

CASTILLO COPPER
LIMITED

“Bringing quality assets to market”

Targeting high-grade copper-cobalt-zinc-nickel systems

Investor presentation

September 2017

Disclaimer



The information contained in this document (“Presentation”) has been prepared by Castillo Copper Limited (hereafter “Castillo”). It has not been fully verified and is subject to material updating, revision and further amendment. While the information contained herein has been prepared in good faith, neither Castillo nor any of its shareholders, directors, officers, agents, employees or advisers give, have given or have the authority to give, any representations or warranties (express or implied) as to, or in relation to, the accuracy, reliability or completeness of the information in this Presentation, or any revision thereof, or of any other written or oral information made or to be made available to any interested party or its advisers (all such information being referred to as “Information”) and liability therefore is expressly disclaimed. Accordingly, neither Castillo nor any of its shareholders, directors, officers, agents, employees or advisers take any responsibility for, or will accept any liability whether direct or indirect, express or implied, contractual, tortious, statutory or otherwise, in respect of, the accuracy or completeness of the information or for any of the opinions contained herein or for any errors, omissions or misstatements or for any loss, howsoever arising, from the use of this Presentation.

Neither the issue of this Presentation nor any part of its contents is to be taken as any form of commitment on the part of Castillo to proceed with any transaction and the right is reserved to terminate any discussions or negotiations with any prospective investors. In no circumstances will Castillo be responsible for any costs, losses or expenses incurred in connection with any appraisal or investigation of Castillo. In furnishing this Presentation, Castillo does not undertake or agree to any obligation to provide the recipient with access to any additional information or to update this Presentation or to correct any inaccuracies in, or omissions from, this Presentation which may become apparent.

This Presentation should not be considered as the giving of investment advice by Castillo or any of its shareholders, directors, officers, agents, employees or advisers. Each party to whom this Presentation is made available must make its own independent assessment of Castillo after making such investigations and taking such advice as may be deemed necessary. In particular, any estimates or projections or opinions contained herein necessarily involve significant elements of subjective judgement, analysis and assumptions and each recipient should satisfy itself in relation to such matters.

Neither this presentation nor any copy of it may be (a) taken or transmitted into the United Kingdom, Canada, Japan or the United States of America, their territories or possessions; (b) distributed to any U.S. person (as defined in Regulation S under the United States Securities Act of 1933 (as amended)) or (c) distributed to any individual outside Australia, Canada or Japan who is a resident thereof in any such case for the purpose of offer for sale or solicitation or invitation to buy or subscribe any securities or in the context where its distribution may be construed as such offer, solicitation or invitation, in any case except in compliance with any applicable exemption. The distribution of this document in or to persons subject to other jurisdictions may be restricted by law and persons into whose possession this document comes should inform themselves about, and observe, any such restrictions. Any failure to comply with these restrictions may constitute a violation of the laws of the relevant jurisdiction.

Forward Looking Statements

Certain information in this document refers to the intentions of Castillo Copper Ltd, but these are not intended to be forecasts, forward looking statements or statements about future matters for the purposes of the Corporations Act or any other applicable law. The occurrence of events in the future are subject to risks, uncertainties and other factors that may cause Castillo Copper Ltd’s actual results, performance or achievements to differ from those referred to in this announcement. Accordingly, Castillo Copper Ltd, its directors, officers, employees and agents do not give any assurance or guarantee that the occurrence of the events referred to in this announcement will actually occur as contemplated.

Competent Person Statement

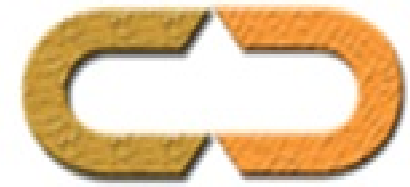
The information in this report that relates to Exploration Targets, Exploration Results, Mineral Resources or Ore Reserves is based on information compiled by Neil Hutchison, a Competent Person who is a Member of the Australian Institute of Geoscientists. Neil Hutchison is an executive director of Castillo Copper Ltd.

Neil Hutchison 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’. Neil Hutchison 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.

Investment theme

Bringing quality assets to market



- Large mineralised footprint with 11 highly prospective Cu-Co-Zn-Ni tenures in NSW/QLD including historic Cangai Copper Mine (with supergene ore up to 35% copper & 10% zinc¹) under four project groups
- Exceptional high-grade maiden JORC Inferred Resource for Cangai Mine is 3.2MT @ 3.35% Cu (within Jackaderry Project; NSW) – arguably one of the best in Australia - with contained copper circa 108Kt²
- Excellent equivalents too: CuEq – 4.2%, ZnEq – 9.3%, CoEq – 0.5%, AuEq – 6.9g/t, and AgEq – 503.9g/t²

CANGAI COPPER MINE - INFERRED RESOURCE											
	Mass	Cu	Co	Zn	Au	Ag	Cu	Co	Zn	Au	Ag
	(Tonnes)	(%)	(%)	(%)	(g/t)	(g/t)	(Tonnes)	(Tonnes)	(Tonnes)	(Oz)	(Oz)
Oxide	814,267	4.1	0.010	0.63	0.06	27.34	33,391	78	5,165	14,550	715,667
Fresh	2,397,342	3.1	0.003	0.28	0.89	17.74	74,198	75	6,762	68,349	1,367,456
Total	3,211,609	3.35	0.005	0.37	0.8	20.17	107,589	153	11,927	82,899	2,083,123

Note: Totals may sum exactly due to rounding. Cut-off grade used: 1.0% Cu with top-cut applied: 10.0% Cu.

