

ASX Announcement

28th October 2021

Drilling Commences at the Briggs Copper Project

Highlights

- The 2021 RC drilling program at the Briggs Copper Project in Queensland has commenced.
 - The planned drilling program comprises around 12 holes for 3,000m.
- Canterbury has previously outlined a Mineral Resource of 142.8Mt at 0.29% Cu (0.2% Cu cut-off) at the Central Porphyry zone¹ and has identified multiple targets aimed at expanding and enhancing this resource, including:
 - undrilled porphyry copper mineralisation, visible in surface outcrops along strike from the Mineral Resource, providing potential to substantially increase the size of the resource, and
 - higher grade mineralisation in volcanic sediments surrounding the intrusive core and internal quartz rich bodies, providing opportunities to increase the grade of the deposit.
- Canterbury personnel are implementing the RC program, which is being funded by African Energy Resources (ASX: AFR) under an exclusive Option agreement².
 - During the Option period, AFR must sole-fund \$0.75m of exploration to earn the right to exercise the Option and commence a staged Earn-In to form a Joint Venture.
 - During the Earn-In phase, AFR will have the right to earn up to a 70% joint venture interest in the Briggs Copper Project through staged exploration expenditure totalling up to \$15.25M.
- The RC drilling program will take around a month to complete.

Canterbury's Managing Director, Grant Craighead, said: "We are very pleased to be drilling again at Briggs, with the support of African Energy Resources. The RC drilling program represents an exciting opportunity to further expand this large-scale copper resource, as well as to better delineate some of the higher-grade features of the deposit that are expected to important value drivers for the project."

Authorised on behalf of Canterbury Resources Limited by its Managing Director, Mr Grant Craighead.

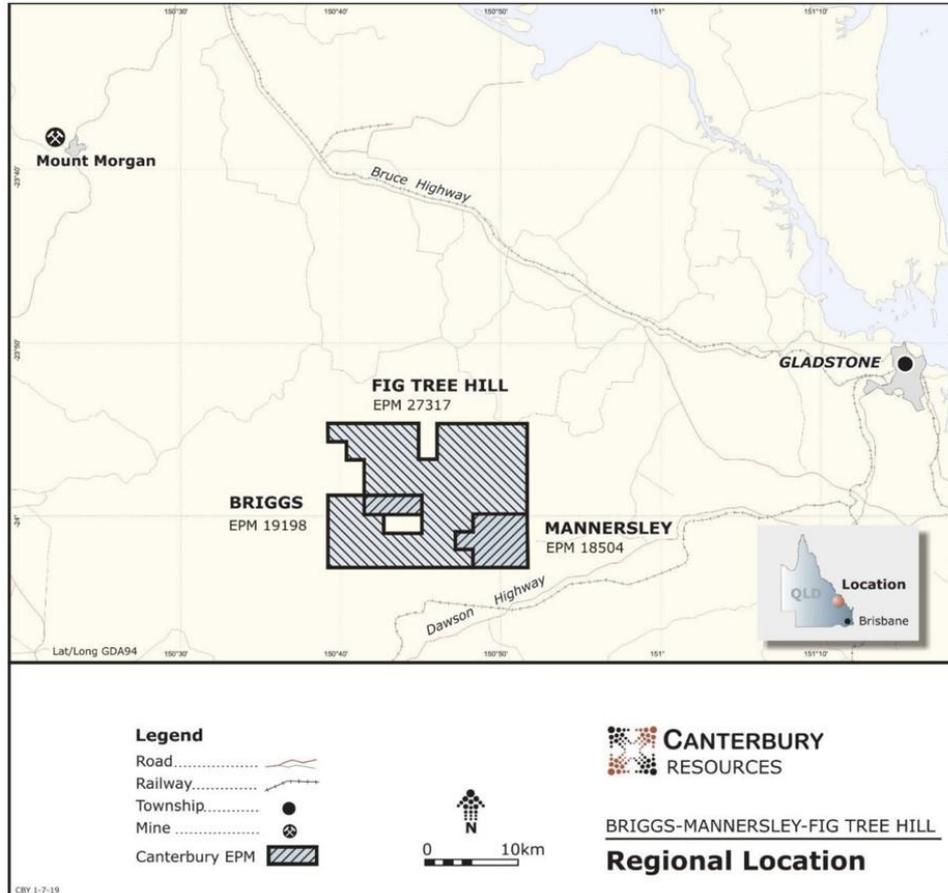
¹ Refer to the ASX announcement released by Canterbury on 10 June 2020 for further details.

