

Large-Scale Copper Deposit Confirmed at Briggs

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

Highlights

- The 2019 drilling program at the Briggs Copper Project is nearing completion, having successfully outlined a large-scale copper deposit. A JORC (2012) compliant Mineral Resource estimate will be completed during January once all assay results have been received.
- The final hole in the program, BD019-005, is expected to be completed later this week. To date it has been drilled to a depth of ~594m, with copper mineralisation observed throughout, including:
 - a zone of significant mineralisation in silicified granodiorite and quartz veining, as a depth extension of the structural ‘out-flow’ feature encountered in BD019-003 which assayed 28.0m at 0.83% Cu from 226.0m, including 17.6m at 1.00% Cu from 236.4m (see ASX release “Higher Grade Zone Discovered at Briggs Copper Deposit”, 21 October 2019).
 - a very broad interval of strongly mineralized metavolcanics on the ‘western margin’ of the deposit. BD019-004, drilled on a parallel section ~200m to the south, intersected strong copper mineralization in the same geological position (see ASX release “Drilling Significantly Expands the Briggs Copper Deposit”, 8 November 2019).
- Further visual assessment of BD019-004, following core cutting, has confirmed strong copper mineralization over a +150m interval in the ‘western margin’ position, with frequent multi-phase quartz-chalcopyrite and quartz-k-feldspar veins observed in a predominantly metavolcanics host. The hole was still in significant mineralization when completed at 452.8m.
- Assays are anticipated for BD019-004 during December and for BD019-005 during January.
- Overall, the current program has outlined copper mineralisation over a strike length of up to 600m, widths of at least 300m, and depths of at least 500m. The deposit remains open in all directions and geological mapping near the deposit has identified additional mineralized porphyry targets.
- Rio Tinto holds a back-in option to purchase a 60% joint venture interest in the Briggs Project via payment of \$15m to Canterbury and sole-funding the first \$50 million of joint venture funding. Completion of the Mineral Resource estimate during January is expected to trigger this right.

Canterbury’s Managing Director, Grant Craighead, said:

“We are very pleased with the outcome of the 2019 drilling program at Briggs. The known scale of the deposit has been significantly expanded and potential extensions to the system have been identified that will be tested in 2020.

Importantly, several higher-grade features have been recognised that are likely to enhance the economics of the project. In particular, the scale and tenor of the copper mineralisation encountered on the western margin of the deposit appears substantially greater than anticipated.

Assays from the final two holes will be progressively released over the coming weeks, and we look forward to completing our maiden Mineral Resource estimate for Briggs during January.”

Briggs Copper Project

Briggs EPM19198, Queensland (CBY 100%, Rio Tinto 1% NSR)

The Briggs, Mannersley and Fig Tree Hill Projects, located 50km inland from Gladstone, are prospective for large scale porphyry copper ±gold ±molybdenum deposits.

In early 2017 the Briggs and Mannersley tenements were acquired from Rio Tinto Exploration Pty Limited, which retains certain rights, including a back-in option to purchase a 60% joint venture interest by payment of \$15 million and sole-funding the first \$50 million of joint venture funding. The back-in right is triggered by specific milestone events.

Canterbury separately holds a 100% interest in the surrounding Fig Tree Hill application (EPM 27317), which it applied for following encouraging early results from the 2019 drilling program.