¹ Refer to ASX Release - dated 7 August 2017; ² Refer ASX Release – dated 6 September 2017

Investment theme

Generating Four JORC Inferred Resources



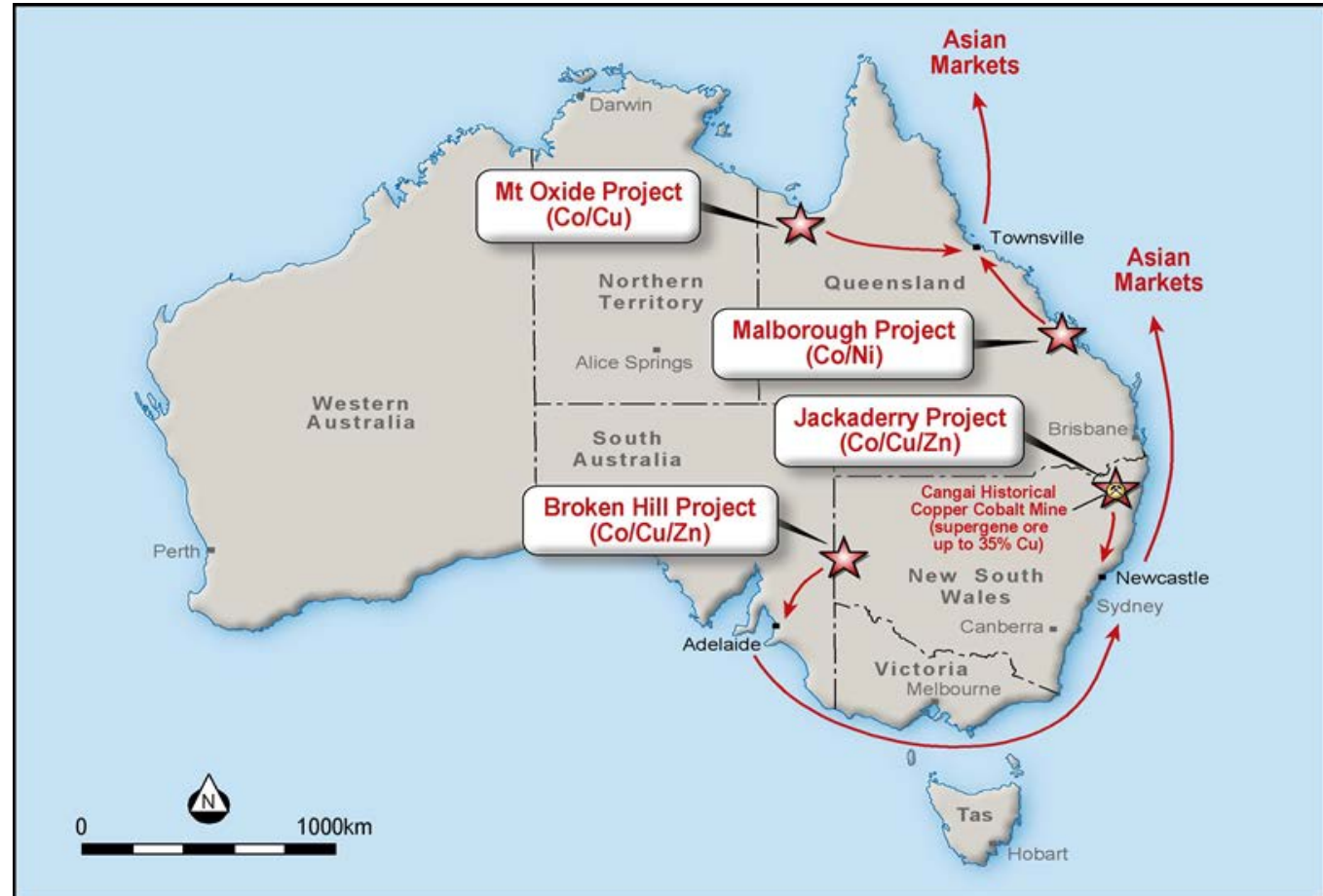
- Further resource upgrades for Cangai Mine (targeting supergene ore mineralisation which is open in all directions) and broader Jackaderry Project via 3D modelling legacy data and inaugural drilling program
- Key competitive advantage and clear point of difference with supergene ore, as possibly suitable for direct shipping ore that can be easily transported to Newcastle Port via excellent infrastructure already in place
- Leveraging legacy data, JORC modelling on an area in the southern part of the Broken Hill Project, with significant high-grade zinc mineralisation, should be finalised during 4Q 2017
- JORC compliant Inferred Resources for two QLD projects, Mt Oxide (copper-cobalt) and Marlborough (nickel-cobalt), will progress post inaugural drilling programs – slated to commence as soon as practical

Investment theme

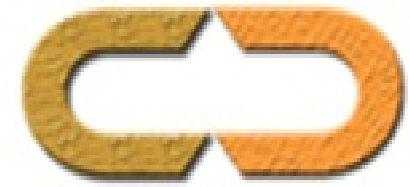
Clear strategy to fast track production



- Clear differentiated strategic business plan: utilise third party concentrate processors within range of prospects then sell end-product via London Metal Exchange to expedite generating cash flow
- All prospects close to excellent transportation infrastructure and access to ports
- Forward macro outlook for copper-cobalt-zinc-nickel is relatively positive



