CASTILLO COPPER LIMITED

ASX Release

30 October 2017

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Issued Capital:
579.7 million shares
67.5 million options

ASX Symbol:
CCZ

Excellent new assay results confirm extensive mineralisation at Cangai Mine

- **New assay results on rock-chip samples collected from Cangai Copper Mine within and external to the JORC modelled boundary, post CCZ's geology team's recent field trip, were up to a maximum 14% copper, 34.7 g/t silver, 12,000ppm zinc and 2,150ppm lead**

- **This conclusive information (and recent indicative pXRF readings: refer ASX Announcement – 23 October 2017) strongly supports results from 3D JORC modelling, utilising legacy data, that generated an Inferred Resource of 3.2Mt @ 3.35% copper**

- **With these assay results, CCZ's geology team is confident the copper grade within the lodes and mineralisation halo between the historical mined lodes will range from 1-4% post the inaugural drilling program**

- **Further, the geology team anticipates material resource size upside for copper (current JORC Inferred Resource: 107,600 tonnes), silver (2.08m oz) and gold (82,900oz)**

- **The copper grades recorded from four legacy stockpiles within the JORC modelled boundary were outstanding, but further analysis is required to determine the extractable ore volumes – these deposits would likely be extracted first upon commencement of mining operations**

- **While gold assay results are still pending, this exercise has confirmed other than copper, Cangai has considerable potential for silver, zinc and lead mineralisation**

- **The Board is optimistic that drilling, subject to regulatory clearance, can start at Cangai Copper Mine relatively soon – a geology consultancy group will be commissioned to manage the process and key drill targets identified**

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Castillo Copper's Executive Director Alan Armstrong commented: *"Being able to confirm widespread copper mineralisation with our own conclusive data is a significant milestone towards the Board's desired objective to upgrade the Cangai Copper Mine as soon as practical. The assay evidence clearly supports the early work done in generating a JORC compliant Inferred Resource for copper of 3.2Mt @ 3.35%. With CCZ's balance sheet strengthened post-the recent capital raising exercise, the Board's priority focus is to secure all necessary regulatory approvals, appoint key contractors and expedite commencing the inaugural drilling program."*

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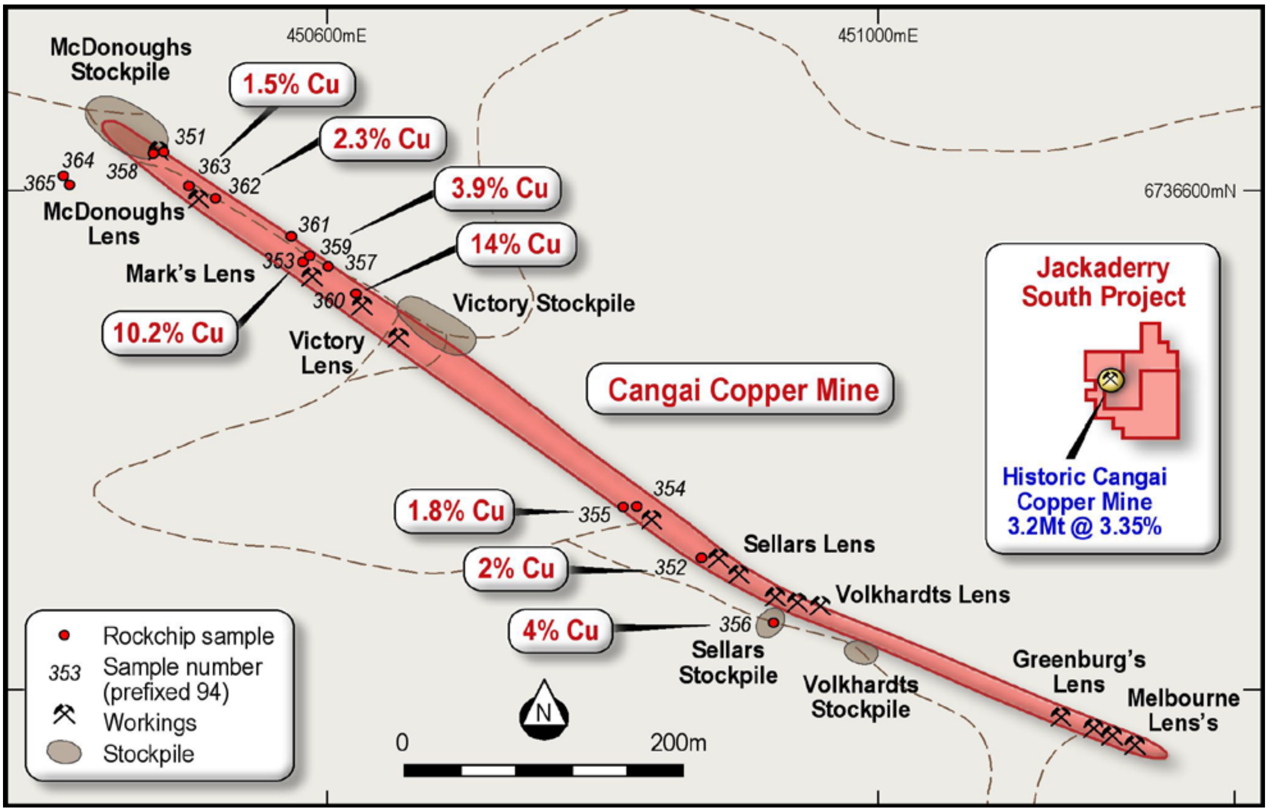
Castillo Copper Limited's (**CCZ** or **Company**) Board was delighted to receive exceptional new assay results, which confirmed extensive high-grade copper mineralisation within the JORC modelled boundary up to 14% (maximum). Incrementally, it was pleasing to see strong assay readings for silver (34.7 g/t), zinc (12,000ppm) and lead (2,150ppm); gold results are still pending from the laboratory.

