



**CASTILLO COPPER
LIMITED**

ASX Release

29 August 2019

**CASTILLO COPPER
LIMITED**
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Issued Capital:

641.6 million shares
104.5 million options
26.8 million convertible
notes

ASX Symbol:
CCZ

Geological review identifies potential mineralisation extending from producing mine into Mkushi project

- **CCZ's independent geologist¹ – conducting a review on the acquisition of five Zambia² assets – indicates that the mineralised structure extends along strike into the priority Mkushi project from Shi & Yan Group's³ (SYG) Munshiwenba Copper Mine (MCM):**
 - ❖ **A key finding is contiguous geological structures that host copper mineralisation along the same south-west trending shear zone between the Mkushi project and southern part of SYG's 55km² mining lease where MCM is situated**
 - ❖ **SYG commenced mining operations in 2018, while earlier work from the previous owner in 2011 confirmed a non-JORC compliant resource at 31.6Mt @ 0.62% Cu^{1,4} – calculated by Snowden Group⁵ based on an extensive drill-hole database**
 - ❖ **Overall, the Mkushi project has the potential to deliver significant exploration upside and step up targets to aid expediting an inaugural drilling program**
- **The Board will keep shareholders informed of developments in Zambia and the two Australian pillars (Cangai Copper Mine & Mt Oxide project) as they materialise**

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CCZ's Managing Director Simon Paull stated: "For our Zambia pillar, the independent geologist has identified the priority Mkushi projects potential exploration upside, which is positive. Notably, exploration teams can be mobilised relatively quickly to commence fieldwork then formulate priority drill targets. On the two Australian pillars, the geology team is busily finalising the next phase of the exploration plans and setting timelines to commence field work. Clearly, we are now in an exciting period, as the Board implements the fundamental processes to begin transforming CCZ into a mid-tier copper group."

CCZ's London based director Ged Hall remarked: "This is encouraging news flow out of Zambia and something our investors will highly appreciate. The potential exploration upside of the Mkushi project is significant, especially with multiple targets along strike from SYG's copper mine and within the geochemical anomalies. We look forward to seeing the other four reports on the Zambia assets in due course."

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Castillo Copper Limited's ("CCZ" or "the Company") is delighted to announce encouraging progress with the geological review on the Zambia assets.

As part of the process, Castillo appointed an independent geology consultant¹ based in Zambia to systematically review all five assets. Castillo has now received the first finalised report on the Mkushi project, with demonstrably positive findings that indicate material exploration upside apparent.