Corporate Castillo Copper snapshot



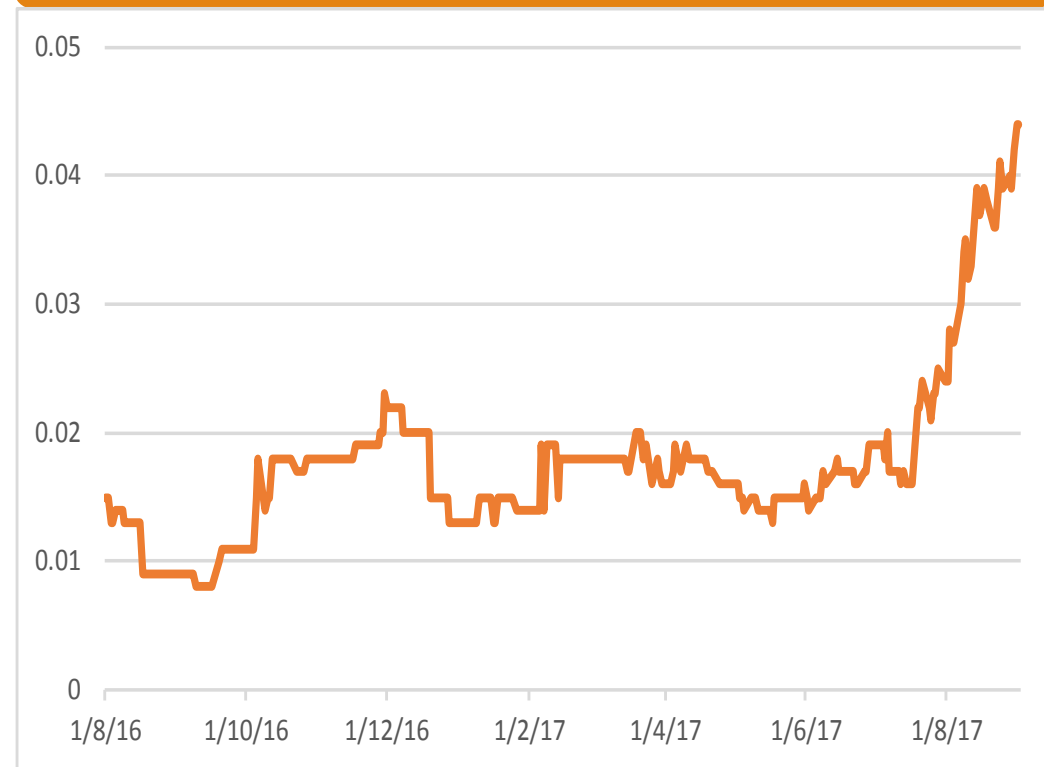
Capital Structure

ASX code	CCZ
Share Price (5/9/2017)	\$0.046
Shares	473.5m
Options/Rights	21m
FD Market Cap	\$27.7m
Cash @ June 2017	\$1m

Major shareholders

Top 20	51%
Board & Management	< 1%

12-month Share Price Chart



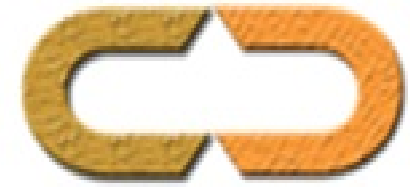
Experienced management team



Team member	Position	Career profile
David Wheeler AICD	Non-Exec Chairman	Over 30 years senior executive management, directorships and corporate advisory experience. Co-Founder of boutique advisor, Pathways Corporate, which undertakes assignments for family offices, private clients and ASX-listed corporates. Undertaken business projects in the USA, UK, Europe, Asia & Middle East. Currently has several directorships with Australian corporates.
Alan Armstrong BBus, CA, AICD	Executive Director	Chartered accountant with 10-years experience focused on SMEs. From late 2014 to mid-2016, as MD of Tanzanian graphite explorer Volt Resources, instrumental in transforming it from a start-up to \$180 million fully-diluted market cap business at cycle peak. Retains strong links to investment community and posses sound knowledge of the global lithium-ion battery industry.
Neil Hutchison BSc (Hons), MAIG, Competent Person	Technical Executive Director	Qualified geologist with 25 years mining industry experience including senior positions with Jubilee Mines and Troy Resources. Since 2007, GM – Geology with Poseidon Nickel and 2014 a Non-Executive Director with Kairos Minerals. Managed all critical geological, business / safety tasks to fully identify and develop a resource through to production.