EXCEPTIONAL ASSAY RESULTS

CCZ's geology team collected multiple rock-chip samples from within and external to the JORC modelled boundary at Cangai Copper Mine during the recent field trip (refer ASX Announcement – 23 October 2017). Figure 1 highlights where the samples were collected along the line of lode at the historic mine site – stockpiles and unmined working sections – and the copper grades returned from the assay results, which ranged from 1.5% up to 14%. Meanwhile, Figure 2 provides more detail on the sample location and readings for silver, zinc and lead – refer to Appendix A for complete results.

FIGURE 1: MAP HIGHLIGHTING NEW ASSAY RESULTS AT CANGAI COPPER MINE



Source: CCZ's geology team; ALS (assay results)

FIGURE 2: SIGNIFICANT ASSAY RESULTS FROM CANGAI MINE SAMPLES (>1% Cu)

Sample Number	Location Description	Cu %	Ag g/t	Pb ppm	Zn ppm
352	Surface gossan	**2.01**	**2.83**	**2150**	161
353	Ore stockpile	**10.15**	**17.55**	**667**	215
355	Discovery outcrop-mineralised	**1.80**	**1.61**	68.1	93
356	Ore stockpile	**4.01**	**10.75**	**1070**	**8510**
359	Shaft-unmined ore	**3.92**	**13.75**	**1410**	**5040**
360	Ore stockpile	**13.95**	**34.7**	**1630**	**12000**
362	Ore stockpile in creek	**2.34**	**3.43**	196	**7300**
363	Unmined wall rock	**1.46**	**3.89**	149.5	**2000**

Note: Refer Appendix A for full list and detailed results
Source: ALS

Key findings

The assay results clearly support the JORC compliant Inferred Resource (3.2Mt @ 3.35%) that was 3D modelled using legacy data (refer Appendix B for global Inferred Resource break down by lens) and indicative readings from pXRF analysis undertaken during the field trip (ASX Announcement – 23 October 2017). In addition, the assay results confirmed solid readings for silver (maximum 34.7g/t), zinc (12,000ppm) and lead (2,150ppm) within the JORC modelled boundary, though gold results are still pending at the laboratory.

Based on these assay results, CCZ's geology team is now confident the average copper grade within the lodes and mineralisation halo will range from 1-4% post the inaugural drilling program. Moreover, this empirical evidence now indicates there is considerable resource size upside potential for copper (current JORC Inferred Resource: 107,600 tonnes), silver (2.08m oz) and potentially gold (82,600 oz) – once the assay results for gold are received.

