ASX Announcement **4th September 2019**

Drilling Intersects Broad Copper Zone at Briggs

Canterbury Resources Limited (ASX: CBY) is pleased to provide an update on its current drilling program at the Briggs copper deposit in SE Queensland.

Highlights

- **Two holes completed and a third in progress at the Central Porphyry Zone of the Briggs Copper Project in SE Queensland. All holes encountering quartz veined porphyry, with copper mineralization throughout.**
- **BD019-001 drilled to a depth of 203.6m on a NE-SW section line testing the northern margins of the Central Porphyry Zone. Final assays received as follows:**
    - **197.6m at 0.22% Cu from 6m, including**
        - **73.0m at 0.25% Cu from 37.0m, including**
            - **17.0m at 0.31% Cu from 79.0m,**
        - **and 44.7m at 0.24% Cu from 129.0m, including**
            - **10.0m at 0.36% Cu from 138.0m**
        - **and 19.6m at 0.24% Cu from 184.0m**
- **BD019-002 drilled to a depth of 375.5m from the same pad as BD019-001 at a steeper angle, with similar mineralization observed. Assays awaited.**
- **BD019-003 commenced on a NE-SW section line testing the central portion of the Central Porphyry Zone. Several holes planned on this section, testing for a higher-grade core of the system.**

Canterbury's Managing Director, Grant Craighead, said:
"We are very encouraged by the extensive zones of copper mineralisation being encountered at the Briggs Project which demonstrate the large scale of the deposit. Importantly, the next few holes are testing potential depth extensions in the centre of the Central Porphyry Zone, with the aim of locating a higher-grade core of the system."

Briggs Drilling Program

Briggs EPM19198, Queensland (CBY 100%, Rio Tinto 1% NSR)
The Briggs Project is located approximately 50km inland from Gladstone in a region that is prospective for large scale porphyry copper deposits. The region is very well serviced by key infrastructure including industrial service providers, power, transport and port facilities.

Rio Tinto Exploration Pty Limited holds certain back-in rights, which can be triggered by a major discovery[1].

At Briggs a dominant northwest structural corridor is evident from magnetics and surface geochemistry, and three intrusive centres are mapped. Within these intrusive centres, multiple intercepts of low-grade copper mineralisation have been encountered in historical shallow drilling.

In late June 2019 Canterbury commenced a diamond drilling program focused on a ~500m strike length of the Central Porphyry Zone (see Figure 1).

The holes are designed to systematically test potential depth extensions of the known mineralisation, with the objective of providing vectors for locating a higher-grade core of the system, which is speculated to occur associated with a causative intrusion (porphyry).

Reference Note: 1. Canterbury Resources Limited Replacement Prospectus, 3 October 2018, page 262