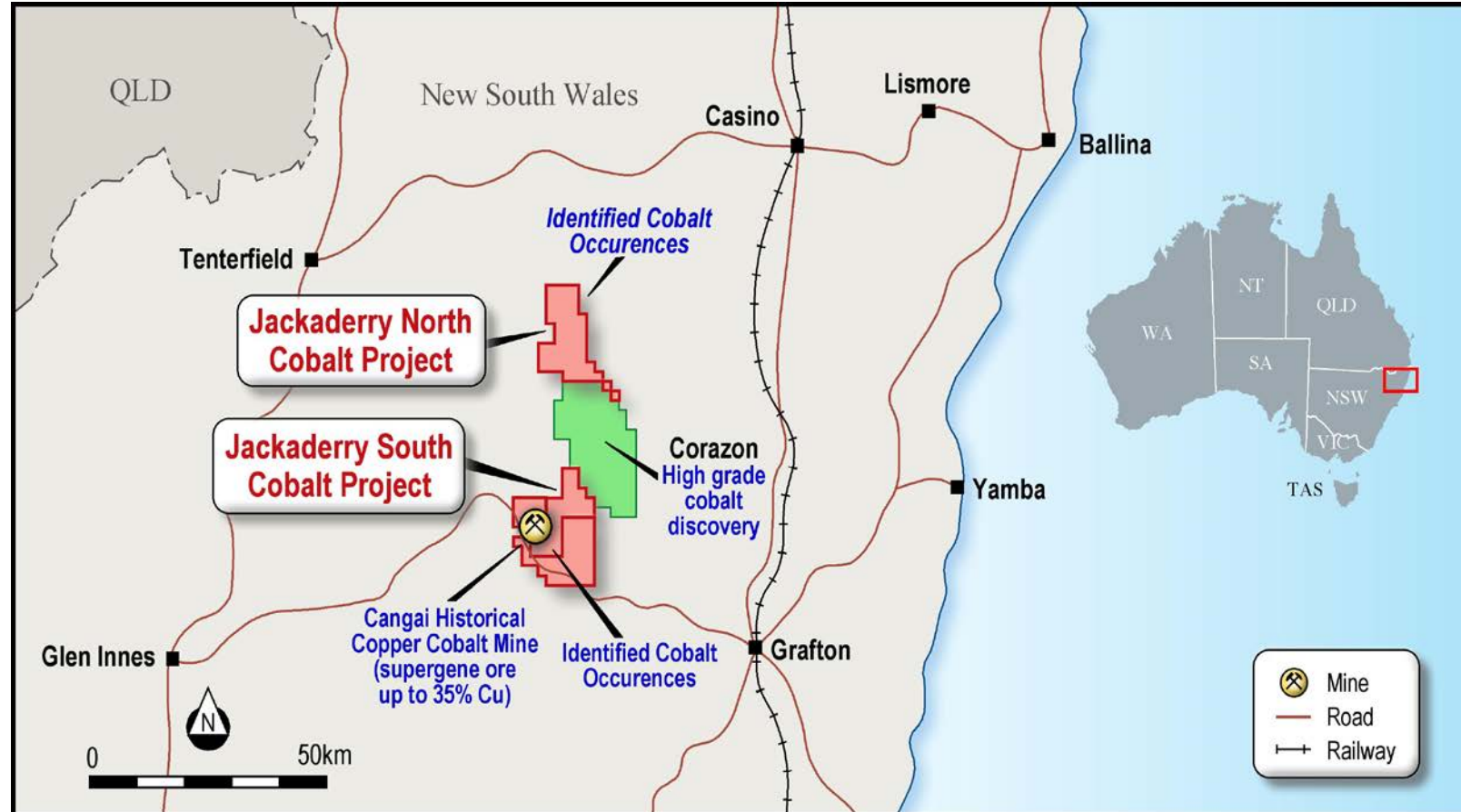
Cangai Mine & Jackaderry Project

Inaugural JORC Inferred Resource²



Jackaderry project – key focus

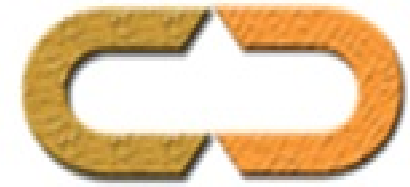
- Exceptional high-grade JORC Inferred Resource for Cangai Copper Mine – derived from 3D modelling legacy data – is 3.2Mt @ 3.35% Cu
- Solid equivalent results too: CuEq – 4.2%, ZnEq – 9.3%, CoEq – 0.5%, AuEq – 6.9g/t, and AgEq – 503.9g/t
- Circa 108,000 tonnes of contained copper



² Refer ASX Release – dated 6 September 2017

Cangai Mine in focus

Supergene ore a game changer



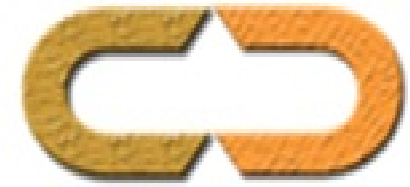
- The discovery of supergene ore, which implies the presence on an enriched copper resource, at Cangai Copper Mine is a game changer
- It is a material point of difference from numerous rivals
- Mine records show supergene ore occurred with azurite and malachite ore grading at 20% to 35% copper, 10% zinc and elevated cobalt levels¹
- The ore occurred close to surface, passed into chalcocite ore with a similar grade below surface and is open in all directions – this translates to significant exploration upside
- Further, it delivers CCZ a strategic competitive advantage as the direct shipment of ore to end-users is a reality, which implies securing higher operating margins