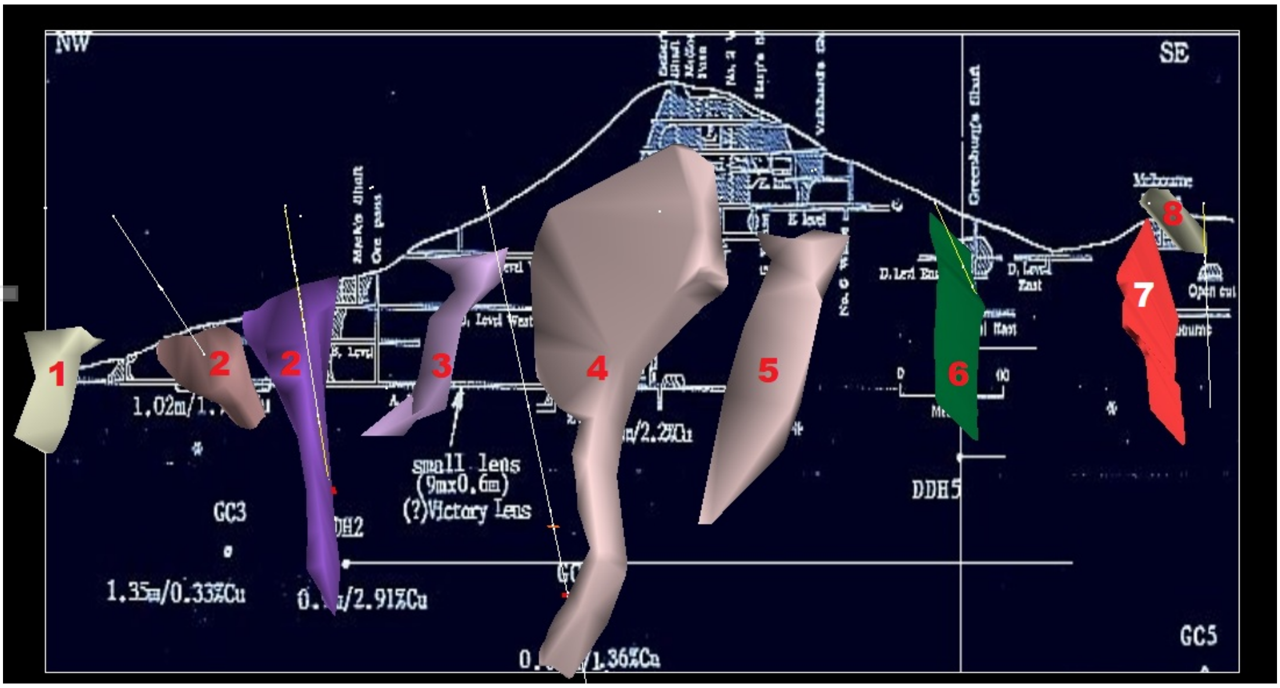
While the readings from the stockpiles were excellent for copper mineralisation, more work needs to be done to determine the average grade and size of the ore volume available. In the event of mining operations commencing, these stockpiles will likely be extracted first, which should enable cashflow generation to start almost immediately.

Next steps

Moving forward, drill testing and expanding the mineralisation to prove up a JORC compliant Indicative Resource for the minerals identified from the assay results will be the focus of the inaugural drilling campaign. To progress this as quickly as possible, the Board is in the process of appointing a geological consultancy group to manage the drilling program, which will be split into two phases:

- Phase I: shallow drilling targeting known unmined working sections and the mineralisation halo (Figure 3);

FIGURE 3: 3D MODEL OF CANGAI COPPER MINE & JORC RESOURCES



Ore Zone Legend: 1 McDonough's Lens; 2 Marks Lens; 3 Victory Lens; 4 Sellars Lens; 5 Volkhardt's Shaft Lens; 6 Greenberg's Lens; 7 Melbourne Lens; and 8 Melbourne Open Cut
Source: ROM Resources

- Phase II: Deeper drilling to determine the depth of the ore body within the current JORC modelled boundary. As the deposit has not been extensively drilled below 100m, there remains significant potential at depth within the sulphide zone.

Ideally, if all regulatory approvals can be secured, the inaugural drilling campaign can start relatively soon, subject to appointing a suitable drilling contractor. In preparation for this, the geology team have already identified key focus areas and specific drill targets, which they believe will deliver an optimal outcome.

The Board intends to conduct a drone flyover to photograph and map the terrain as well as an electro-magnetic survey to determine the extent of sulphide mineralisation and to identify additional targets for the Phase II drilling program. Contractors to undertake these tasks should be appointed within the next few weeks.

The Board will keep shareholders informed of progress as it starts to ramp up exploration activities at Cangai Copper Mine.

For and on behalf of Castillo Copper

David Wheeler

Chairman

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.

ABOUT CASTILLO COPPER

Castillo Copper Limited (ASX: CCZ) is an ASX-listed base metal explorer – primarily focused on copper, cobalt, zinc and nickel – that has the bulk of its core operating assets in eastern Australia.

The Australian assets comprise four tenure groups that collectively hold 11 highly prospective copper-cobalt-zinc-nickel project areas in New South Wales and Queensland, detailed briefly as follows:

- **Jackaderry Project** – comprises three prospects (two in the south that are contiguous) in the New England Orogen in NSW which are highly prospective for copper-cobalt-zinc. Of significance is the historic Cangai Copper Cobalt Mine (within Jackaderry South) as legacy data confirms the presence of supergene ore with up to 35% copper and 10% zinc which implies direct shipping ore is potentially feasible. On 6 September 2017, CCZ announced one of Australia's highest grade JORC compliant Inferred Resources for copper: 3.2Mt @ 3.35%.
- **Broken Hill Project** – consists of two contiguous tenements that are located within a 20km radius of Broken Hill, NSW, that are prospective for copper-cobalt-zinc. A key feature of the project is an area in the southern part of the tenure, which exhibits significant high-grade zinc mineralisation.
- **Mt Oxide Project** – made up of three prospects (two are contiguous) in the Mt Isa region, northwest Queensland, and are well known for copper-cobalt systems.
- **Marlborough Project** – includes three prospects that are located north-west of Gladstone (adjacent to Queensland Nickel mining leases) in an area, which is made up of proven high-grade cobalt-nickel systems. .