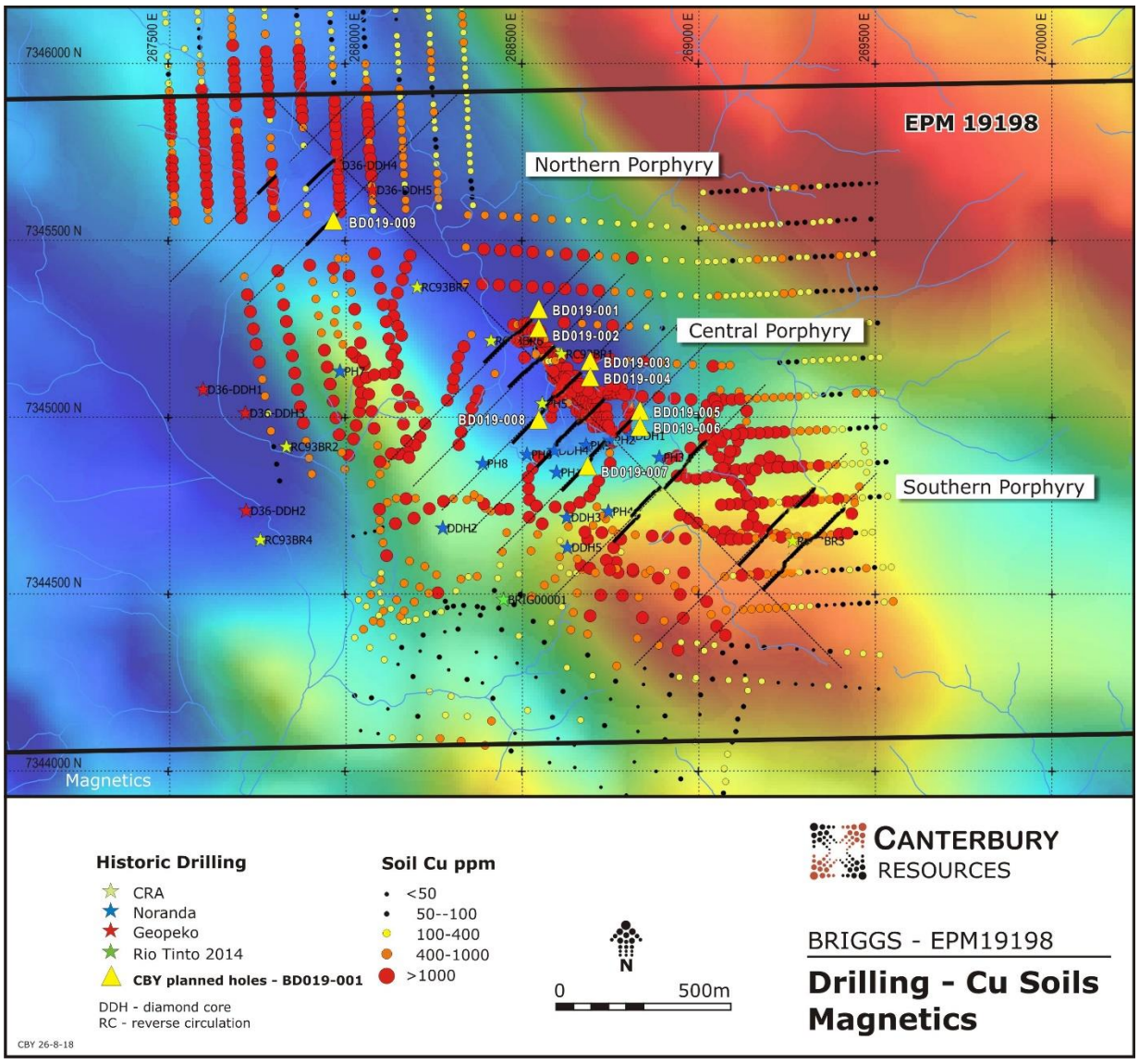

Figure 1 Briggs Copper in Soils and Stage-1 Drill Plan, Superimposed on Magnetics

The first two holes were drilled to depths of 203.6m and 375.5m respectively on a section line testing the northwest margins of the Central Porphyry Zone, where plagioclase porphyritic granodiorite is interleaved with andesite/volcanoclastic sequences. Both holes encountered quartz veined, potassic altered porphyry with widespread copper mineralization (chalcopyrite). Stronger zones of copper mineralization are observed associated with zones of more intense disseminated mineralisation.

Drilling of BD019-003 has commenced on a parallel section line around 200m to the south east, through the centre of the Central Porphyry Zone. Several holes are planned on this section, testing a broader extent of the central potassic altered zone for a potentially higher-grade core of the system.

Table 1 Drill Hole Collar Details - Briggs Project

Drill Hole	Easting (mE)	Northing (mN)	Elevation (mRL)	Total Depth (m)	Dip (°)	Azimuth (°T)
BD019-001	268572	7345242	200	203.6	-55	225
BD019-002	268570	7345249	200	375.5	-75	225
BD019-003*	268699	7345211	191	NA*	-55	225

* Drill hole BD019-003 currently at 44.8m

Final assay results have been received for the first hole, BD019-001, as outlined in Table 2. Results were previously reported to a downhole depth of 135.0m[2].

Table 2 Briggs Project – Significant Drill Hole Assays BD019-001

Hole No.	Depth From (m)	Depth To (m)	Length (m)	Cu (%)	Au (ppm)	Mo (ppm)	Cut-off (% Cu)
BD019-001	6.0	203.6	197.6	0.22	<0.1	7	0.1
including	37.0	110.0	73.0	0.25	<0.1	2	0.2
including	79.0	96.0	17.0	0.31	<0.1	3	0.3
and	129.0	173.7	44.7	0.24	<0.1	19	0.2
including	138.0	148.0	10.0	0.36	<0.1	7	0.3
and	184.0	203.6	19.6	0.24	<0.1	2	0.2

Notes:

1. Down hole intersections which may not reflect true-width
2. Weighted average grades
3. Significant results reported at 0.1%, 0.2% and 0.3% Cu cut-off grade
4. Significant intervals >10m, with maximum internal dilution 4m

BD019-001 intersected copper mineralised granodiorite and volcanics with dominantly quartz-potassium feldspar-chalcopyrite veins associated with weak to moderate fine-grained secondary biotite and chlorite developed within the granodiorite porphyry and volcanic sequence.