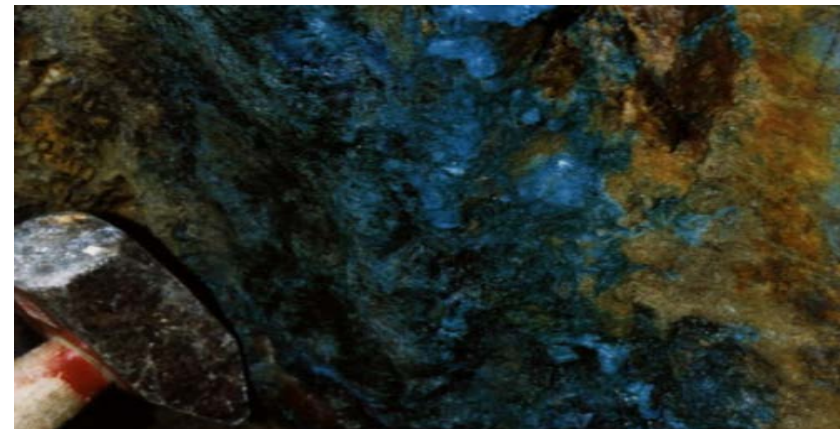
¹ Refer to ASX Release - dated 7 August 2017

Cangai Mine in focus

Uncovered hidden copper-cobalt asset



*Pictures highlight surface outcrops at the historic **Cangai Copper Cobalt Mine** and copper & limonite carbonate mineralisation*

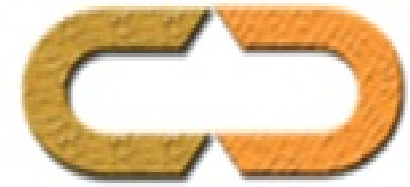


Cangai Mine in focus

Timeline and significant events[^]

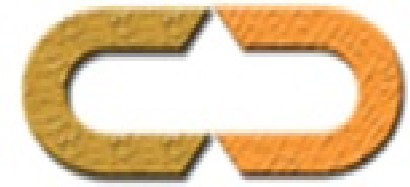
- Cangai Copper Cobalt Mine was in production from 1904-17
- The adjacent pictures illustrate the mine entrance and tramway that was constructed in 1910-11
- Only ore with > 15% copper was extracted, utilising manual labour
- Western Mining conducted tests on the mine in the early 1980s and did one unsuccessful drill hole but relinquished the tenement in 1984
- CRA Exploration (CRAE; now Rio Tinto) conducted tests in 1990-92 and concluded Western Mining drilled in the wrong location
- CRAE stated “there is potential for further economic mineralisation” but relinquished the tenement in 1992 as Australia was in a deep recession
- CCZ acquired the mine in mid-2017 as part of the Jackaderry Project

[^] Certain information sourced from Honours thesis by Carl Brauhart UNSW (1991) “The Geology & Mineralisation of the Cangai Copper Mine, Coffs Harbour Block Northeastern NSW,” CRAE Report No: 17739



Cangai Mine & Jackaderry Project

Further upside to Jackaderry Project

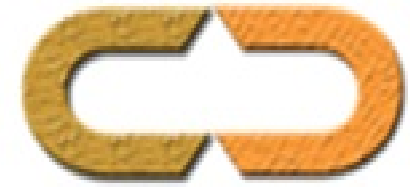


- The Jackderry Project is on ultramafic system that is well known for high grade copper-cobalt
- Exploration upside and larger resource size for the Jackaderry Project is set to increase substantially with incremental desktop review and inaugural drilling campaign – there is a second copper mine and known satellite deposits already in the mix
- The drilling program, which is slated to commence relatively soon, will initially target additional supergene ore mineralisation at Cangai Mine that 3D JORC modelling has confirmed is open in all directions
- It will then migrate to drill targets identified from the drilled down desktop review across the entire project area
- In addition, inaugural testing on legacy core samples from the mine for cobalt (refer adjacent picture) should determine an Inferred Resource