Castillo Copper also holds wholly-owned Chilean assets comprise of six exploration concessions across a total area of 1,800 hectares that are well known for high grade copper-gold projects.

ANNEXURE A: ASSAY RESULTS FOR CANGAI COPPER MINE ROCKCHIP SAMPLES

CANGAI COPPER MINE ROCKCHIP SAMPLES								
Sample Number	***Easting MGA_94***	***Northing MGA_94***	***Location Description***	***Mineralisation Description***	***Cu %***	***Ag g/t***	***Pb ppm***	***Zn ppm***
94351*	450479	6736630	Footwall volcanics inside McDonough's Adit	Barren, minor sulphides	0.03	0.03	6.9	134
94352	450871	6736308	Surface gossan to south of Sellars Shaft	Iron rich gossan; geothite-hematite-limonite	**2.01**	**2.83**	**2150**	161
94353	450584	6736543	Ore stockpile near Mark/A1 Shafts	Malachite rich volcanics	**10.15**	**17.55**	**667**	215
94354*	450824	6736347	Sellars Lode; discovery outcrop	Non mineralised volcanic hostrock	0.73	0.49	10.5	80
94355	450814	6736346	Sellars Lode; discovery outcrop	Green copper stained volcanics on outcrop surface	**1.80**	**1.61**	68.1	93
94356	450922	6736255	Ore stockpile-Sellars Lode	Sulphide rich ore from bottom of Sellars Mine	**4.01**	**10.75**	**1070**	**8510**
94357*	450600	6736537	Ore stockpile-Host rock	Barren siderite-iron stained volcanics	0.07	0.16	6.4	104
94358*	450477	6736629	Host rock from McDonoughs Lode Adit	Barren altered volcanics	0.09	0.1	18.2	213
94359	450584	6736544	A1/A2 Shaft Side wall-unmined ore	Malachite-iron stained volcanics	**3.92**	**13.75**	**1410**	**5040**
94360	450620	6736517	Ore stockpile; Victory Lens	Malachite and azurite-rich altered volcanic	**13.95**	**34.7**	**1630**	**12000**
94361	450573	6736563	Ore stockpile; Marks Lode	Metasedimentary host rock	0.07	0.12	14.4	225
94362	450519	6736593	-Ore stockpile in creek; McDonough's Adit	Malachite-rich rock with calcite	**2.34**	**3.43**	196	**7300**
94363	450499	6736603	Marks' slot unmined wall rock	Malachite-rich and calcite rock	**1.46**	**3.89**	149.5	**2000**
94364*	450409	6736609	150m above McDonough's adit	Barren insitu volcanics-background reading sample	0.01	0.18	10.5	55
94365*	450413	6736604	150m above McDonough's adit	Insitu volcanics-Mn and Fe stained-background reading sample	0.04	0.09	9.2	212

Note: Samples with * denote samples collected away from mineralisation to determine background assay readings

APPENDIX B: GLOBAL INFERRED RESOURCE BROKEN DOWN BY LENS

CANGAI COPPER MINE - GLOBAL INFERRED RESOURCE												
Lens Name	Zone	Total (Tonnes)	Cu (%)	Co (%)	Zn (%)	Au (g/t)	Ag (g/t)	Cu (Tonnes)	Co (Tonnes)	Zn (Tonnes)	Au (oz)	Ag (oz)
Greenberg's Lens	Oxide	1,754	4.05	0.010	0.57	0.00	32.09	71	0	10	0	1,810
Greenberg's Lens	Fresh	676,137	2.74	0.003	0.08	0.80	15.08	18,557	19	537	17,457	327,902
Marks Lens	Oxide	50,073	2.09	0.014	0.14	0.17	6.80	1,048	7	69	271	10,946
Melbourne Lens	Fresh	556,708	3.08	0.003	0.19	0.89	15.48	17,170	16	1078	15,931	277,066
Melbourne Open Cut	Oxide	15,656	3.32	0.002	0.49	0.07	14.58	520	0	76	36	7,341
Sellers Lens	Oxide	537,838	4.18	0.009	0.81	0.81	29.21	22,469	50	4339	13,955	505,181
Sellers Lens	Fresh	1,066,027	3.41	0.003	0.47	0.97	21.24	36,312	37	5036	33,152	728,077
Victory Lens	Oxide	29,889	2.89	0.010	0.16	0.25	9.31	864	3	48	236	8,946
Victory Lens	Fresh	13,928	2.25	0.003	0.02	0.47	11.69	313	0	3	212	5,237
Volkhardt's Shaft Lens	Oxide	179,044	4.70	0.009	0.35	0.01	31.52	8,420	17	623	52	181,437
Volkhardt's Shaft Lens	Fresh	84,542	2.18	0.003	0.13	0.59	10.73	1,846	2	108	1,701	29,174
		3,211,600	3.35	0.005	0.37	**0.80**	**20.17**	**107,600**	**152**	**12,000**	**82,900**	**2,083,100**

Note: Totals may not sum exactly due to rounding. Cut-off grade used:1.0% Cu with top-cut applied: 10.0% Cu.