² Refer to the ASX announcement released by Canterbury on 18 August 2021 for further details.

Briggs Drilling Program

Canterbury is pleased to advise that drilling has commenced at the Briggs Copper Project in Queensland. The program will test extensions to the large-scale, low-grade copper resource previously outlined at the Central Porphyry zone (Inferred Mineral Resource of 142.8Mt at 0.29% Cu, at a 0.2% Cu cut-off).

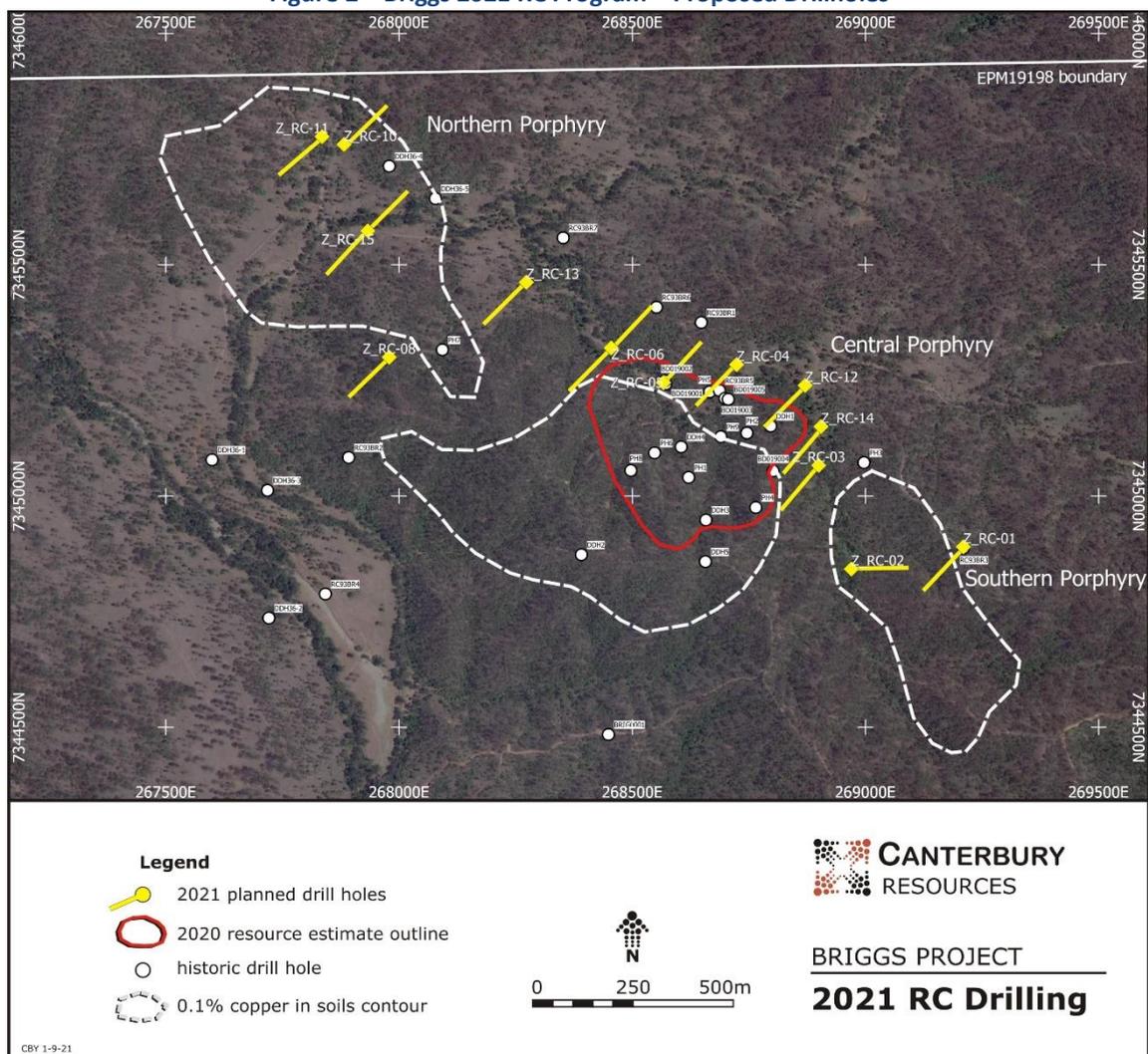
Figure 1 Briggs Copper Project Location Plan