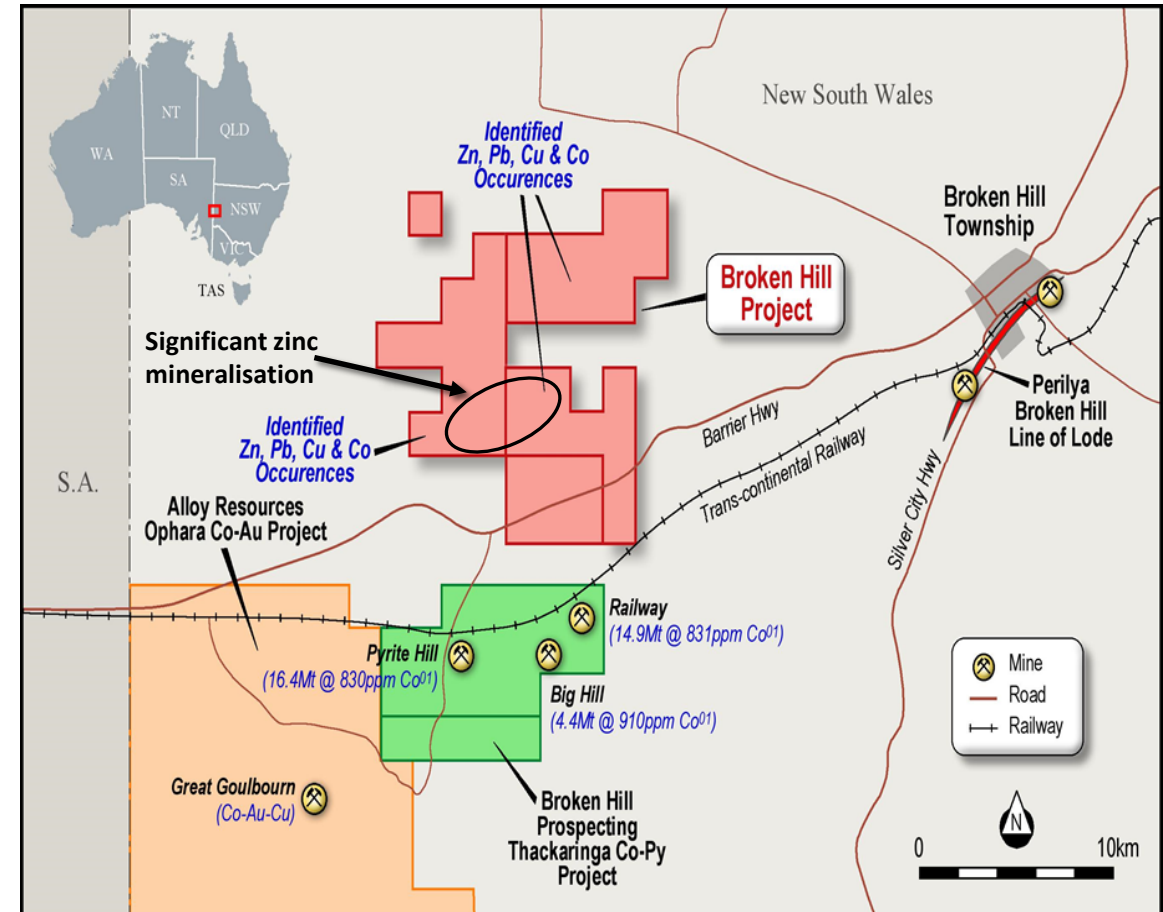
Broken Hill Project

Significant zinc mineralisation



Broken Hill project – secondary focus

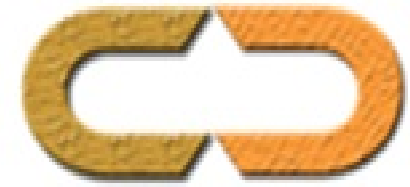
- JORC modelling using legacy data for the Broken Hill project is focused on the southern part of the tenure, which exhibits significant high-grade zinc mineralisation
- This is CCZ's secondary focus area and a JORC compliant Inferred Resource is likely to be generated relatively soon
- Further resource upgrades likely as the initial desktop review uncovered numerous cobalt (max 0.12%), copper (max 12%), and zinc (max 17.7%) anomalous zones in the tenure neighbourhood³



³ Refer to ASX Release "Excellent mineralisation confirmed at Peak Hill" dated 11 July 2017

