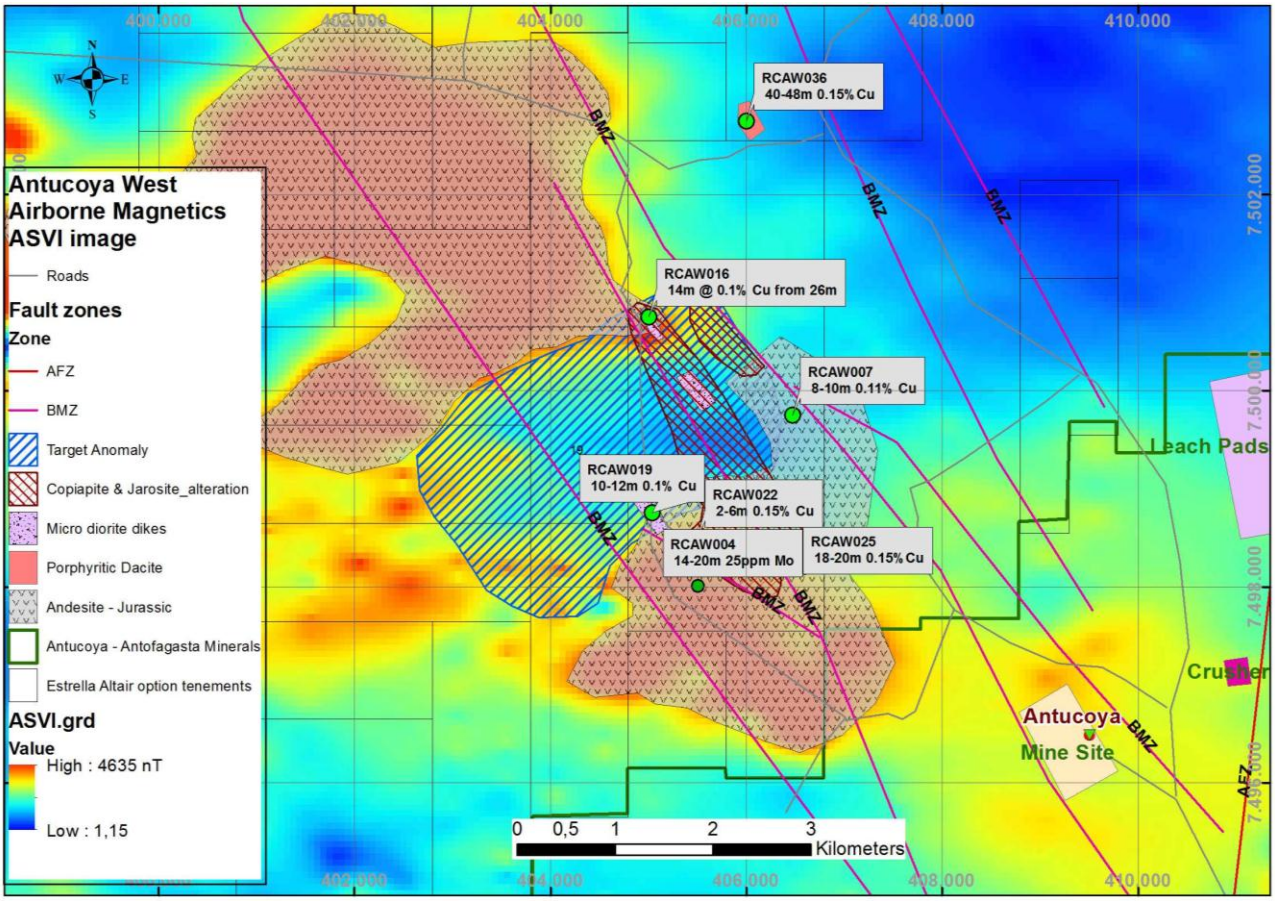

Figure 5: Airborne Magnetics image (ASVI) over Antucoya West overlaid with mapped geology, mineralisation related oxidation extents and copper oxide intercepts from the recent 38 RC hole detection program by Estrella in June-July 2014 (Map Datum WGS84 Zn19s).