The copper mineralisation is hosted within this potassic porphyry style alteration assemblage and attains better than 0.3% Cu grades where there are near percentage levels of very fine-grained disseminated chalcopyrite together with the quartz-feldspar-chalcopyrite vein mineralisation.

In the lower portion of BD019-001 the mineralising system passes into more fracture controlled phyllic style alteration comprising joints and fractures of quartz-pyrite-coarse grained muscovite and clay within broader bleached, sericite altered host granodiorite. The hole finished in mineralisation.

The drill program will continue during the remainder of 2019.

On behalf of the Board
Grant Craighead, Managing Director

Please direct enquiries to:

Mr Grant Craighead
Telephone: +61 9392 8020
Email: gcraighead@canterburyresources.com.au

Reference Note: 2. Canterbury Resources Limited ASX Release "Exploration Progress Report" dated 27 August 2019

COMPETENT PERSON'S STATEMENT

The technical information in this report which relates to Exploration Results is based on information compiled by Mr Michael Erceg, MAIG RPGeo. Mr Erceg is an Executive Director of Canterbury Resources Limited and has sufficient experience relevant to the style of mineralisation and type of deposit under consideration and to the activity he is undertaking to qualify as a Competent Person as defined in the 2012 Edition of the "Australian Code of Reporting of Exploration Results, Mineral Resources and Ore Reserves". Mr Erceg consents to the inclusion in this report of the matters based on that information in the form and context in which it appears.

ABOUT CANTERBURY RESOURCES LIMITED

Canterbury Resources Limited (ASX: CBY) ("Canterbury" or the "Company") is an ASX-listed resource company focused on creating shareholder wealth by generating, exploring and monetising potential Tier-1 copper-gold projects in the southwest Pacific. It has established a strong portfolio of projects in Australia, Papua New Guinea and Vanuatu that are prospective for porphyry copper-gold and epithermal gold-silver deposits. The Company is managed by an experienced team of resource professionals, with a strong track record of exploration success and mine development in the region.

Canterbury's near-term plans include drilling programs at three of its more advanced assets – the Ekoato and Bismarck porphyry copper-gold projects in Papua New Guinea and the Briggs porphyry copper project in Queensland. Each program provides the potential for the discovery and/or delineation of a large-scale copper (±gold) resource. The 100% owned Briggs and Ekoato projects are being managed and funded by Canterbury, while the Bismarck JV Project (Canterbury 40%) is being managed and sole-funded by Rio Tinto Exploration (PNG) Limited as part of a Farm-In and Joint Venture Agreement.

DISCLAIMER

Forward-looking statements are statements that are not historical facts. Words such as "expect(s)", "feel(s)", "believe(s)", "will", "may", "anticipate(s)", "potential(s)"and similar expressions are intended to identify forward-looking statements. These statements include, but are not limited to statements regarding future production, resources or reserves and exploration results. All such statements are subject to certain risks and uncertainties, many of which are difficult to predict and generally beyond the control of the Company, that could cause actual results to differ materially from those expressed in, or implied or projected by, the forward-looking information and statements. These risks and uncertainties include, but are not limited to: (i) those relating to the interpretation of drill results, the geology, grade and continuity of mineral deposits and conclusions of economic evaluations, (ii) risks relating to possible variations in reserves, grade, planned mining dilution and ore loss, or recovery rates and changes in project parameters as plans continue to be refined, (iii) the potential for delays in exploration or development activities or the completion of feasibility studies, (iv) risks related to commodity price and foreign exchange rate fluctuations, (v) risks related to failure to obtain adequate financing on a timely basis and on acceptable terms or delays in obtaining governmental approvals or in the completion of development or construction activities, and (vi) other risks and uncertainties related to the Company's prospects, properties and business strategy. Our audience is cautioned not to place undue reliance on these forward-looking statements that speak only as of the date hereof, and we do not undertake any obligation to revise and disseminate forward-looking statements to reflect events or circumstances after the date hereof, or to reflect the occurrence of or non-occurrence of any events.

Appendix 1 - JORC Code, 2012 Edition – Table 1

Section 1 Sampling Techniques and Data
(Criteria in this section apply to all succeeding sections.)