Source: ROM Resources

JORC Code, 2012 Edition – Table 1 report template

Section 1 Sampling Techniques and Data

(Criteria in this section apply to all succeeding sections.)

Criteria	JORC Code explanation	Commentary
Sampling techniques	• *Nature & quality of sampling (e.g. cut channels, random chips, or specific specialised industry standard measurement tools appropriate to the minerals under investigation - down hole gamma sondes, or handheld XRF instruments, etc.). These examples should not be taken as limiting the broad meaning of sampling.* • *Include reference to measures taken to ensure sample representivity and the appropriate calibration of any measurement tools or systems used.* • *Aspects of the determination of mineralisation that are Material to the Public Report.* • *In cases where 'industry standard' work has been done this would be relatively simple (e.g. 'reverse circulation drilling was used to obtain 1 m samples from which 3 kg was pulverised to produce a 30-g charge for fire assay'). In other cases, more explanation may be required, such as where there is coarse gold that has inherent sampling problems. Unusual commodities or mineralisation types (eg submarine nodules) may warrant disclosure of detailed information.*	• Samples used in this analysis were collected during the field reconnaissance work in October 2017. Samples were collected by Neil Hutchison, Mark Biggs and Kateryna Miniailo. • Total 15 rock chip samples were collected. • Samples were delivered to ALS Laboratory in Stafford, Brisbane for analysis • Sample details from the rockchip samples are listed as Table 1 in the announcement.
Drilling techniques	• *Drill type (eg core, reverse circulation, open-hole hammer, rotary air blast, auger, Bangka, sonic, etc.) and details (e.g. core diameter, triple or standard tube, depth of diamond tails, face-sampling bit or other type, whether core is oriented & if so, by what method, etc.).*	• Not applicable in this study as no new drilling was undertaken.
Drill sample recovery	• *Method of recording and assessing core and chip sample recoveries and results assessed.* • *Measures taken to maximise sample recovery and ensure representative nature of the samples.* • *Whether a relationship exists between sample recovery and grade and whether sample bias may have occurred due to preferential loss/gain of fine/coarse material.*	• Not applicable in this study as no new drilling was undertaken.

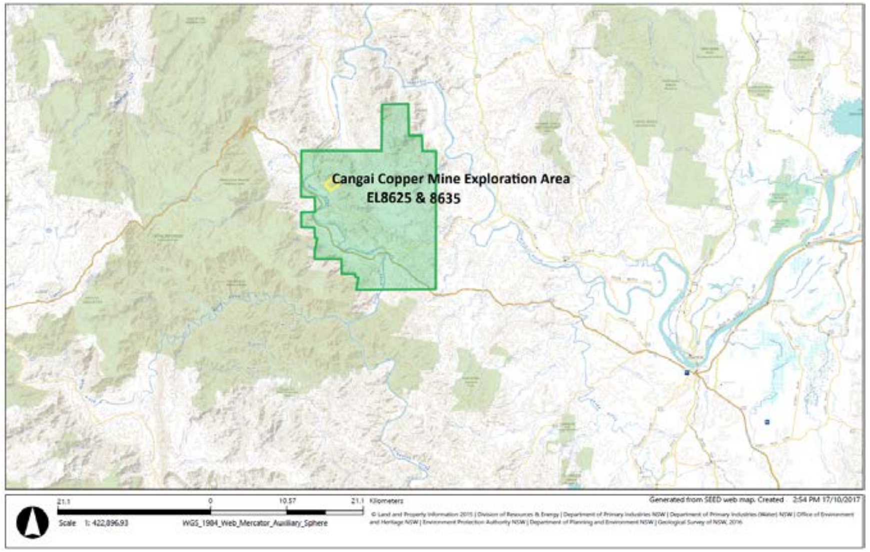
Logging	• *Whether core and chip samples have been geologically and geotechnically logged to a level of detail to support appropriate Mineral Resource estimation, mining studies and metallurgical studies.* • *Whether logging is qualitative or quantitative in nature. Core (or costean, channel, etc) photography.* • *The total length and percentage of the relevant intersections logged.*	• Rock sample description were logged into field notes books along with sample numbers. Photographs of samples and sample numbers were taken. • Samples photos are shown below: 
Sub-sampling techniques and sample preparation	• *If core, whether cut or sawn and whether quarter, half or all core taken.* • *If non-core, whether riffled, tube sampled, rotary split, etc. and whether sampled wet or dry.* • *For all sample types, the nature, quality and appropriateness of the sample preparation technique.* • *Quality control procedures adopted for all sub-sampling stages to maximise representivity of samples.* • *Measures taken to ensure that the sampling is representative of the in-situ material collected, including*	• Samples of 1-2kg in size were collected • Samples are either in situ rock or composited samples collected from waste/ore stock piles on site. Refer to Table 1 in the announcement for sample descriptions.