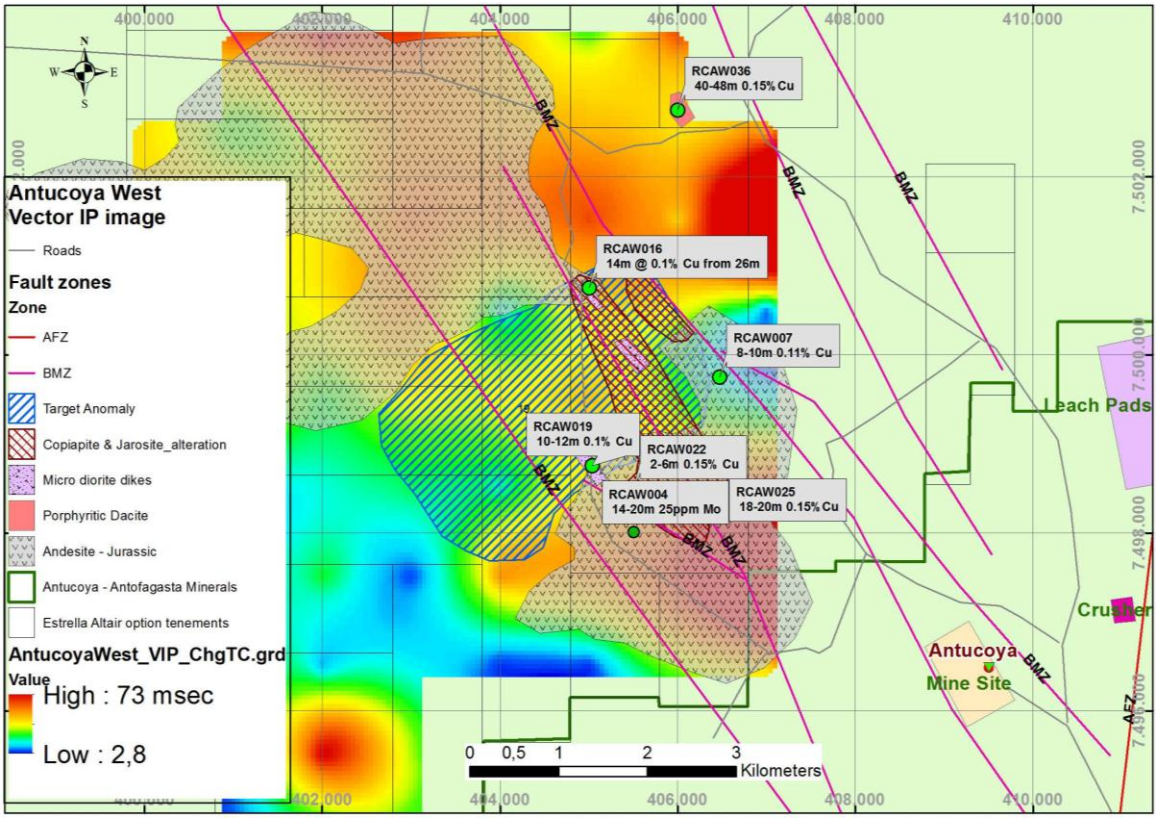

Figure 6: Vector IP image over Antucoya West overlaid with mapped geology, mineralisation related oxidation extents and copper oxide intercepts from the recent 38 RC hole detection program by Estrella in June-July 2014 (Map Datum WGS84 Zn19s).