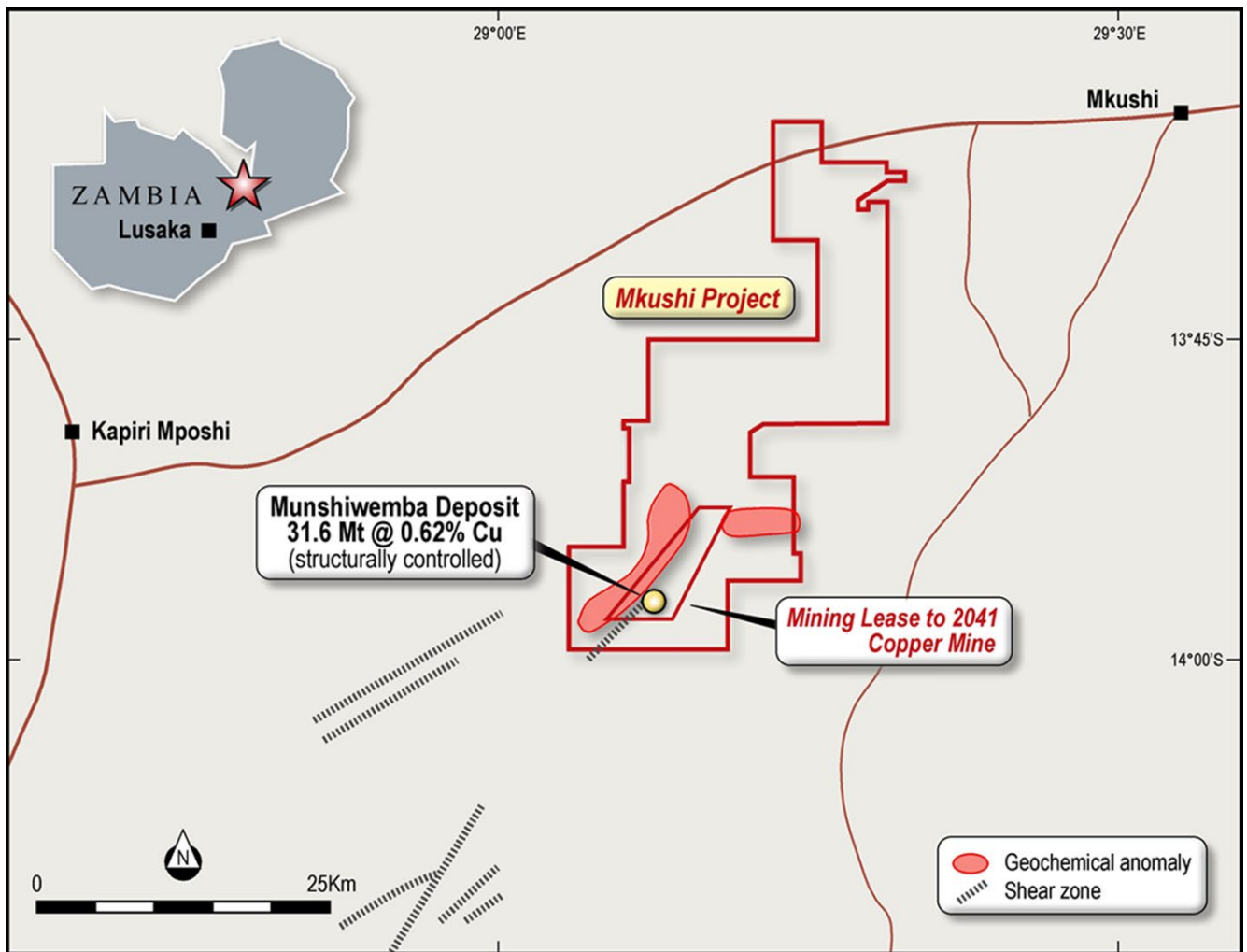
MKUSHI PROJECT REPORT CARD

The independent geologist's main finding was the Mkushi project delivers potential exploration upside. Moreover, there are clear targets which justify immediate follow up fieldwork that can be used as the basis to formulate an inaugural drilling program.

As can be seen in Figure 1 below, the Mkushi project contiguously surrounds SYG's 55km² mining lease which houses the active open-pit MCM that has been producing copper since 2018³.

The key salient point that underpins the Mkushi project's prospectivity is there is a contiguous south-west trending shear zone extending from the Munshiwemba deposit (31.6Mt @ 0.62% Cu^{1,4,5}) into the Mkushi project which hosts copper mineralisation.

FIGURE 1: MKUSHI PROJECT – PRIORITY TARGETS IDENTIFIED



Source: CCZ ASX Release – 10 July 2019; Mason⁴ and Snowden Group⁵ and Laurettes

Next steps

Further updates on the Zambia assets remain pending, while work on the other two pillars should recommence shortly. The Board will keep shareholders informed as developments materialise.

Simon Paul

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) Independent geology consultant – Mr John Mwamba (MSc – Exploration Geology), Managing Director, Laureates Mining Ventures Limited, Lusaka, Zambia
- 2) CCZ ASX Release 10 July 2019
- 3) Lusaka Times 16 September 2018 <www.lusakatimes.com/2018/09/16/central-province-poised-for-massive-development-in-mining-and-energy-sectors/>
- 4) Mason S.A., (February 2011); "Mkushi Mine – Zambia, Munshiwemba Area, 'Mini' Resource Statement – Study commissioned by Ratel Group Ltd
- 5) Snowden Group Geology Consultants <<https://snowdengroup.com/about-us/>>

Competent Person Statement

The information on the page that relates to Exploration Results for the Mkushi Project is based on information compiled or reviewed by Mr Matt Bull, a consultant of Castillo Copper Limited. Mr Bull is a member of the Australian Institute of Geoscientists and has sufficient experience of relevance to the styles of mineralisation and types of deposits under consideration, and to the activities undertaken, to qualify as a Competent Person as defined in the 2012 Edition of the Joint Ore Reserves Committee (JORC) Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves. Mr Bull consents to the inclusion in this report of the matters based on information in the form and context in which it appears.

The information in this report that relates to Exploration Targets, Exploration Results, Mineral Resources or Ore Reserves 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.