



CASTILLO COPPER
LIMITED

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CCZ

Exploration resuming as Mt Oxide's geological potential enhanced with 11 new targets

- With the wet season drawing to a close across the Mt Isa copper-belt, CCZ's geology team are heading to site and resuming exploratory work at the flagship Mt Oxide Project:
 - ❖ A geophysical survey campaign¹, designed to extend known mineralisation at the high-grade Big One Deposit, will commence this month;
 - ❖ More significantly, the drilling crew is due to resume work at the Big One Deposit and then move across to the Arya Prospect² to test several sizeable bedrock conductors; and
- More recently, the Queensland government's Department of Resources granted the final key tenement (EPM 27440) – directly north of the Big One Deposit – that expands the core Mt Oxide Project footprint by circa 23% to 980km²
- Within the newly granted ground are five well-profiled targets (Crescent, Pancake, Flapjack, The Wall & Johnnies) that are prospective for IOCG, Mt Isa Style & shear-hosted copper mineralisation³
- Further forensic work by CCZ's geology team has uncovered the following:
 - ❖ Historical reports showing there are potentially more targets within the vicinity of the Arya Prospect⁴; and
 - ❖ An incremental 11 targets within the tenure that are prospective for various styles of copper-gold mineralisation⁴
- Encouragingly, complementing 10 already documented prospects³, there are now 21 targets that will feature in forward exploration plans
- Overall, these are timely developments that enhance the Mt Oxide Project's exploration potential for copper mineralisation, at a time when there is an impending global supply deficit

Castillo Copper's Managing Director Simon Paull commented: "Behind the scenes our geology team has been flat out readying for a resumption of exploration work at the flagship Mt Oxide Project. The Board is targeting to have drilling teams back to site as soon as practical to complete work at the Big One Deposit then commence at the Arya Prospect. Holistically, with 21 targets across the Mt Oxide Project, CCZ now has a significant pipeline of copper-focused exploratory work ahead, coinciding with an impending global supply deficit."

Castillo Copper Limited (“CCZ”) is delighted to confirm that improving weather conditions should enable a resumption of exploratory work at the core Mt Oxide Project in the Mt Isa copper-belt during April 2021. In addition, further forensic work has uncovered eleven targets and more details on the Arya Prospect’s geological potential⁴.

EXPLORATION WORK TO RESUME

With an improvement in weather conditions, CCZ’s geology team are planning a return to site and resuming exploration activities at the Mt Oxide Project. Within the next few weeks, a geophysical survey¹ will be undertaken at the Big One Deposit that will focus on extending known mineralisation and uncovering additional anomalies.

Once these results are known, the drilling team will complete the campaign at the Big One Deposit then move across to the Arya Prospect to test several sizeable bedrock conductors. Interestingly, recent forensic work by CCZ’s geology team found several more anomalies proximal to the Arya Prospect⁴.

Tenure grant

Recently, the Queensland government’s Department of Resources granted the northern most tenement that comprises the Mt Oxide Project. As a result, the footprint has increased by circa 23% to 980km² and formally brings five well profiled copper prospects into the fold (Figure 1 and Appendix A) that were part of the 2020 geological study³.

FIGURE 1: KNOWN PROSPECTS WITHIN NEWLY GRANTED TENURE	
Crescent	IOCG target with Mt Isa style mineralisation potential
Flapjack	IOCG target
Pancake	IOCG target with Mt Isa style mineralisation potential
Johnnies	Shear-hosted copper and supergene ore potential
The Wall	Mt Isa style mineralisation potential

Source: CCZ geology team (Refer ASX Releases – 14 January, 10 & 19 February 2020)

Eleven new targets

Ongoing forensic work by CCZ's geology team identified an incremental 11 targets⁴ across the Mt Oxide Project which are prospective for various styles of copper-gold mineralisation (Figure 2 & Appendix B).

As such, on a combined basis, there are now 21 viable targets across the Mt Oxide Project for copper mineralisation which delivers a significant pipeline of development work ahead and enhances forward exploration potential.

FIGURE 2: ELEVEN NEW TARGETS AT MT OXIDE PROEJCT

Prospect	Mineralisation style	Anomalous elements
Amanda	IOCG	Au, Co, Ni
Big Ben	Gold - Copper	Cu, Co
Black Mountain	Copper Manganese and Uranium – structural enrichment	Cu, Co, Zn, Ag, Mn
Bomb Gorge	Gold	Cu, Co, Zn, Ag, Au
Crow Bar	Shear-hosted copper and supergene ore potential	Cu, Co
Josephine	Copper	Cu, Co
Little Nathan	Gold - Copper	Cu
Mercy	Shear/Dyke hosted Epigenetic Copper	Cu, Co
Old Man Creek	Shear/Dyke hosted Epigenetic Copper	Cu
Pom Pom	Gold	Cu, Co
Unicorn	Mt Isa style	Cu-Pb-Zn

Source: DNRME CR Numbers - 24734, 23516, 24523, 5714, 23661, 23516, 23516, 5748

Next steps

Within the next few weeks, the geology and geophysical teams intend to visit site and commence work at the Big One Deposit and Arya Prospect.

