



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:

Simon Paull
Managing Director

E-mail:

info@castillocopper.com

For the latest news:

www.castillocopper.com

Directors / Officers:

Rob Scott
Simon Paull
Peter Smith
Gerrard Hall

Chief Financial Officer:

Alan Armstrong

Issued Capital:

676.4 million shares
139.3 million options

ASX Symbol:
CCZ

Extensive structural targets for copper mineralisation identified in Luanshya project

- Exploration activities by the geology team at the Luanshya project confirmed extensive structural targets for copper mineralisation within the tenure boundaries
- This follows a recent field trip to the Luanshya project, which is 6-10km south of China Nonferrous Mining Corp's (CNMC) three operating mines, with a combined Proven & Probable JORC (2012) Reserves at 52.3mt @ 1.26% Cu¹
- Across the region are four distinct north-west to south-east trendlines, which are ~5-10km wide in places, that host numerous historic / current operating mines & deposits:
 - ❖ Two of these trendlines hosts CNMC's three mines, with one directly intersecting the middle of the Luanshya project coincident with Lower Roan Formation;
 - ❖ Moxico Resources' Mimbula project [Inferred JORC (2012) Resource 61Mt @ 1.18% Cu] is on the trendline east of the Luanshya project and coincident with the Lower Roan Formation; and
 - ❖ Interestingly, a closer look at the geology shows copper mineralisation is associated with other rock formations which delivers incremental exploration upside
- The key accomplishment from the site visit was reconciling findings from the field trip with heritage data to facilitate identifying extensive structural targets within the 118km² tenure that are prospective for copper mineralisation
- The geology team now have sufficient preliminary data points to start formulating the next phase of the exploration campaign that will comprise extensive geophysics and soil/rock-chip sampling to derive initial drill test targets
- As the geology team are currently visiting the Mkushi project, CCZ expects to report back to shareholders on findings from that trip once the information is compiled

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Castillo Copper's Managing Director Simon Paull commented: "We are totally focused on accelerating our exploration campaign across the Zambia pillar, which explains why we have a geology team already visiting the priority Luanshya project in the traditional 'Copperbelt' region. The upshot of this inaugural visit is clearly identifying prospective structural targets for copper mineralisation, that are on the north-west to south-east trendlines which are coincident with the Lower Roan Formation. The next steps are commencing follow up geophysics and geochemistry work, so we can start identifying priority drill test targets."

CCZ's London based director Ged Hall remarked: "This is an encouraging validation that our geology team can confirm extensive structural formations within the Luanshya tenure. This is fortuitous timing as we head into the LSE dual listing process."

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Castillo Copper Limited (“CCZ” or “the Company”) is pleased to announce the geology team in Zambia undertook a field trip to the priority Luanshya project in the traditional “Copperbelt” and identified extensive structural targets for copper mineralisation.