Criteria	JORC Code explanation	Commentary
Sampling techniques	• Nature and quality of sampling (eg cut channels, random chips, or specific specialised industry standard measurement tools appropriate to the minerals under investigation, such as 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 (eg '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.	BRIGGS PROJECT • Industry standard core drilling using track-mounted Alton 900 core rig, used to obtain 1m samples from which ~3kg was pulverized for Au and multi-element assay.
Drilling techniques	• Drill type (eg core, reverse circulation, open-hole hammer, rotary air blast, auger, Bangka, sonic, etc) and details (eg core diameter, triple or standard tube, depth of diamond tails, face-sampling bit or other type, whether core is oriented and if so, by what method, etc).	BRIGGS PROJECT • Core HQ3 (61.1mm), and NQ3 (45mm) sizes. Core is orientated (electronic ori tool).
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	• Drill runs are measured and actuals compared with lengths drilled on site and recoveries logged.

Criteria	JORC Code explanation	Commentary
	preferential loss/gain of fine/coarse material.	
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.	• All drill core is photographed and geologically and geotechnically logged to a level of detail to support appropriate Mineral Resource estimation if warranted.
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 for instance results for field duplicate/second-half sampling. • Whether sample sizes are appropriate to the grain size of the material being sampled.	BRIGGS PROJECT • Core is sawn in half length-wise using a core saw. Sampling is of half core in nominally 1m intervals reducing in areas of structures and/or geological complexity. • Samples are sent to Australian Laboratory Services (ALS) in Brisbane for drying, crushing and pulverizing using Boyd Crushers and LM2s. Whole samples are crushed and split using a rotary splitter then a sub-sample (<3kg) pulverized in LM2. • Field duplicates and second half sampling will be considered on receipt of initial samples.
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	BRIGGS PROJECT • Samples dried, crushed and pulverized using ALS codes DRY-21, CRU-21 and PUL-24. • Samples assayed by codes Au-AA23 and ME-MS61.

Criteria	JORC Code explanation	Commentary
	been established.	
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.	• Significant intersections are determined by weighted average and reported by the Exploration Manager. • Data is collected on fit-for-purpose data entry templates and stored in the company database. • No adjustment is made to any assay data.
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.	BRIGGS PROJECT • Coordinates are in GDA94 MGA Zone 56. • Topographic surface is LIDAR. • Survey control is by Garmin GPS.
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.	• Drill holes are scout only and further drilling will be required to establish a resource subject to encouraging results.
Orientation of data in relation to geological structure	• 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 the orientation of key mineralised structures is considered to have introduced a sampling bias, this should be assessed and reported if material.	BRIGGS PROJECT • Drill holes are testing across known structures.
Sample security	• The measures taken to ensure sample security.	• Chain of Custody procedure in place.
Audits or reviews	• The results of any audits or reviews of sampling techniques and data.	• Not applicable.

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.	BRIGGS PROJECT • EPM19198 is located 30km west of Calliope in central Queensland. • EPM19198 is 100% owned by Canterbury Resources. • Rio Tinto retains a 1% NSR and a back-in option to claw back 60% joint venture equity by paying Canterbury A$15m in cash and sole-funding the next A$50m of joint venture expenditure.
Exploration done by other parties	• Acknowledgment and appraisal of exploration by other parties.	BRIGGS PROJECT • Previous explorers over the Briggs area include Noranda (1969 to 1972), Geopeko (1970s), Plutonic (1980s), CRAE (1990s) and Rio Tinto 2011-2017). Noranda conducted extensive surface sampling and mapping. Both Noranda and RTX drilled Briggs and intersected broad zones of low grade Cu mineralization.
Geology	• Deposit type, geological setting and style of mineralisation.	BRIGGS PROJECT • Cu ± Mo porphyry.
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: ○ easting and northing of the drill hole collar ○ elevation or RL (Reduced Level – elevation above sea level in metres) of the drill hole collar ○ dip and azimuth of the hole ○ down hole length and interception depth ○ 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.	• Attached

Criteria	JORC Code explanation	Commentary
Data aggregation methods	• In reporting Exploration Results, weighting averaging techniques, maximum and/or minimum grade truncations (eg 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.	• Significant assays reported in text. • Weighted averages used in calculations. • Cut off grades documented.
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 (eg 'down hole length, true width not known').	• Down-hole lengths reported.
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.	BRIGGS PROJECT • Drill plan included.
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 to avoid misleading reporting of Exploration Results.	• Not applicable.
Other substantive exploration data	• 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	BRIGGS PROJECT • Considerable surface mapping and sampling conducted over the Briggs project since discovery in the late 60s. • Detailed exploration history presented in Canterbury Resources Limited Replacement Prospectus (3 October 2018).

Criteria	JORC Code explanation	Commentary
	substances.	
Further work	• The nature and scale of planned further work (eg 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.	BRIGGS PROJECT • Complete planned 9-hole drill program. • Undertake a resource assessment.