

Castillo Copper Ltd

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Castillo Copper tests verify commercial-grade copper concentrate from Cangai ore

Castillo Copper Ltd (ASX:CCZ) has verified that massive sulphide ore from Cangai Copper Mine (CCM) in northern NSW can produce commercial-grade copper concentrate to industry-standard benchmarks.

A commercial-grade concentrate of 22.2% copper and 7.4% zinc with a recovery of 79.3% of total contained copper was achieved.

Test work using standard metallurgical flotation methods was carried out by ALS Global in Perth on a representative massive sulphide ore sample extracted from drill hole CC0023R at CCM.

"Highly encouraging" result

Castillo Copper's managing director Simon Paull said the result was highly encouraging as it provided first-hand insight on a potential final copper concentrate product from using high-grade CCM ore

He said, "The key insight from the metallurgical test work result is that massive sulphide ore from Cangai Copper Mine can potentially produce a commercial-grade copper concentrate.

"More pointedly, this is clearly a strong motivating force to intensify and progress the exploration campaign at this core pillar, especially test-drill the several sizeable massive sulphide conductors open at depth to ascertain the project's potential scalability."

Representative samples

The composite sample utilised in the metallurgical test work process comprised high-grade massive sulphide RC chips with a head grade of 8.18% copper and 4.36% zinc.

From the geology team's perspective, the samples were selected as being representative of massive sulphide mineralisation intersected during the two drilling campaigns conducted at CCM over the past two years.

FIGURE 1: COMPONENTS OF COMPOSITE SAMPLE – DRILLHOLE CC0023R

Hole ID	From (m)	To (m)	Length (m)	From Sample ID	To Sample ID	Cu %	Zn %	Ag g/t	Au (g/t)
CC0023R	41	42	1	C10525		8.990	2.290	23.400	1.31
CC0023R	50	51	1	C10535		7.520	6.040	30.600	0.38
COMPOSITE SAMPLE									
CC0023R	comp	comp	-	composited		8.18	4.36	-	-

For this test-work, no attempt was made to separate out the zinc from the

Price: 0.046

Market Cap: \$46.46 m

1 Year Share Price Graph



Share Information

Code: CCZ

Listing: ASX

52 week High Low
0.053 0.006

Sector: General mining & base metals

Website: www.castillocopper.com

Company Synopsis:

Castillo Copper Ltd (ASX:CCZ) has formulated a three-tier strategy to achieve its aim of becoming a mid-tier copper producer.

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copper.

Gold and silver being assayed

Gold and silver assays for the composite and the metallurgy flotation test work were requested after receiving the copper and zinc test-work results and assaying is underway.

The head grades achieved reinforce that CCM is one of Australia's highest grading historic copper deposits and a strategic core pillar central to progressing CCZ's transformation into a mid-tier copper group.

Paul said, "With funding now secured from the recent capital raising exercise, the board's core focus is to accelerate the exploration program across the three pillars, which is central to our strategic intent to transform CCZ into a mid-tier copper group."

Next phase at CCM

The next phase of exploration at CCM will focus on expanding the known ore body, especially drill-testing several sizeable massive sulphide conductors that are open at depth

CCZ's London based director Ged Hall said: "We are now heading into a significant inflection point in CCZ's evolution which will see a material ramp-up in exploration work across the three pillars.

"Against this backdrop, it is pleasing metallurgical test work on massive sulphide ore from Cangai Copper Mine can potentially deliver a commercial-grade copper concentrate."

With funding secured following a recent capital raising exercise, CCZ's overall objective going into 2020 is to expedite the exploration campaign across the three strategic copper pillars in Australia and Zambia.

These pillars - CCM in NSW, Mt Oxide in Queensland and projects in Zambia's copper belt - are being aggressively advanced by the company in its aim to become a mid-tier copper producer.

LSE listing

This strategy also includes a dual listing on the London Stock Exchange, which is progressing on schedule.

A prospectus for the standard listing is expected to be submitted shortly and this will then go through a regulatory approval process.

CCZ shares are more than 5% higher in early trade at 2 cents.

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