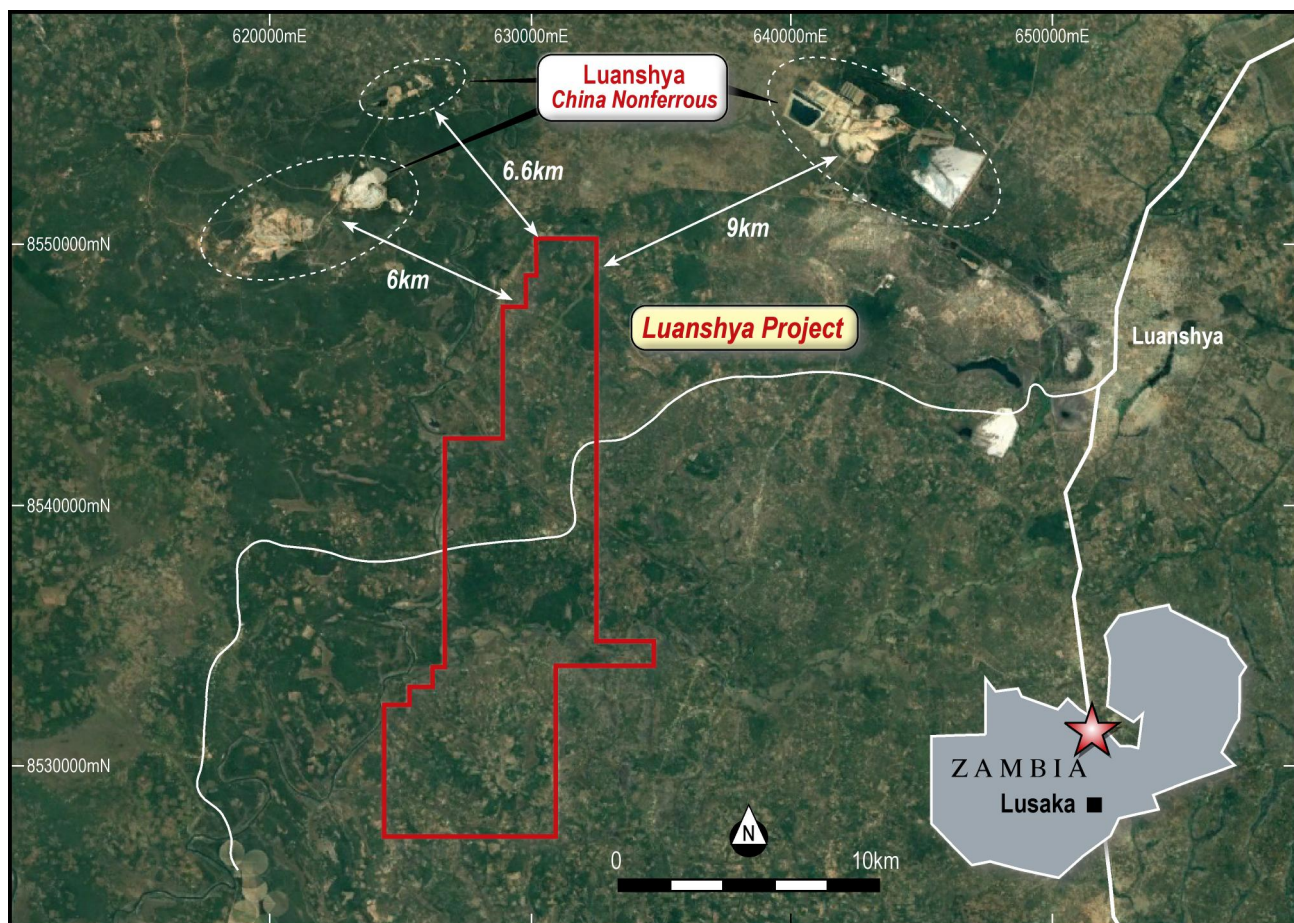
FIELD TRIP TO LUANSHYA PROJECT

CNMC’s copper mines

CCZ’s geology team in Zambia visited the priority Luanshya project in the central “Copperbelt” to gain greater first-hand knowledge of peers’ activities, assess infrastructure and reconcile heritage data with field trip observations.

A notable positive is the infrastructure in the region is supportive of mining activities, especially considering CNMC has three operating copper mines ~6-10km from the Luanshya project (Figure 1). According to CNMC’s 2018 Annual Report, the three mines had Proven & Probable JORC (2012) Reserves at 52.3Mt @ 1.26% Cu and produced ~6,000t of copper concentrate.