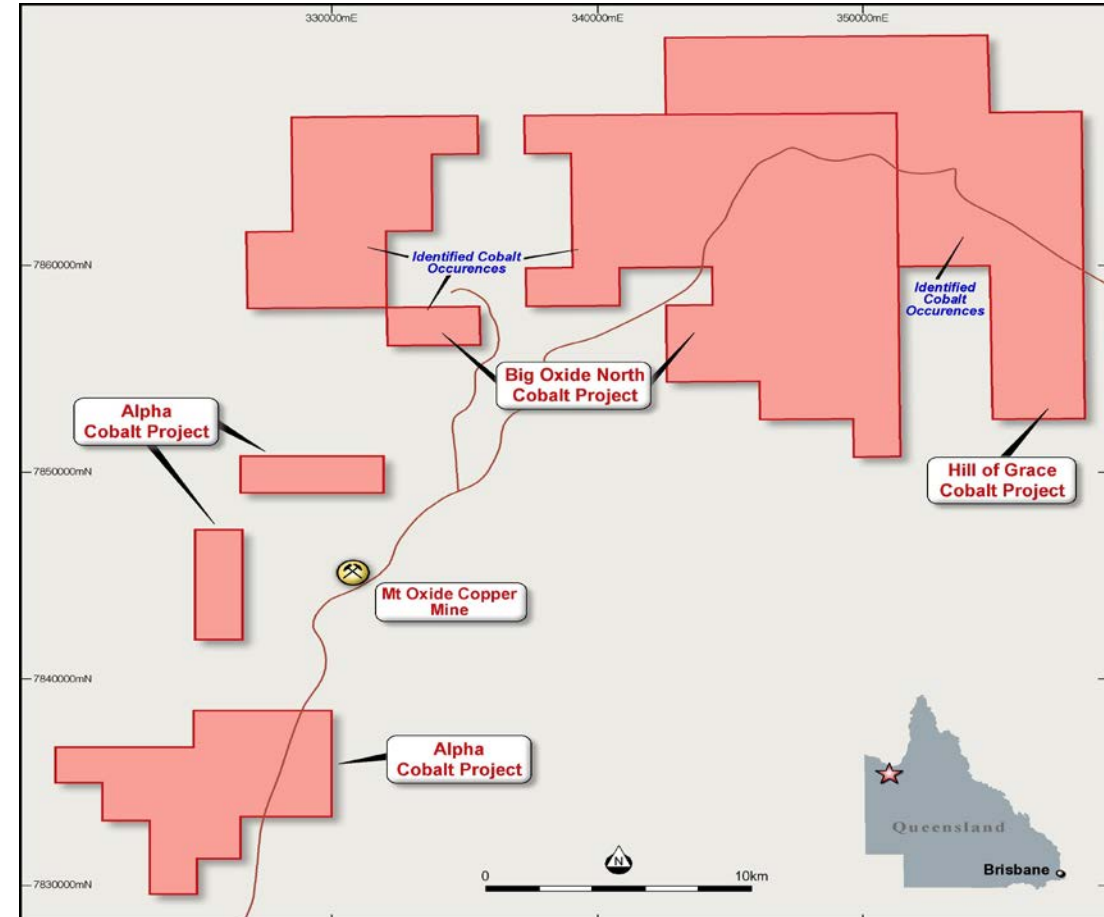
Mt Oxide Project

Drill targets identified



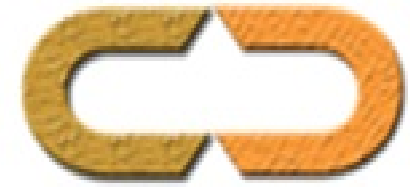
Mt Oxide Project – drilling campaign in the mix

- The initial desktop review identified several excellent copper-cobalt anomalies with best results 0.09% cobalt and 18% copper in the tenure neighbourhood⁴
- Notably, within the tenure, significant cobalt mineralised zones detected, generating early targets for the maiden drilling program
- Work on generating a JORC compliant Inferred Resource for copper-cobalt will commence immediately post the drilling campaign – most likely during 1H 2018



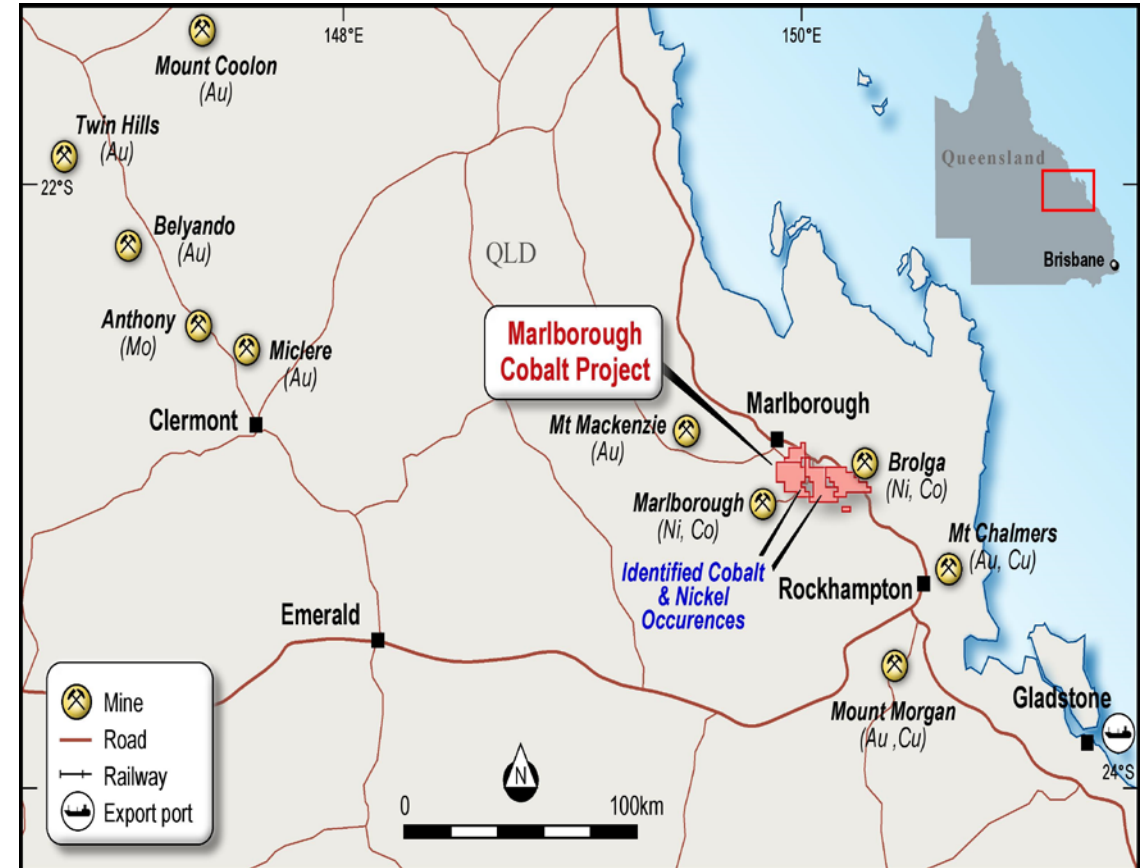
⁴ Refer to ASX Release “Encouraging initial desktop results highlighting cobalt and copper potential ” dated 8 June 2017

Marlborough Project Desktop review



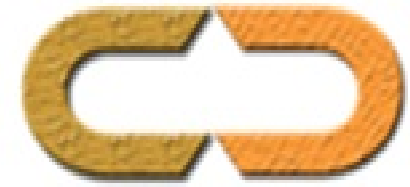
Marlborough Project – desktop review underway

- The Board has ordered a detailed desktop review of the Marlborough Project, given it was only recently acquired
- Legacy data shows the area covered by the Marlborough project and Queensland Nickel contains proven and probable reserves of 48.7Mt at 0.94% nickel and 0.06% cobalt⁵
- Upon completion of the desktop review, the Board will assess key targets and timing for the maiden drilling campaign – likely in 1H 2018