Once the geophysical survey has been complete and reconciled, the next phase of the drilling campaign will commence.

For and on behalf of Castillo Copper

Simon Paull

Managing Director

ABOUT CASTILLO COPPER

Castillo Copper Limited is an Australian-based explorer primarily focused on copper across Australia and Zambia. The group is embarking on a strategic transformation to morph into a mid-tier copper group underpinned by its core projects:

- 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.
- Four high-quality prospective assets across Zambia's copper-belt which is the second largest copper producer in Africa.
- A large tenure footprint proximal to Broken Hill's world-class deposit that is prospective for zinc-silver-lead-copper-gold.
- Cangai Copper Mine in northern New South Wales, which is one of Australia's highest grading historic copper mines.

The group is listed on the LSE and ASX under the ticker "CCZ."

References

- 1) CCZ ASX Release – 1 February 2021
- 2) CCZ ASX Release – 3 March 2021
- 3) CCZ ASX Release – 6 October 2020
- 4) Queensland Department of Resources CR Numbers – 24734, 23516, 24523, 5714, 23661, 23516, 23516, 5748. Available at: <https://www.resources.qld.gov.au/>

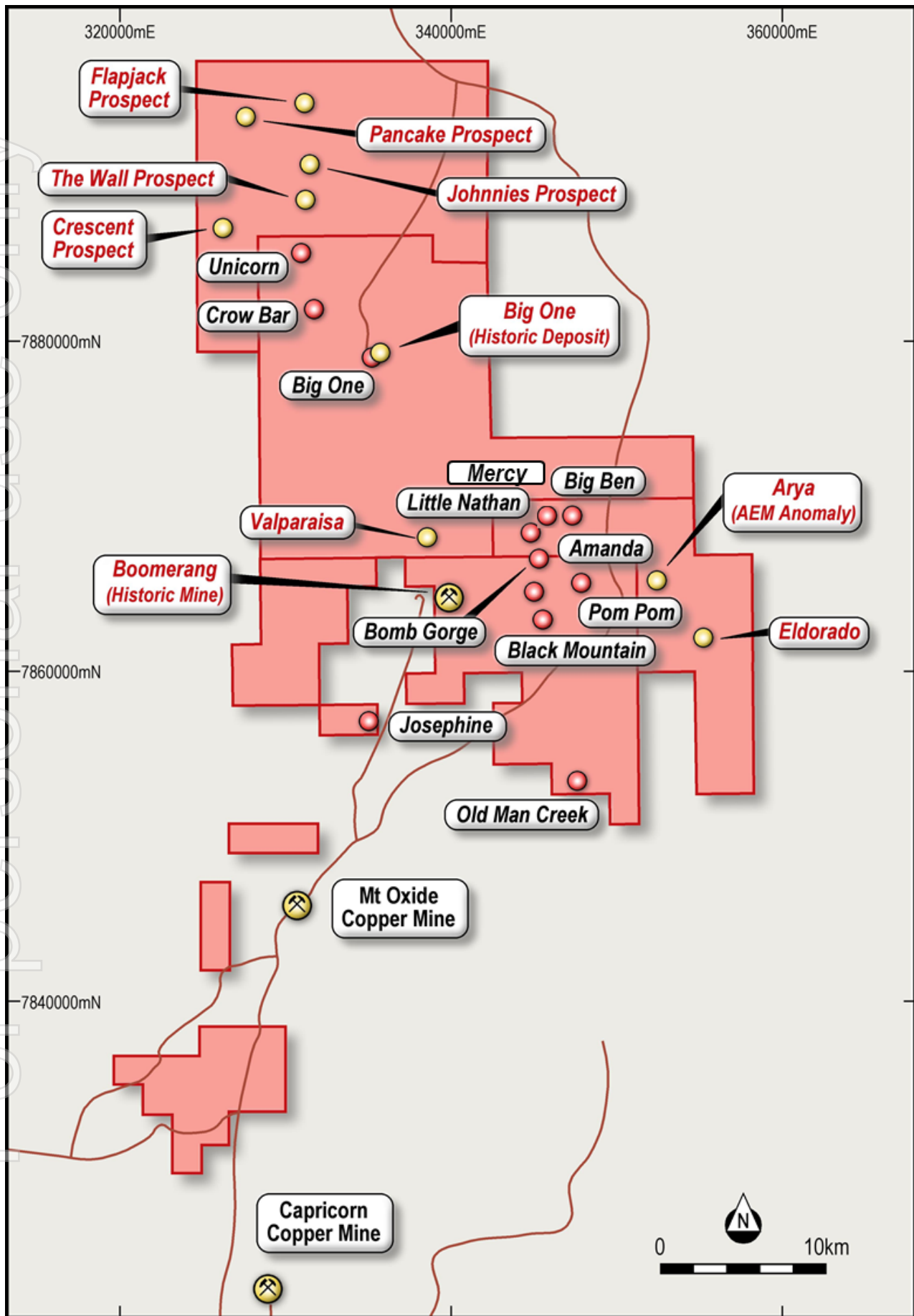
Competent Person Statement

The information in this report that relates to Exploration Results for "Big One Deposit" is based on information compiled or reviewed by Mr Mark Biggs. Mr Biggs is both a shareholder and director of ROM Resources, a company which is a shareholder of Castillo Copper Limited. ROM Resources provides ad hoc geological consultancy services to Castillo Copper Limited. Mr Biggs is a member of the Australian Institute of Mining and Metallurgy (member #107188) 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, and Mineral Resources. Mr Biggs holds an AusIMM Online Course Certificate in 2012 JORC Code Reporting. Mr Biggs also consents to the inclusion in this report of the matters based on 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.

APPENDIX A: PROSPECTS WITHIN THE MT OXIDE PROJECT

FIGURE A1: MT OXIDE PROJECT



Source: CCZ geology team

APPENDIX B: ELEVEN NEW PROSPECTS AT BIG ONE DEPOSIT

PROSPECT NAME	TARGET STYLE	ANOMALOUS ELEMENTS	GEOLOGY COMMENTS
Amanda	IOCG	Au, Co, Ni	Occurs within the Lochness Formation of the Myally Sub-group and is associated with an east fault on the north-west limb of a large regional north plunging anticline.
Big Ben	Gold - Copper	Cu, Co	This gold and minor copper anomaly occurs within the upper stratigraphic unit of the Quilalar Formation, near its contact with the upper quartzite member of the same Formation. Situated over Quilalar Formation sediments outcropping as variably alluvial-covered sandy arenaceous to dolomitic sands, silts and shales, the anomaly is confined to a small valley bound by moderate relief quartzite ridges.