FIGURE 1: LUANSHYA PROJECT PROXIMITY TO CNMC’S THREE COPPER MINES



Source: Google Earth, China Nonferrous Mining Corporation

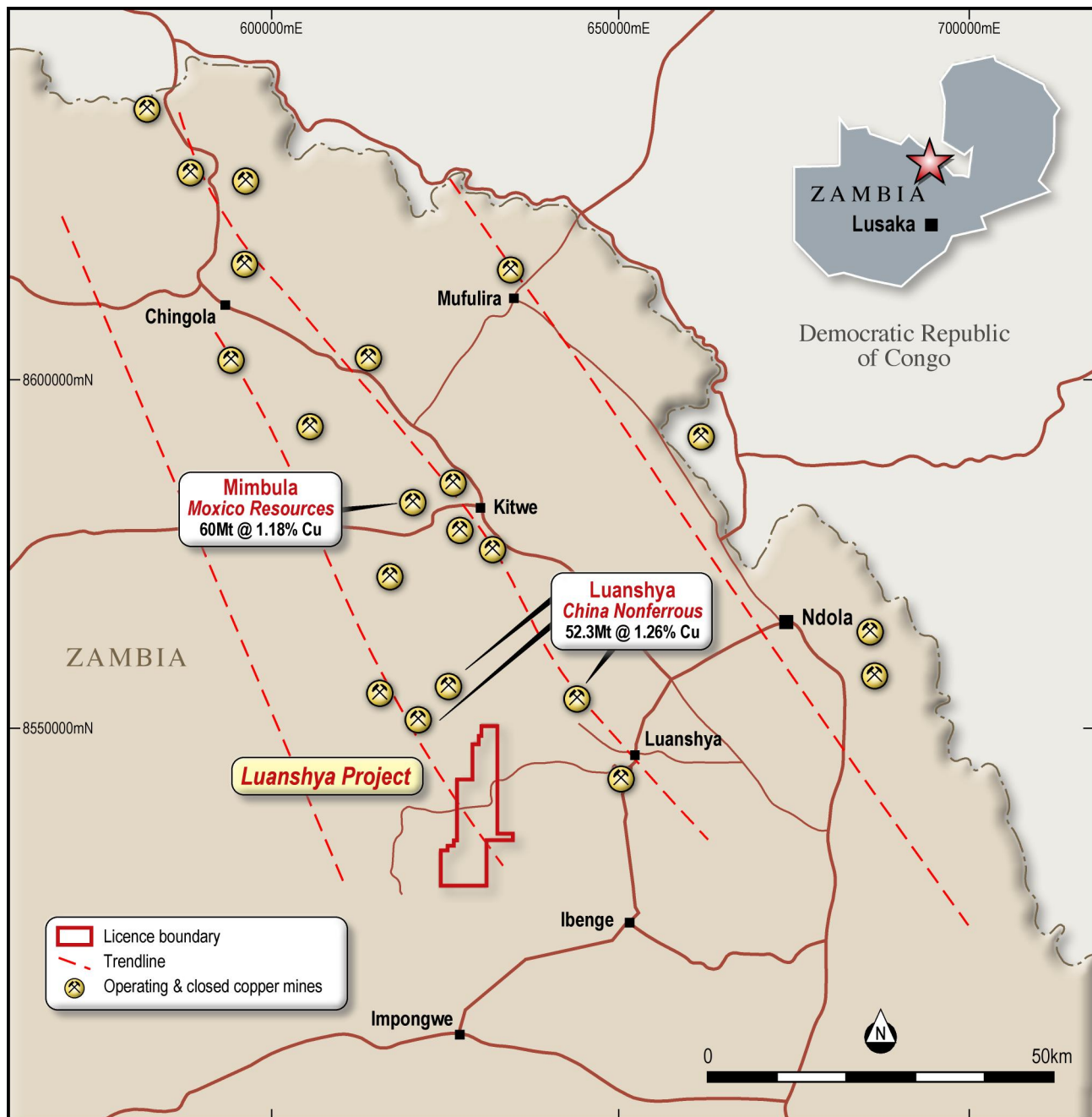
NW-SE trendlines

Across the central “Copperbelt” region where the Luanshya project is located, are several distinct north-west to south-east trendlines (5-10km wide in places) that host numerous historic and currently producing copper mines (Figure 2).

Notably, two of the trendlines hosts CNMC’s three operating mines, which in turn directly intersect the central portion of the Luanshya project coincident with Lower Roan Formation (Figure 3). Incrementally, the trendline east of the Luanshya project hosts Moxico Resources Mimbula project (Inferred JORC (2012) Resource 61Mt @ 1.18% Cu) which is coincident with the Lower Roan Formation.