The 3,000m reverse circulation (RC) drilling program will test for extensions of known mineralisation, as well as for higher grade positions within and adjacent to the Central Porphyry, particularly those associated with the enclosing mineralised volcanic sediments and with quartz rich zones within the resource. The main targets being tested are:

- the north-eastern edge of the Central Porphyry zone evaluating higher-grade copper mineralisation in the immediately enclosing volcanic sediments
- strike extensions immediately north and south of the Central Porphyry zone, where copper anomalism has been identified in soil sampling programs
- the Northern Porphyry target, where outcropping porphyry mineralisation is associated with copper in soil anomalism, and where a single drill hole intersected 65m @ 0.26% Cu from 28-93m, 90m @ 0.26% Cu from 111-201m and 57m @ 0.23% Cu from 209-266m
- the Southern Porphyry target where copper in soil anomalism is associated with a single drill hole which intersected 84m @ 0.26% Cu from 26-110m

The proposed drill hole collar locations and hole traces are outlined in Figure 2, with the first hole being at the Southern Porphyry (location Z_RC-02 in Figure 2). Modifications to the program are anticipated based on progressive pXRF results and geological observations.

Figure 2 – Briggs 2021 RC Program – Proposed Drillholes


The program is being funded by African Energy Resources (ASX: AFR) under an exclusive Option arrangement. Subject to meeting the Option expenditure commitment of \$0.75 million before 31 July 2022, AFR may exercise the Option to enter a staged Earn-in to form an unincorporated joint venture and earn up to a 70% interest in the Project. The Earn-in comprises three stages, each sole-funded by AFR:

1. \$2.25M in exploration expenditure to earn a 30% interest within 2 years of exercising the Option;
2. a further \$3.0M in expenditure to reach 51% interest within 4 years of exercising the Option; and
3. a further \$10.0M in expenditure to reach a 70% interest within 9 years of exercising the Option.

Upon AFR reaching a 70% project interest, the joint venture will become a contributing joint venture funded pro-rata by each party, and subject to industry standard funding and dilution provisions. If AFR completes the Stage 1 and 2 Earn-in phases but elects not to proceed with the Stage 3 Earn-in, AFR's aggregate interest in the Project will be reduced from 51% to 49%.



Figure 3 Evolution FH3000 Drill Rig Arrives at Briggs Exploration Camp Site



Figure 4 Drill Rig at Drill Pad Z_RC-02 at the Southern Porphyry Zone (refer Figure 2)



COMPETENT PERSON'S STATEMENT

The technical information in this report which relates to Exploration Results is based on information compiled by Mr Michael Erceg, MAIG RPGeo. Mr Erceg is an Executive Director of Canterbury Resources Limited and has sufficient experience relevant to the style of mineralisation and type of deposit under consideration and to the activity he is undertaking to qualify as a Competent Person as defined in the 2012 Edition of the "Australian Code of Reporting of Exploration Results, Mineral Resources and Ore Reserves". Mr Erceg consents to the inclusion in this report of the matters based on that information in the form and context in which it appears.