	for instance results for field duplicate/second-half sampling. • Whether sample sizes are appropriate to the grain size of the material being sampled.	
Quality of assay data and laboratory tests	• *The nature, quality and appropriateness of the assaying and laboratory procedures used and whether the technique is considered partial or total.* • *For geophysical tools, spectrometers, handheld XRF instruments, etc, the parameters used in determining the analysis including instrument make and model, reading times, calibrations factors applied and their derivation, etc.* • *Nature of quality control procedures adopted (eg standards, blanks, duplicates, external laboratory checks) and whether acceptable levels of accuracy (ie lack of bias) and precision have been established.*	• Samples were analysed in certified ALS Laboratory in Stafford, Brisbane. • Forty-eight (48) elements were requested for analysis; Ag, Al, As, Se, Ca, K, S, Ba, Be, Bi, Sb, Sn, Cd, Ce, Cs, Ga, Ge, Hf, In, La, Li, Mg, Na, Nb, P, Zr, Sr, Rb, Re, S, Te, Tl, Y, Pb, Hg, Zn, W, Cu, Ni, Co, V, Ti, Fe, Mn, Cr, Sc, Mo, Th, U, Ta. • For samples that demonstrate more than 5000ppm of copper, additional FIRE assay analysis was requested for Au.
Verification of sampling and assaying	• *The verification of significant intersections by either independent or alternative company personnel.* • *The use of twinned holes.* • *Documentation of primary data, data entry procedures, data verification, data storage (physical and electronic) protocols.* • *Discuss any adjustment to assay data.*	• 3 geological personnel were on site to collect the samples. All samples were logged into sample ticket books, field note books and photographed with the sample ticket very cross reference (as shown above) • Data was entered into an excel spread sheet and emailed to all 3 personnel
Location of data points	• *Accuracy and quality of surveys used to locate drill holes (collar and down-hole surveys), trenches, mine workings and other locations used in Mineral Resource estimation.* • *Specification of the grid system used.* • *Quality and adequacy of topographic control.*	• Samples locations were captured by hand-held GPS using MGA94, Zone 56. • The coordinates of samples are shown above in Table 1.
Data spacing and distribution	• *Data spacing for reporting of Exploration Results.* • *Whether the data spacing and distribution is sufficient to establish the degree of geological and grade continuity appropriate for the Mineral Resource and Ore Reserve estimation procedure(s) and classifications applied.* • *Whether sample compositing has been applied.*	• The average surface sample spacing were approximately 250m. • No sample compositing has been applied other than the collection of representative rock sample pieces collected from the waste-ore stockpiles.
Orientation of data in relation to	• *Whether the orientation of sampling achieves unbiased sampling of possible structures and the extent to which this is known, considering the deposit type.* • *If the relationship between the drilling orientation and*	• Samples were taken from outcrops, gossans, mine walls, ore dumps, waste dumps and barren rocks in order to confirm the spatial location of the mineralisation.

geological structure	*the orientation of key mineralised structures is considered to have introduced a sampling bias, this should be assessed and reported if material.*	
Sample security	• *The measures taken to ensure sample security.*	• Sample were personally delivered to ALS Laboratory in Brisbane by Mark Biggs.
Audits or reviews	• *The results of any audits or reviews of sampling techniques and data.*	• No audits or reviews have yet been undertaken.

Section 2 Reporting of Exploration Results

(Criteria listed in the preceding section also apply to this section.)

Criteria	JORC Code explanation	Commentary
Mineral tenement and land tenure status	• *Type, reference name/number, location and ownership including agreements or material issues with third parties such as joint ventures, partnerships, overriding royalties, native title interests, historical sites, wilderness or national park and environmental settings.* • *The security of the tenure held at the time of reporting along with any known impediments to obtaining a licence to operate in the area.*	• Castillo Copper holds EL 8625 and EL 8635 for Group 1 minerals. EL8625 has been granted for a period of thirty-six months until 17th July 2020. El 8635 is granted till 21st Aug 2020. The location of the tenure is shown in Figure 1 below: Figure 1: Location of EL 8625 and EL 8635: 
Exploration done by other parties	• *Acknowledgment and appraisal of exploration by other parties.*	Previous explorers (Brownlow, 1989; Abraham-Jones, 2012) have noted that a 'basement window' of exposed magmatic hydrothermal alteration and historical copper workings may represent the western and upper extent of a much larger hydrothermal system concealed under Mesozoic cover to the east, prospective for: • Quartz-tourmaline-sulphide-cemented, magmatic-hydrothermal breccia hosted copper-gold-molybdenum-cobalt (Cu-Au-Mo-Co) deposit; • Concealed porphyry copper-gold-molybdenum-cobalt (Cu-Au-Mo-Co) ore body associated with quartz diorite to tonalitic porphyry apophyses

