



CASTILLO COPPER  
LIMITED

ASX Release

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CASTILLO COPPER  
LIMITED  
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**Directors / Officers:**

Rob Scott  
Simon Paull  
Gerrard Hall

**Issued Capital:**

926.7 million shares  
350.0 million options  
93.7 million performance  
Shares

**ASX Symbol:**

CCZ

## Drill program finalised to test 130m massive sulphide target at Arya prospect in Mt Oxide pillar

- CCZ's geology team has finalised the RC drilling campaign for the Arya project, within the Mt Oxide pillar, which comprises:
  - ❖ A proposed ~3,432m program over 14 drill-holes, within an area ~1,500m by ~1,000m, with targets near surface and deeper geophysical anomalies
- Three deep vertical drill-holes, spaced ~210m apart, will target an **interpreted potential massive sulphide bedrock conductor EG01, which is ~130m thick, with dimensions ~1,500m by ~450m, and ~426m deep<sup>1</sup>**
- The remaining eleven drill-holes will focus on several near-surface targets including **bedrock conductors, EG02 and EG10, which have the potential to be supergene mineralisation<sup>3</sup>:**
  - ❖ **Both are ~25m below surface and ~25m thick, with dimensions ~160m by 50m and ~270m by 280m respectively<sup>1</sup>**
- BHP, which found EG01, EG02 and EG10 in the 1990s, and other groups conducted rock chip sampling at surface<sup>3</sup>, with assays confirming high-grade supergene copper mineralisation at surface up to **7,400ppm Cu<sup>1</sup> and 18,400ppm Cu<sup>2</sup> respectively:**
  - ❖ **Notably, BHP recommended the EG01 conductor be drill-tested but this never materialised, possibly due to the prevailing downturn in base metals in the late 1990s**
- As there is typically a clear nexus between supergene copper mineralisation at surface and potential massive sulphides at depth proposed to be linked by faulting, proving this link is the drilling campaign's core objective
- CCZ has now secured all regulatory approvals necessary to commence drilling at the Arya prospect, enabling the focus to move fully towards progressing logistics which includes:
  - ❖ **Selecting a reputable drilling contractor, support crew and ensuring clear track access to site**
- **The final drill design for the high-grade Big One Deposit will be released shortly**

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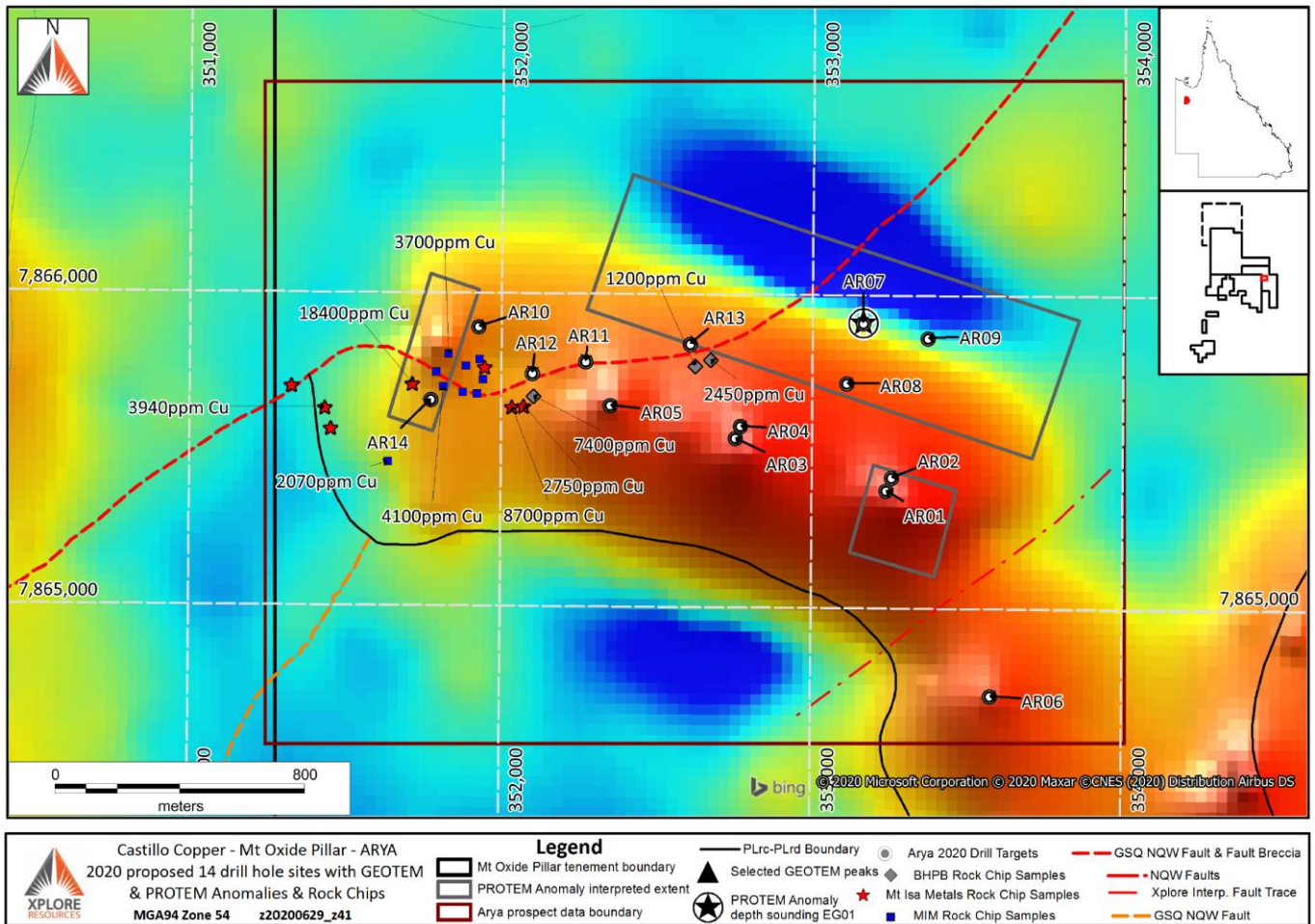
**Castillo Copper's Managing Director Simon Paull commented:** "The countdown to drill the Arya prospect, within the Mt Oxide pillar, has now begun. Having secured all necessary regulatory approvals, our focus moves to logistics which includes appointing a drilling contractor, support teams and ensuring clear access to site. The drilling program has been exceptionally well designed, and our clear objective is to test for shallow supergene copper mineralisation and potential massive sulphides at depth."