The information in this report that relates to the Estimation of Mineral Resources, has been prepared by Mr. Geoff Reed, who is a Member of the Australasian Institute of Mining and Metallurgy and is a Consulting Geologist of Bluespoint Mining Services (BMS). Mr. Reed is a geologist with over 20 years of diverse mining and exploration industry experience with various major mining and junior exploration companies in Australia. Mr. Reed's strength is in the analysis and calculation of resources for both operating mines and development projects. Mr. Reed 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". Mr. Geoff Reed consents to the inclusion in the report of the matters based on his information in the form and context in which it appears.

DISCLAIMER

Forward-looking statements are statements that are not historical facts. Words such as "expect(s)", "feel(s)", "believe(s)", "will", "may", "anticipate(s)", "potential(s)" and similar expressions are intended to identify forward-looking statements. These statements include, but are not limited to statements regarding future production, resources or reserves and exploration results. All such statements are subject to certain risks and uncertainties, many of which are difficult to predict and generally beyond the control of the Company, that could cause actual results to differ materially from those expressed in, or implied or projected by, the forward-looking information and statements. These risks and uncertainties include, but are not limited to: (i) those relating to the interpretation of drill results, the geology, grade and continuity of mineral deposits and conclusions of economic evaluations, (ii) risks relating to possible variations in reserves, grade, planned mining dilution and ore loss, or recovery rates and changes in project parameters as plans continue to be refined, (iii) the potential for delays in exploration or development activities or the completion of feasibility studies, (iv) risks related to commodity price and foreign exchange rate fluctuations, (v) risks related to failure to obtain adequate financing on a timely basis and on acceptable terms or delays in obtaining governmental approvals or in the completion of development or construction activities, and (vi) other risks and uncertainties related to the Company's prospects, properties and business strategy. Our audience is cautioned not to place undue reliance on these forward-looking statements that speak only as of the date hereof, and we do not undertake any obligation to revise and disseminate forward-looking statements to reflect events or circumstances after the date hereof, or to reflect the occurrence of or non-occurrence of any events. The term "Canterbury" must be loosely construed to include the subsidiaries of Canterbury Resources Limited where relevant.

ABOUT CANTERBURY RESOURCES LIMITED

Canterbury Resources Limited (ASX: CBY) (“Canterbury” or the “Company”) is an ASX-listed resource company focused on creating shareholder wealth by generating and exploring potential Tier-1 copper-gold projects in the southwest Pacific. It has a strong portfolio of projects in Australia and Papua New Guinea that are prospective for porphyry copper-gold and epithermal gold-silver deposits. The Company is managed by an experienced team of resource professionals, with a strong track record of exploration success and mine development in the region. It periodically forms partnerships with major resource companies to defray risk and cost.

Canterbury’s portfolio includes multiple projects that are at the advanced exploration phase. Each project provides potential for the discovery and/or delineation of large-scale copper (\pm gold, \pm molybdenum) resources. Initial Mineral Resources have been estimated at three deposits:

Project	Deposit	Category	Cut-off	Mt	Au (g/t)	Cu (%)	Au (Moz)	Cu (kt)
Wamum	Idzan Creek	Inferred	0.2g/t Au	137.3	0.53	0.24	2.34	327
Wamum	Wamum Creek	Inferred	0.2% Cu	141.5	0.18	0.31	0.82	435
Briggs	Central Zone	Inferred	0.2% Cu	142.8	-	0.29	-	414
Total							3.16	1,176

Figure 5 Canterbury Project Locations – October 2021