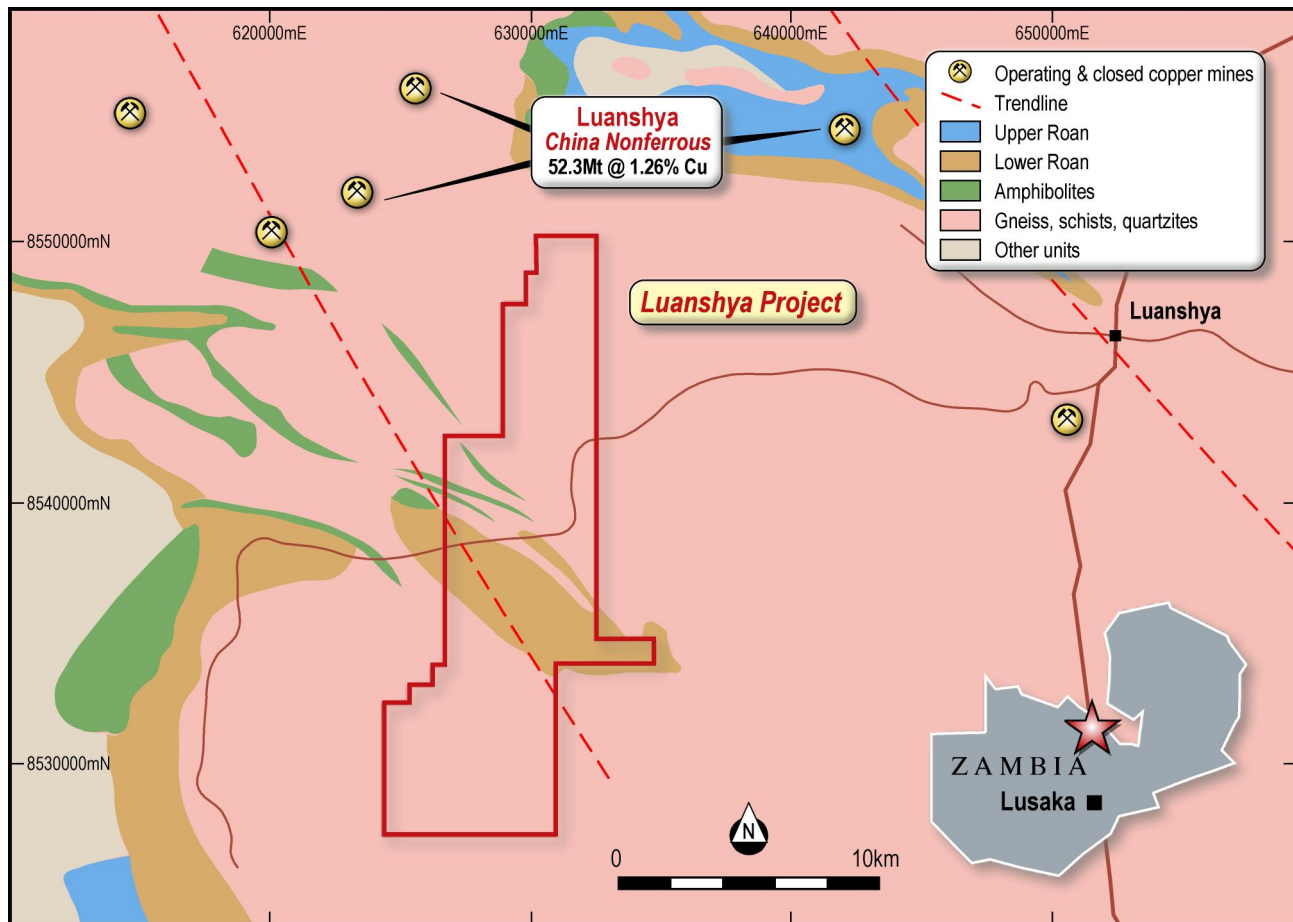
Whilst the potential quantity and grade of the Exploration Target is conceptual in nature, there has been insufficient exploration to estimate a Mineral Resource and it is uncertain if further exploration will result in the estimation of Mineral Resource.

FIGURE 2: REGIONAL TRENDLINES VS HISTORIC/CURRENT COPPER MINES



Source: Laureates Mining Ventures limited; Zambia - Ministry of Mines & Mineral Development; Moxico Resources

FIGURE 3: LOWER ROAN FORMATION RELATIVE TO LUANSHYA PROJECT



Source: Laureates Mining Ventures limited; Zambia - Ministry of Mines & Mineral Development

Extensive structural targets

The key objective of the field trip was to reconcile observations with known heritage data. As such, most of the new structural targets are in the vicinity where the trendline intersects the Lower Roan Formation. However, as can be seen from Figure 3, there are areas copper mineralisation is associated with other rock formations which enhances the Luanshya project's overall exploration upside.

The geology team now have sufficient data points to formulate the next phase of the exploration campaign which entails comprehensive geophysics and collecting soil/rock-chip samples to facilitate deriving targets for inaugural drill testing.

Next steps

The geology team is presently undertaking a field trip to the Mkushi project and will report findings once finalised.

For and on behalf of Castillo Copper

Simon Paull

Managing Director

ABOUT CASTILLO COPPER

Castillo Copper Limited (ASX: CCZ) is an ASX-listed base metal explorer primarily focused on copper then nickel, zinc & cobalt.

The group is embarking on a strategic transformation to morph into a mid-tier copper group underpinned by three core pillars:

- **Pillar I:** Cangai Copper Mine in northern New South Wales, which is one of Australia's highest grading historic copper mines with a JORC inferred resource of 3.2Mt @ 3.35% Cu (ASX Announcement - 6 September 2017);
- **Pillar II:** The Mt Oxide project in the Mt Isa district, north-west Queensland, which delivers significant exploration upside through having a sizeable untested anomaly within its boundaries in a copper-rich region.
- **Pillar III:** Several high-quality prospective assets in Zambia, which is the second largest copper producer in Africa.

In addition, Castillo Copper is progressing a dual listing on the standard board of the London Stock Exchange.

References

- 1) CCZ ASX Release – 10 September 2019
- 2) Independent geology consultant – Mr John Mwamba (MSc – Exploration Geology), Managing Director, Laureates Mining Ventures Limited, Lusaka, Zambia
- 3) Ministry of Mines and Mineral Development <www.mmmd.gov.zm/>

Competent Person Statement

The information in this report that relates to Mineral Resources of the Cangai Copper Mine is based on information compiled by Peter Smith, a Competent Person who is a Member of the Australian Institute of Geoscientists. 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.

The Australian Securities Exchange has not reviewed and does not accept responsibility for the accuracy or adequacy of this release.