Castillo Copper Limited (“CCZ”) is pleased to announce the drill targets for the Arya prospect, within the Mt Oxide pillar (Appendix A), have been finalised to test for supergene copper mineralisation near surface and potential massive sulphides at depth<sup>1,3</sup>.

**ARYA PROSPECT: TEST-DRILL TARGETS**

The RC drilling campaign for the Arya prospect will plan to achieve ~3,432m over 14 drill-holes within an area ~1,500m by ~1,000m that will target near surface, potential mineralisation along faulting, and deeper geophysical anomalies (Figure 1).

**FIGURE 1: DRILLING TARGETS AT ARYA PROSPECT**



Source: Xplore Resources (refer to CCZ ASX Release – 10 June 2020 – for the first release of the rock chip data)

Looking at the specifics, three deep vertical drill-holes, that are spaced ~210m apart, are slated for the **interpreted potential massive sulphide bedrock conductor EG01. This anomaly is interpreted to be ~130m thick, with dimensions ~1,500m by ~450m, and ~426m depth below surface<sup>1</sup>.**

The remaining 11 drill-holes will target EG02, EG10, several GEOTEM anomalous peaks interpreted at shallower depths and potential mineralisation along the fault (refer Figure 1). **Specifically, EG02 and EG10, which are interpreted to comprise supergene mineralisation<sup>3</sup>, are 25m below surface, 25m thick with dimensions ~160m by 50m and ~270m by 280m respectively<sup>1</sup>.** Note, refer to Appendix B for further details on the drilling campaign.

Work done by BHP<sup>1</sup> and other groups<sup>3</sup> confirmed high-grade supergene copper mineralisation at surface, based on assayed rock chip samples, up to **7,400ppm Cu<sup>1</sup> and 18,400ppm Cu<sup>2</sup>** respectively. More significantly, BHP<sup>1</sup> discovered EG01, EG02 and EG10 in the 1990s but due to exogenous factors at the time, possibly the prevailing base metal downturn, did not follow through and drill the target considered highly prospective at EG01.

As there is typically a clear link between supergene copper mineralisation at surface and potential massive sulphides at depth, the primary objective of CCZ's upcoming RC drilling campaign at the Arya prospect is to secure demonstrable proof. The RC drilling aims to target the three (3) geophysical conductors, the fault that had the potential to act as a conduit between the shallow geophysical conductors EG02, EG10, and the deeper geophysical conductor EG01.