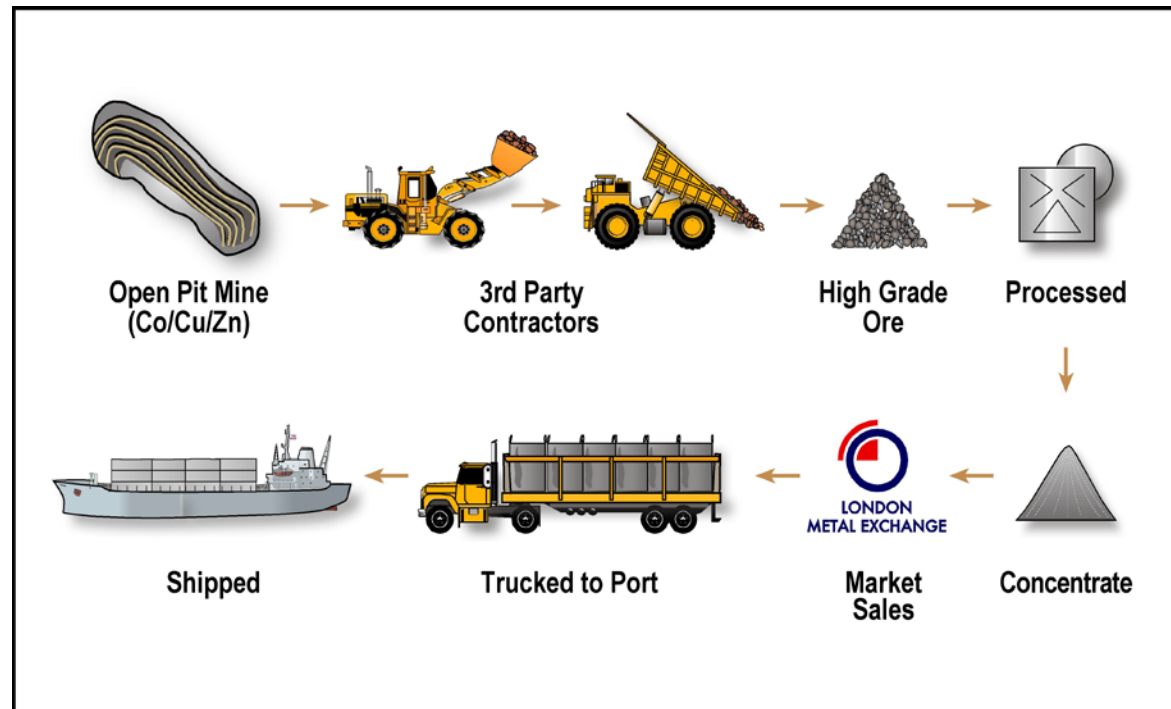


Strategic intent

Highly differentiated business model

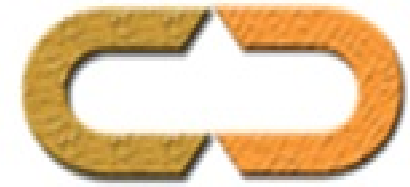


- As four JORC compliant resources (Co-Cu-Zn-Ni) are modelled, CCZ will then use third party processors to make concentrate which is sold via the LME (likely to Asian clients) and shipped from the nearest port
- Materially fast-tracks production, avoids huge capex and generates cashflow earlier in the project lifecycle

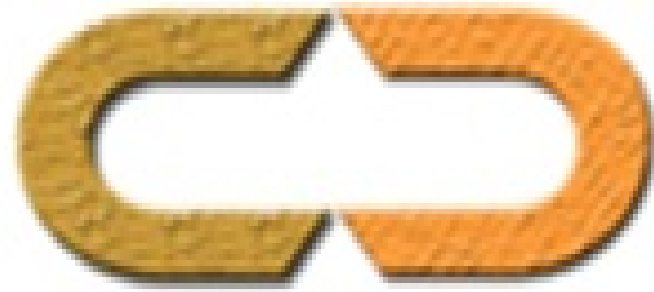


Salient points

Competitive advantages – takeaways



- Discovering Cangai Copper Mine – a hidden asset with supergene ore up to 35% Cu & 10% Zn open in all directions – this ore can be directly shipped to end-users, generating higher margins as not processed
- Ability to model four JORC compliant resources relatively quickly (including high-grade Cangai Mine 3.2Mt @ 3.35% Cu), but key advantage is utilising legacy data for two results since it will save materially on drilling costs
- Simplified outsourced business model that leverages third party processors, excellent proximity to transportation infrastructure and key focus on fast-tracking production to generate cashflow
- Avoids, timely and costly requirement to fund and build plant on site – a huge competitive advantage
- Experienced management team: Neil Hutchison on geology and Alan Armstrong on corporate
- Timely:
 - 1) Many large global tech groups are looking for new cobalt supply chains from stable countries which have properly regulated mining practices
 - 2) Copper, zinc and Nickel are on an upcycle at present, with all facing forward supply deficits



**CASTILLO COPPER
LIMITED**

www.castillocopper.com

Corporate HQ
Level 6, 105 St Georges Terrace
Perth WA 6000
Australia
Tel: +61 8 6558 0886