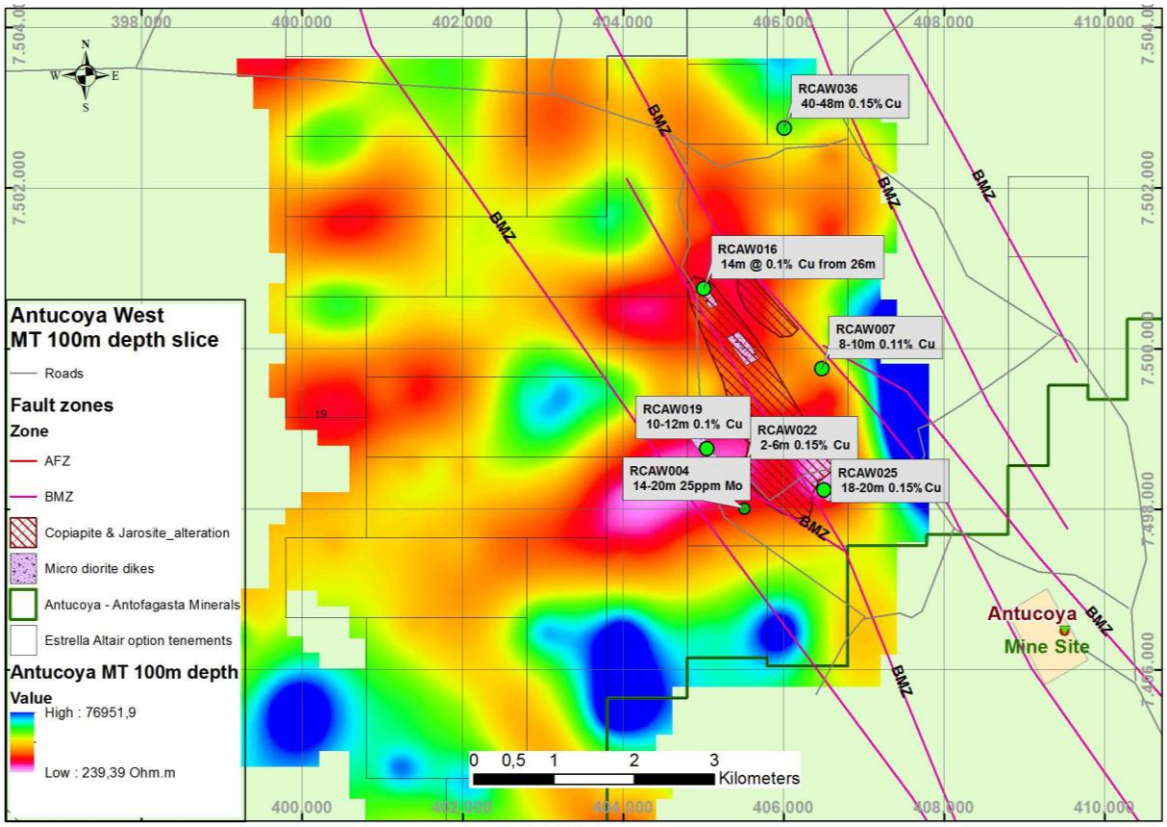

Figure 7: MT inversion model 100m depth slice over Antucoya West overlaid with mineralisation related oxidation extents and copper oxide intercepts from the recent 38 RC hole detection program by Estrella in June-July 2014 (Map Datum WGS84 Zn19s).

6. Commentary

Commenting on the exploration progress across the Altair Project, Estrella's Managing Director, Dr. Jason Berton, said:

"Estrella has been successful at generating high quality prospects through diligent and cost effective exploration.

As an exploration company Estrella is in a unique position to potentially develop multiple near-surface high copper grade prospects of the Colupo area into a mining district as well as potentially unveil a large localised porphyry system at Antucoya West"

Competent Person's Statement

Exploration information in this announcement is based upon work undertaken by Dr. Jason Berton, the Managing Director and a full-time employee of Estrella Resources Limited whom is a Member of the Australasian Institute of Metallurgy and Mining (AusIMM). Dr Berton has sufficient experience that 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 Exploration Results, Mineral Resources and Ore Reserves' (JORC Code). Dr Berton consents to the inclusion in this presentation of the statements based on his information and context in which they appear.

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.*	• *Sample recoveries for reverse circulation were systematically recorded. The sampling of RC drilling cuttings was undertaken at intervals of two meter by reduction of the drill cuttings with a Jones riffle splitter to provide approximately 60kg of RC cuttings per 2m interval. Approximately 20kg of <10# coarse reject material is stored on site for reference.* • *The sampling procedures included two reduction of the drill cutting with the Jones riffle splitter for the sample to be analyzed and for the duplicate, the ticket identification, the cutting box labeling and the bag labeling of RC samples in the field area and selection of field duplicates were carried out.* • *The RC drilling cuttings samples were transported to the facilities of ALS Chemex, an international certified Laboratory in Antofagasta. The cutting boxes and pulps of all samples are stored for logging and reference in the temporal warehouse of the company at Maria Elena town, II Region, Chile.* • *Photography of cutting box were performed at the Maria elena Company facilities.*
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).*	• *The RC drilling method was down-the-hole hammer drilling and the most frequently used hammer bit was 5¾" diameter, although occasionally 5½" bits were also used. Shallow hole were drilled ranging from 20 to 66m depth. The objective of this drilling campaign was to investigate and intersect targets zone below the caliche cover, defined by surface geological mapping, surface rock chip anomalies and XRF surface anomalies zones in conjunction with structural potentially mineralized corridor and chargeability and resistivity VIP survey results.*
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.*	• *Standard splitting and sampling protocols were implemented.. RC cuttings are reduced by riffle splitting in the field to 25% of the original drilled interval. Sample protocols included sample duplicates for RC (25% of total) at ~5% of total samples* • *RC samples weight data capture for recovery has been systematically implemented at the drilling site.*
Logging	• *Whether core and chip samples have been geologically and geotechnical 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.*	• *All RC cuttings are logged on site immediately after drilling, and geologists carried out a Quick Logging 1:1000 scale for preliminary geological interpretation. The Quick Log captures lithology contrast, general alteration type and relevant ore mineralization. Paper RC Quick logs are filed on site and data is input into the pdf database.* • *The entire drill hole cuttings are detailed logged at*