## **Logistics**

All necessary approvals from Queensland's mining regulator have now been secured, which moves the focus to progressing expediting logistics. The current status quo is as follows:

- Up to a dozen drilling contractors have been asked to pitch for the work, with priority given to a crew that is available on short notice at competitive rates;
- Support teams are now being canvassed for an expected 6-8 week drilling campaign;
- Liaising with landowners to ratify unimpeded site access; and
- Ongoing track clearance work to ensure the drilling and support equipment can reach site.

## **Next steps**

There are several upcoming mutually exclusive events, including:

- Update on logistics and timeline to commence drilling campaign at Arya prospect;
- Final drill design for the high-grade Big One Deposit; and
- Progress with listing on the Standard Board of the London Stock Exchange.

**For and on behalf of Castillo Copper**

**Simon Paull**

**Managing Director**

## ABOUT CASTILLO COPPER

Castillo Copper Limited (ASX: CCZ) is a base metal explorer primarily focused on copper then zinc & nickel.

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

- **Pillar I:** The Mt Oxide project in the Mt Isa copper-belt district, north-west Queensland, which delivers significant exploration upside through having several high-grade targets and a sizeable untested anomaly within its boundaries in a copper-rich region.
- **Pillar II:** Four high-quality prospective assets across Zambia's copper-belt which is the second largest copper producer in Africa.
- **Pillar III:** Cangai Copper Mine in northern New South Wales, which is one of Australia's highest grading historic copper mines.

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

### References

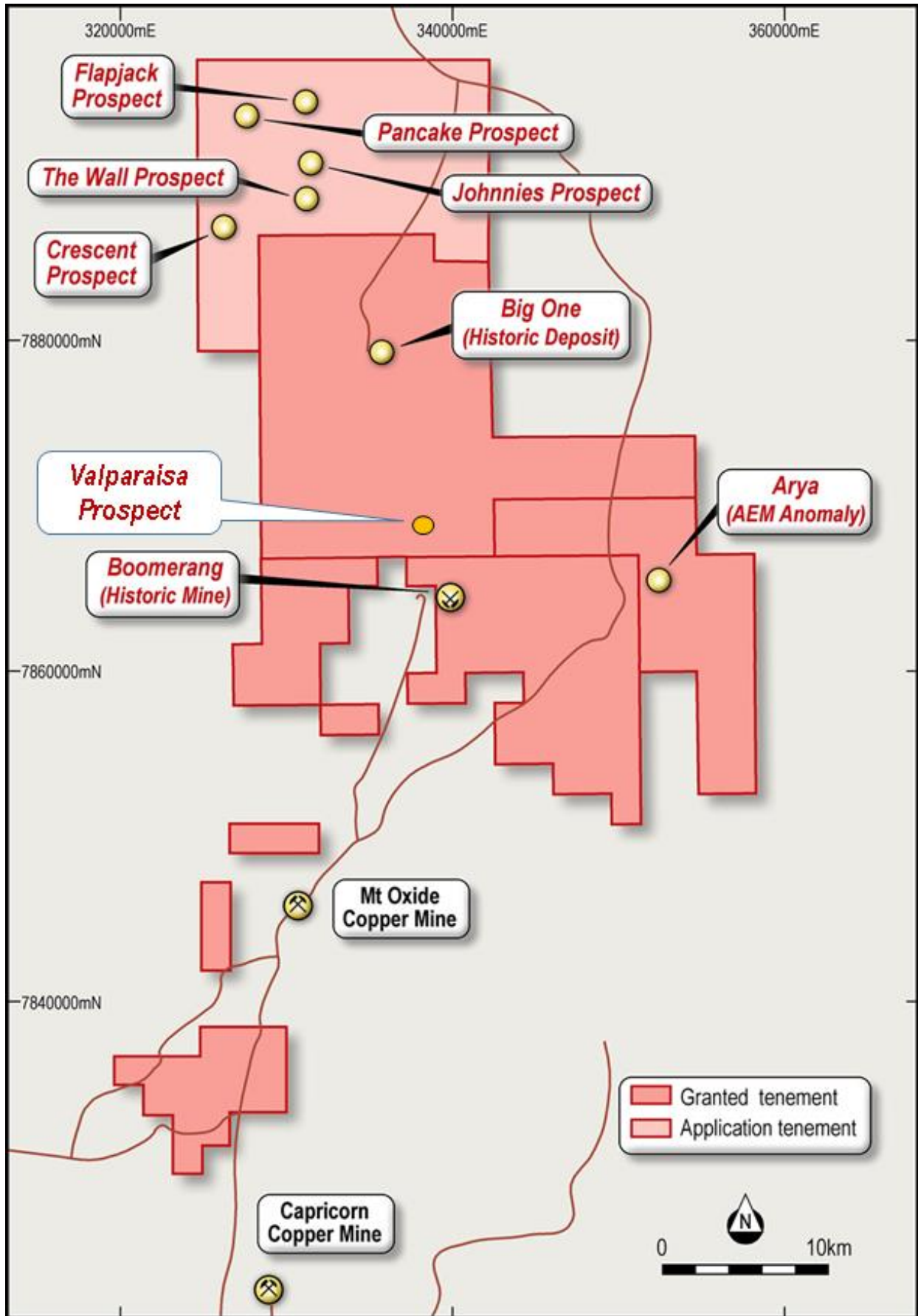
- 1) BHP Minerals Pty Ltd, 1998. EPM 11383 (Alsace Camp), 11452 (Epsilon), Combined Annual/Final Report for the Period Ending 19/12/98. QDEX Report number: 30750 and BHP Minerals Pty Ltd, 1997. EPM 11383 (Alsace Camp), 11452 (Epsilon), Combined Annual Report for the Period Ending 19/12/97. QDEX Report number: 29762. (CCZ ASX Release – 10 June 2020)
- 2) Mt Isa Metals Ltd, 2010. EPM 15767, Myally Tenement, Annual Report for the Period 5/06/2009 to 4/6/2010. QDEX Report number: 64491. and CCZ ASX Release – 10 June 2020
- 3) CCZ ASX Release – 10 June 2020