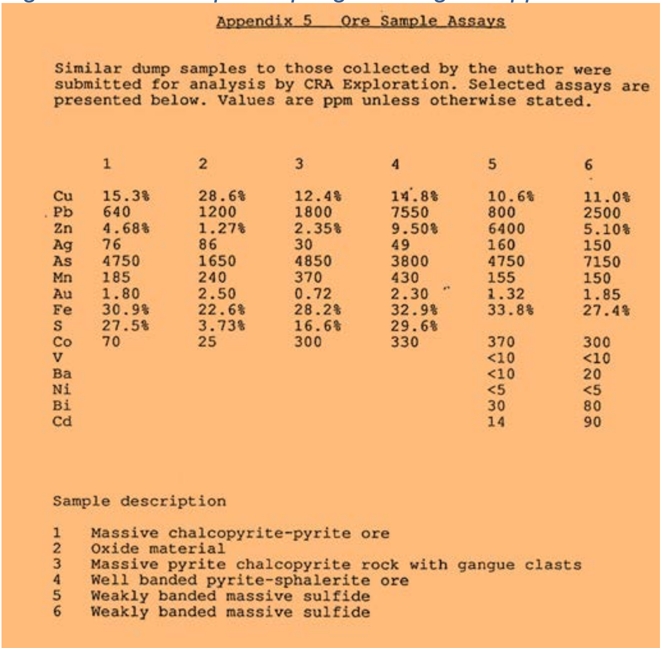
		proximal to the tourmaline-sulphide cemented breccia's; • Potential also exists for copper-gold (Cu-Au) skarn; Considerable exploration has taken place in and around the Cangai Copper Mine (closed) by several large explorers such as Western Mining and CRA Exploration, the results of which are covered in the Local Geology section.
Geology	• *Deposit type, geological setting and style of mineralisation.*	**Regional Geology** The underlying geology is contained within the Coffs Harbour Block, east of the Demon Fault. The major basement unit is the Silurian-Devonian Silverwood Group (locally the Willowie Creek Beds), a mixed sequence of tuffaceous mudstones, intermediate to basic igneous rocks, slates, and phyllites, a low stage of regional metamorphism. Overlying this rock formation is a younger tectonic melange of Early Carboniferous age – the Gundahl Complex of slates, phyllites and schist, with chert, greenstone and massive lithic greywackes. These rocks are intruded by the Early Permian Kaloe Granodiorite, which also in turn is intruded by numerous later-stage mafic dykes. **Local Geology** The local geology is well understood as considerable exploration has taken place in and around the Cangai Copper Mine (closed) by several major explorers such as Western Mining and CRA Exploration, the results of which are covered in the section below. **Western Mining 1982-1984** Western Mining found that the recognition of substantial amounts of pyrrhotite in high grade ore collected from mine dumps led to the reappraisal of previous explorer's ground magnetics (Brown, 1984). Two soil anomalies were identified @ +60ppm Cu (max 1100ppm) and several strong linear magnetic anomalies (=250nT above background). Soil sampling and detailed ground inspections conducted over the linear magnetic high failed to identify any anomalous geochemistry or a possible source lithology. A 180m diamond drill hole was drilled to test the anomaly. Given the poor results of both the drilling and the follow-up stream sediment sampling, no

further work was recommended. The decision was made to relinquish the licence in 1984.

CRA Exploration 1991-1992

CRA Exploration examined the geological form, setting and genesis of the mineralisation at the Cangai Copper Mine over several years. The work carried out consisted of geological mapping, collection of rock chip samples, and underground investigations at the mine site. Drill core from a CRA exploration program and mine dumps were also inspected. They concluded that the Cangai Copper Mine is hosted by sedimentary rocks of the Siluro-Devonian Willowie Creek Beds of tuffaceous mudstones, tuffaceous sandstones and conglomerates. Mineralisation appears to be associated with steeply plunging ore shoots in and adjacent to the main shear zone (Figure 2). Massive primary ore consists of chalcopyrite, pyrite and pyrrhotite with lesser sphalerite and minor arsenopyrite and galena. A detailed, well documented report was produced, but no reasons were given for the relinquishment of the licence.

Figure 2 Rock Chip Sampling at Cangai Copper Mine



Appendix 5 Ore Sample Assays

Similar dump samples to those collected by the author were submitted for analysis by CRA Exploration. Selected assays are presented below. Values are ppm unless otherwise stated.