Black Mountain	Copper	Cu, Co, Zn, Ag, Mn	Reconnaissance rock-chip sample returned anomalous copper from the ferro-manganiferous outcrop forming the prospect. Analysis of the Uranium - Manganese Black Mountain prospect suggested leaching from a Cretaceous Sandstone cap.
Bomb Gorge	Gold	Cu, Co, Zn, Ag, Au	Confined to slightly recessive outcrop of a sandy dolomitic siltstone within which is a low ridge-forming, strongly quartz-veined pink feldspathic quartzite horizon. Dolomitic units show rare veining. Veining concentrated in pink feldspathic quartzite which acts as a brittle horizon. Gold could be sourced from the quartz veining.
Crow Bar	Shear-hosted copper and supergene ore potential	Cu, Co	The Crowbar Prospect covers a conformable succession of Myally sub-group feldspathic sandstones overlain by Quilalar quartzites and sandstones. The Quilalar Formation has been intruded by Webbera Granite a medium grained felsic pluton. The mineralization consists of a small area of malachite specks and pods in brecciated Upper Myally unit dolarenites and calcsilicates, around the margins of granite intrusions. There are no workings.
Josephine	Copper	Cu, Co	Occurs within a fault-bounded block of middle-lower Surprise Creek Formation sediments (Prb). This consists of buff, brown and grey thin bedded fine feldspathic and labile sandstone, ferruginous sandstone, micaceous siltstone.
Little Nathan	Gold - Copper	Cu	This prospect straddles a north-east trending fault separating arenaceous sedimentary rocks of the Lochness Formation to the north from middle Quilalar Formation units to the south. Mapping indicated much of the grid area is covered by quartzite scree, or fine alluvial sand. This effectively masked much of the potential outcrop. The basal unit mapped within the grid consisted of a white-pink feldspathic quartzite, which strikes approximately north-east and dips uniformly 60 degrees to the north-west. The soil sampling delineated a low-level gold anomaly, from a low of 2.0 ppb to a maximum of 24.7 ppb over a strike length of 300 metres and width variable from 50 to 125 metres.

Mercy	Shear/Dyke hosted Epigenetic Copper	Cu, Co	Rock-chip samples taken from a fault zone with visible quartz, pyrite and malachite. One sample went 11,000ppm and another nearby 700ppm. Not followed up by MIM Exploration
Old Man Creek	Shear/Dyke hosted Epigenetic Copper	Cu	Consists of a west fault-bounded and folded sequence of Mt Isa Group rocks, from basal Warrina Park Quartzite to a thin sliver of Native Bee siltstone. These sedimentary rocks crop out over four kilometres of strike. Results of drainage and rock chip samples were low except for a 3,100ppm copper assay from a single rock chip sample.
Pom Pom	Gold	Cu, Co	Confined to a fault-bound block of middle Surprise Creek Formation arenaceous sedimentary rocks.
Unicorn	Mt Isa style	Cu-Pb-Zn	The sheared sedimentary rocks of the Quililar Formation hosts the Unicorn prospect, with several high copper and zinc rock-chip samples.

Source: DNRME CR Numbers - 24734, 23516, 24523, 5714, 23661, 23516, 23516, 5748