Criteria	JORC Code explanation	Commentary
	• *The total length and percentage of the relevant intersections logged.*	*1:100 scale. The logging scheme and logging sheet reflects the local geology in data capture. Standard logging and coding sheets were created for this work, a single person imposed consistency on the logging and coding processes. The holes mapped have complete data records that include lithology, alteration associations, degree and texture, mineralization type and minerals, intensity, relative abundance in percentage, texture and occurrence type and interpreted faulting.* • *The mapping system, is undertaken on paper logging forms and data capture has been migrated to digital capture on the Excel database Once all analysis of RC sample at 2m support is completed mineralization coding will be locally revised to include the mineralogy as continual infill drilling progresses.*
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.*	• *Samples from the current program are prepared and analyzed at ALS Chemex Laboratories (ALS) in Antofagasta, II Region, Chile. The ALS laboratory holds ISO 9001:2008 and ISO 17025 certification and is independent of the company and its subsidiaries. Samples were typically dried, crushed to 70% passing -2 mm, and pulverized to 85% passing -0.075 mm. Pulverized samples were assayed for 33 elements by atomic emission spectroscopy/inductively-coupled plasma (ICP-AES) using the ALS ME-ICP61 method which comprises near-total, four acid digestion, followed by HCl dilution and ICP-AES determination.*
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.*	• *Mechanical Sample preparation was undertaken by ALS Chemex in a sample preparation facility installed in Antofagasta. Preparation procedures followed the following mechanical preparation steps: Drying at 105°C; Primary crushing in a "Rhino" jaw crusher to 70% passing <10# Tyler; Homogenization and reduction by Jones Riffle Splitter Pulverizing to 85% passing <150# Tyler; Splitting to 2 sample pulp bags of approx. 500 g each.* • *One certified standard reference material were inserted each 20 samples in the sample pulps stream during the Company drilling campaign at ALS Chemex facilities in Antofagasta. New bar codes sequence for pulps stream were generated and registered in the excel database and printed. Correlations between cutting samples and new bar codes were registered at the excel database and printed. A complete set of original pulps with bar codes is storage at ALS facilities. One certified GEOSTATS standard were used for Copper reference. Low grade copper standard (code Std Cu GbM301-4) nominal value: 0,165% CuT. Blanc material consist of quartz was inserted each 40 meters at ALS facilities for approximately the 2,5% of the sampled material in the drilling campaign. ALS customarily inserts pulp duplicates, blanks and reference materials in the assay batches.* • *The laboratory is clean and well run, with a full-time chemist supervising operations. Based on a shift*

Criteria	JORC Code explanation	Commentary
		seven days per week.
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.*	• *Assay data are supplied electronically by ALS, and uploaded into the spread sheet. Additionally ALS provides an access controlled server data base were the results could be revised and/or downloaded.*
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.*	• *The local coordinate system employed for collar location is PSAD56 19S in UTM projections. The collar locations of all holes are surveyed using standard GPS method.*
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.*	• *Drill hole collars were at irregular intervals, at approximately 50m spaces. No attempt should be made to establish geological continuity at Colupo Norte at this early stage of exploration. Additionally it is too early to infer that the tourmaline breccias identified at Colupo will progress to Miineral Resource category without further drill testing.* • *2 metre sample intervals were used at Colupo and 1 metre sample intervals were used at Colupo Norte.*
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 mineralized structures is considered to have introduced a sampling bias, this should be assessed and reported if material.*	• *Distrital scale structures are a key factor in the localization of potential and observed mineralization in the project area. Faults are highly significant aspects of the project geology.* • *The property is located along the Buey Muerto Fault Zone a north-northwest trending fault splay which control the location of Antucoya Porphyry deposit, as a part of a 3 to 15km wide zone of inter-related faults of the major regional, north-south trending, sinistral strike-slip Atacama Fault Zone, which was active during the Early Cretaceous, that extends for much of the length of the Coastal Cordillera. The Buey Muerto Fault Zone exhibit a 40 km length trace and contribute to lithological contact between the Upper Jurassic plutonic batholith to the west with the upper Jurassic-Cretacic volcanic sequences to the east. The syn-mineralization structures are likely to have controlled, the localization of intense fracturing and emplacement of hydrothermal alteration. The interpreted local structures in Colupo and Colupo Norte are significant in control of the limonite-altered outcrops emplacement and in hosting oxide copper mineralization occurrences showing a degree of continuity in the north north west-south south east direction.* • *The RC drilling campaign included 21 holes (inclined and vertical) to 20m depth at Colupo and 4 holes inclined at Colupo Norte.*
Sample security	• *The measures taken to ensure sample security.*	• *Samples were transported by ALS using transport services trucks and personnel, and were securely locked at the ALS Labs. Chain-of-custody procedures consisted of filling*