### Competent Person Statement

The information in this report that relates to Exploration Results for the Mt Oxide pillar Arya prospect contained in this announcement is based on a fair and accurate representation of the publicly available information at the time of compiling the ASX Release, and is based on information and supporting documentation compiled by Nicholas Ryan, a Competent Person who is a Member of The Australasian Institute of Mining and Metallurgy. Nicholas Ryan is Consultant Resource Geologist employed by Xplore Resources Pty Ltd. Mr Ryan has been a Member of the Australian Institute of Mining and Metallurgy for 14 years and is a Chartered Professional (Geology). Mr Ryan is employed by Xplore Resources Pty Ltd. Mr Ryan 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 Ryan consents to the inclusion in the report of the matters based on his information and 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.

APPENDIX A: MT OXIDE PILLAR



Source: CCZ ASX Release – 10 June 2020 & CCZ geology team

## **APPENDIX B: TECHNICAL ASPECTS OF THE DRILL PROGRAM**

### **Detailed drilling plan**

The Arya prospect RC drill program has been designed to target near surface and deeper geophysical anomalies, and potential mineralisation along faults, with a cumulative 3,432m across 14 drill-holes.

The key objectives of the campaign comprise:

- Three deep vertical drill-holes into EG01 that are spaced ~210m apart, that range in predicted total depth from 590m to 680m. The central drill-hole, AR07, has a predicted target vertical depth of ~426m, with the anomaly thickness at ~130m.
- The 11 shallower drill-holes will target EG02, EG10, three highly anomalous peaks and potential mineralisation along the fault. Typically, these drill-holes are inclined 50-60 degrees from horizontal, and range in predicted depth from ~80m to ~192m

The RC drilling campaign aims to intersect the historic geophysical anomalies, the potential mineralisation along the fault, completed downhole geophysical logging, in combination with the RC drill-holes assay results, and structural interpretation, the combined results will determine the next phase of the exploration program.

The shallow geophysical anomalies have the potential to be supergene mineralisation<sup>3</sup>, based on surface observations associated with previously collected rock chip samples<sup>3</sup>. However, the drilling results are required to define the source of the shallow geophysical anomalies.

Focusing on specifics, the shallow drilling predicted to reach 80m to 192m, will progress as follows:

- Two drill-holes will target the fault that appears to control the mineralisation and rock units of the Surprise Creek Formation – these are associated with the significant rock chip assayed samples.
- Three drill-holes will target the fault that appears to control the mineralisation and the GEOTEM / PROTEM geophysical anomalies.
- Two drill-holes will target an inferred cross trend fault or zone of structural weakness that appears to be associated with the EG02 anomaly near a cluster of significant rock chip assayed samples.
- Four drill-holes will target the GEOTEM geophysical anomalies.

Note, the proposed sites for the drill-holes may vary slightly if the field team determines this necessary to deliver an optimal outcome. Down-hole geophysical logging will be completed on all holes and will include verticality and down-hole electromagnetics.

### **Geophysical surveys**

Complementing the RC drilling campaign, several modern ground-based geophysical surveys are to be completed including gravity and moving loop electromagnetics. The proposed surveys will be utilised to generate a 3D geophysical model, in conjunction with the results of the RC drilling campaign.