	1	2	3	4	5	6
Cu	15.3%	28.6%	12.4%	14.8%	10.6%	11.0%
Pb	640	1200	1800	7550	800	2500
Zn	4.68%	1.27%	2.35%	9.50%	6400	5.10%
Ag	76	86	30	49	160	150
As	4750	1650	4850	3800	4750	7150
Mn	185	240	370	430	155	150
Au	1.80	2.50	0.72	2.30	1.32	1.85
Fe	30.9%	22.6%	28.2%	32.9%	33.8%	27.4%
S	27.5%	3.73%	16.6%	29.6%		
Co	70	25	300	330	370	300
V					<10	<10
Ba					<10	20
Ni					<5	<5
Bi					30	80
Cd					14	90

Sample description

1 Massive chalcopyrite-pyrite ore
2 Oxide material
3 Massive pyrite chalcopyrite rock with gangue clasts
4 Well banded pyrite-sphalerite ore
5 Weakly banded massive sulfide
6 Weakly banded massive sulfide

Drill hole Information	• *A summary of all information material to the understanding of the exploration results including a tabulation of the following information for all Material drill holes:* o *easting and northing of the drill hole collar* o *elevation or RL (Reduced Level – elevation above sea level in metres) of the drill hole collar* o *dip and azimuth of the hole* o *down hole length and interception depth* o *hole length.* • *If the exclusion of this information is justified on the basis that the information is not Material and this exclusion does not detract from the understanding of the report, the Competent Person should clearly explain why this is the case.*	• Not applicable in this study as no new drilling was undertaken.
Data aggregation methods	• *In reporting Exploration Results, weighting averaging techniques, maximum and/or minimum grade truncations (e.g. cutting of high grades) and cut-off grades are usually Material and should be stated.* • *Where aggregate intercepts incorporate short lengths of high grade results and longer lengths of low grade results, the procedure used for such aggregation should be stated and some typical examples of such aggregations should be shown in detail.* • *The assumptions used for any reporting of metal equivalent values should be clearly stated.*	• No compositing has taken place.
Relationship between mineralisation widths and intercept lengths	• *These relationships are particularly important in the reporting of Exploration Results.* • *If the geometry of the mineralisation with respect to the drill hole angle is known, its nature should be reported.* • *If it is not known and only the down hole lengths are reported, there should be a clear statement to this effect (e.g. 'down hole length, true width not known').*	• Samples were taken from outcrops, gossans, mine walls, ore dumps, waste dumps and barren rocks in order to confirm the spatial location of the mineralisation.
Diagrams	• *Appropriate maps and sections (with scales) and tabulations of intercepts should be included for any significant discovery being reported These should include, but not be limited to a plan view of drill hole collar locations and appropriate sectional views.*	• The coordinates of sample locations are presented above in Table 1 within the announcement.
Balanced reporting	• *Where comprehensive reporting of all Exploration Results is not practicable, representative reporting of both low and high grades and/or widths should be practiced avoiding misleading reporting of Exploration Results.*	• High grade a barren rock samples have been collected to establish both ore grades within the ore zone and host rock grades away from the mineralisation.

<table>
<tr>
<td>Other substantive exploration data</td>
<td>Other exploration data, if meaningful and material, should be reported including (but not limited to): geological observations; geophysical survey results; geochemical survey results; bulk samples – size and method of treatment; metallurgical test results; bulk density, groundwater, geotechnical and rock characteristics; potential deleterious or contaminating substances.</td>
<td>Historical explorers have also conducted airborne and ground gravity, magnetic, EM, and resistivity surveys over parts of the tenure area but this is yet to be collated.</td>
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<tr>
<td>Further work</td>
<td>The nature and scale of planned further work (e.g. tests for lateral extensions or depth extensions or large-scale step-out drilling).
Diagrams clearly highlighting the areas of possible extensions, including the main geological interpretations and future drilling areas, provided this information is not commercially sensitive.</td>
<td>Castillo Copper intends to commence suitable drilling program within the next few months to assist in gathering data that could identify a resource to 2012 JORC standards.

No JORC Resources have been outlined in this study at Cangai, but previously reported Inferred Resources in September 2017 are demonstrated in Table 2 below.

Table 2: Cangai Copper Project- Maiden Inferred Resource
<table>
<tr><th></th><th>Mass</th><th>Cu</th><th>Zn</th><th>Au</th><th>Ag</th><th>Cu</th><th>Zn</th><th>Au</th><th>Ag</th></tr>
<tr><th></th><th>Tonnes</th><th>%</th><th>%</th><th>g/t</th><th>g/t</th><th>Tonnes</th><th>Tonnes</th><th>Oz</th><th>Oz</th></tr>
<tr><td>Oxide</td><td>814,267</td><td>4.10%</td><td>0.63%</td><td>0.06</td><td>27.34</td><td>33,391</td><td>5,165</td><td>14550</td><td>715,667</td></tr>
<tr><td>Fresh</td><td>2,397,342</td><td>3.10%</td><td>0.28%</td><td>0.89</td><td>17.74</td><td>74,198</td><td>6,762</td><td>68349</td><td>1,367,456</td></tr>
<tr><td>Total</td><td>3,211,608</td><td>3.35%</td><td>0.37%</td><td>0.80</td><td>20.17</td><td>107,590</td><td>11,928</td><td>82899</td><td>2,083,124</td></tr>
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