Criteria	JORC Code explanation	Commentary
		out sample submittal forms that accompanied the sample shipments to confirm that all samples were received by the laboratory. Sample security consisted of locking samples, once collected, in the field camp compound prior to delivery to ALS. This level of security is considered industry standard for early-stage exploration programs. • *Sample rejects and Pulps are currently stored at ALS in a secure environment. Company sampling data are stored in an Excel spread sheet.*
Audits or reviews	• *The results of any audits or reviews of sampling techniques and data.*	• *Assay results were found to remain well beneath 5% deviation from reported lab results when compared with duplicate samples.*

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.*	• *The Altair project under Option Agreement with SQM and is comprised of 444 tenements known as 'Pertenencia's' which are registered with and maintained by SQM and with no encumbrances.* • *Estrella holds 100% 'metals' rights with SQM maintaining 49% 'clawback' upon completion of a prefeasibility study. Royalty commitments have been previously published in ASX announcements.* • *There are no native title interests, historical sites, national parks, wilderness or environmental settings to Estrella's knowledge.*
Exploration done by other parties	• *Acknowledgment and appraisal of exploration by other parties.*	• *SQM drilled 15 RC holes at Colupo in 2010-2011, the results of this have been released to the ASX by Estrella on multiple occasions See ASX announcements; 18 March 2013, 11 Nov 2013, 3 Dec 2013, 18 March 2014.*
Geology	• *Deposit type, geological setting and style of mineralisation.*	• *Mineralization of the project and other deposits in the region are part of the Stratabound family of deposits. Porphyry Cu (Mo), Copper bearing veins and IOCG type deposit could be found in the District. Strata-bound Cu- (Ag) deposits, long known as 'Chilean manto-type', occur along the Coastal Cordillera of northern Chile (22º-30ºS) hosted by Jurassic and Lower Cretaceous volcanic. The mineralisation took place at the time of structurally controlled emplacement of batholiths within the Mesozoic volcanic and sedimentary strata. The volcanic-hosted strata-bound Cu- (Ag) deposits invariably occur distal, but peripheral to coeval batholiths emplaced within tilted Mesozoic strata. The prevalent view that these deposits have an inherent genetic relationship with hydrothermal fluid derivation from sub volcanic stocks and dykes is contended here. The strata-bound Cu-(Ag) mineralisation appears to be produced by fluids of mixed origin that were mobilized within permeable levels and structural weakness zones of the Mesozoic arc-related volcano-sedimentary sequence during the emplacement of shallow granodioritic batholiths under transtensional regimes.* • *The project exhibits alteration- limonitic outcrops and*

Criteria	JORC Code explanation	Commentary
		copper old mining works are present in the area. Structures are mostly NS and EW trending faulting and fracturing zones from 300 to 400m long. Copper high grades ores concentrate in rich sub-vertical zones, pockets and tourmaline quartz breccias zones along and between these structures zones, separated by low-grade sections of other tourmaline breccias and dacitic host rocks. • *Silicification, propylitic alteration and chloritization occur within and around these copper bearing breccias and pockets which exhibits local quartz-sericitic alteration, and extend some metres into the wall rocks. The supergene paragenetic sequence of the largest breccia is magnetite-quartz-tourmaline-pyrite-(chalcopyrite)–hematite-calcite and (chalcocite) atacamite and chrysocolla.* *The supergene copper minerals fill fractures and openings, either as irregular and discontinuous veinlets or semi-massive pockets with cummular and brecciated textures, or as fine dissemination. The structure of the Cu-bearing breccias is regular and continuous within structural zones.*
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 meters) 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.*	• *A summary for all Material holes of this announcement is provided in the results tables: Tables 1, 2 & 3.*
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.*	• *No use of weighted averaging, no maximum grade cut, the minimum grade cut is 0.2% Cu for Table 1, and no metal equivalent reporting was performed.*
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').*	• *There is insufficient information at this stage to determine true width.*
Diagrams	• *Appropriate maps and sections (with scales) and tabulations of intercepts should be*	• *Provided in this announcement.*

Criteria	JORC Code explanation	Commentary
	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.	
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.*	• *All material results have been reported, including high, medium and low grades.*
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.*	• *Section 5 of this announcement refers to substantive geophysical data.*
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.*	• *Further work programs have been discussed in this announcement, including Mineral Resource and Exploration Target schedule for Colupo and follow up drilling areas for each project.*