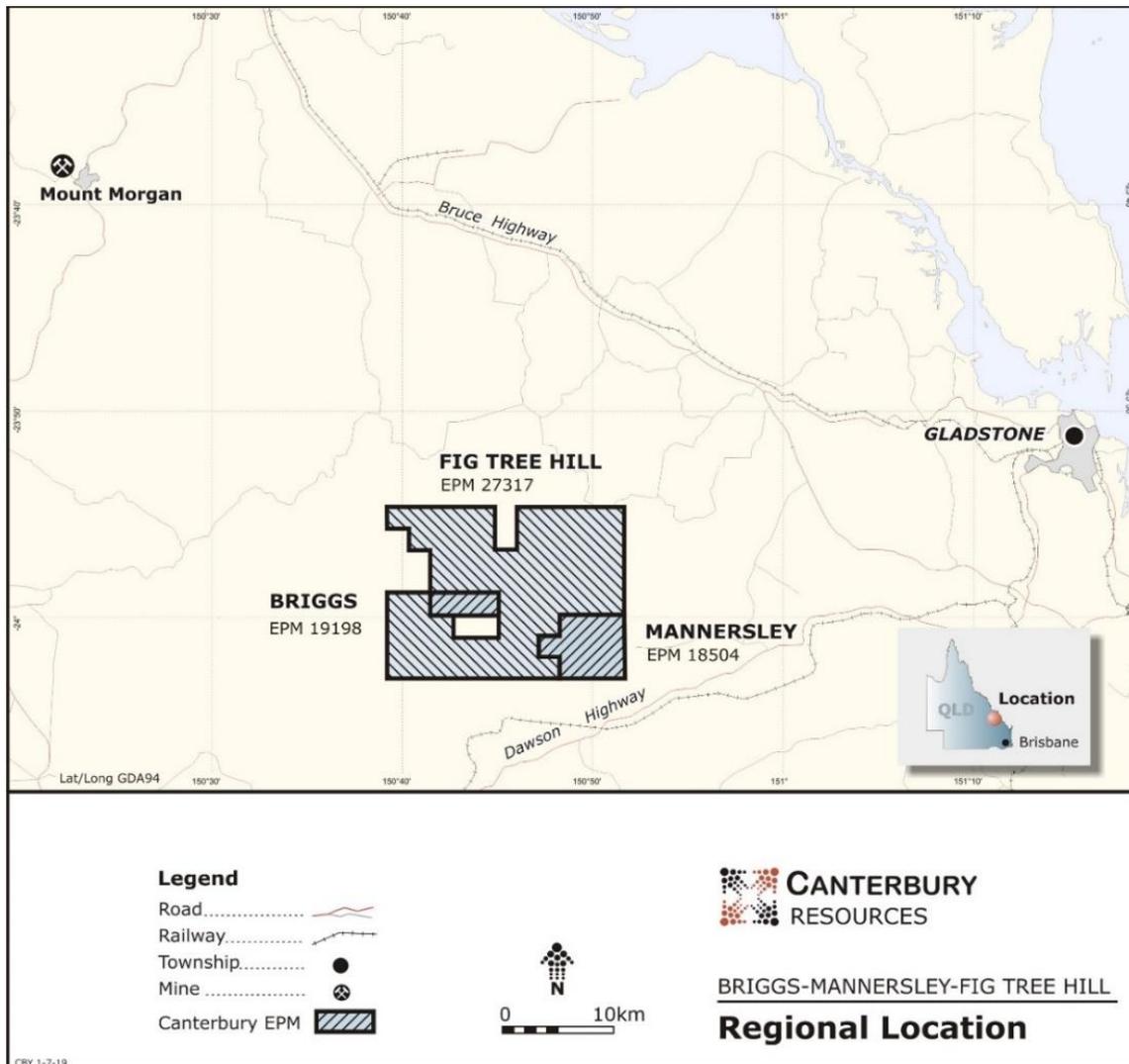


Figure 1 Tenement Location Plan

The region is very well serviced by key infrastructure including industrial service providers, power, transport and port facilities, enhancing the development potential of the Project.

Historical explorers recognised multiple large porphyry style mineralisation systems at Briggs and outlined extensive copper mineralisation at shallow depths over a 2km strike length along a dominant northwest structural corridor on the Mt Morgan trend. Recent mapping by Canterbury has expanded the footprint of these systems.

In mid-2019 Canterbury commenced a diamond drilling program focused on a ~600m strike length at the Central Porphyry Zone, systematically testing depth extensions of outcropping mineralisation. The dual objectives were to quantify a large near-surface resource and provide vectors for locating higher-grade components of the system. Both objectives have been successfully achieved.

Five holes have been drilled in the program for an aggregate of over 2,000m.

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	398.8	-55	225
BD019-004	~268802	7345054	232	452.8	-55	240
BD019-005	~268699	7345211	191	Target ~650m	-65	225

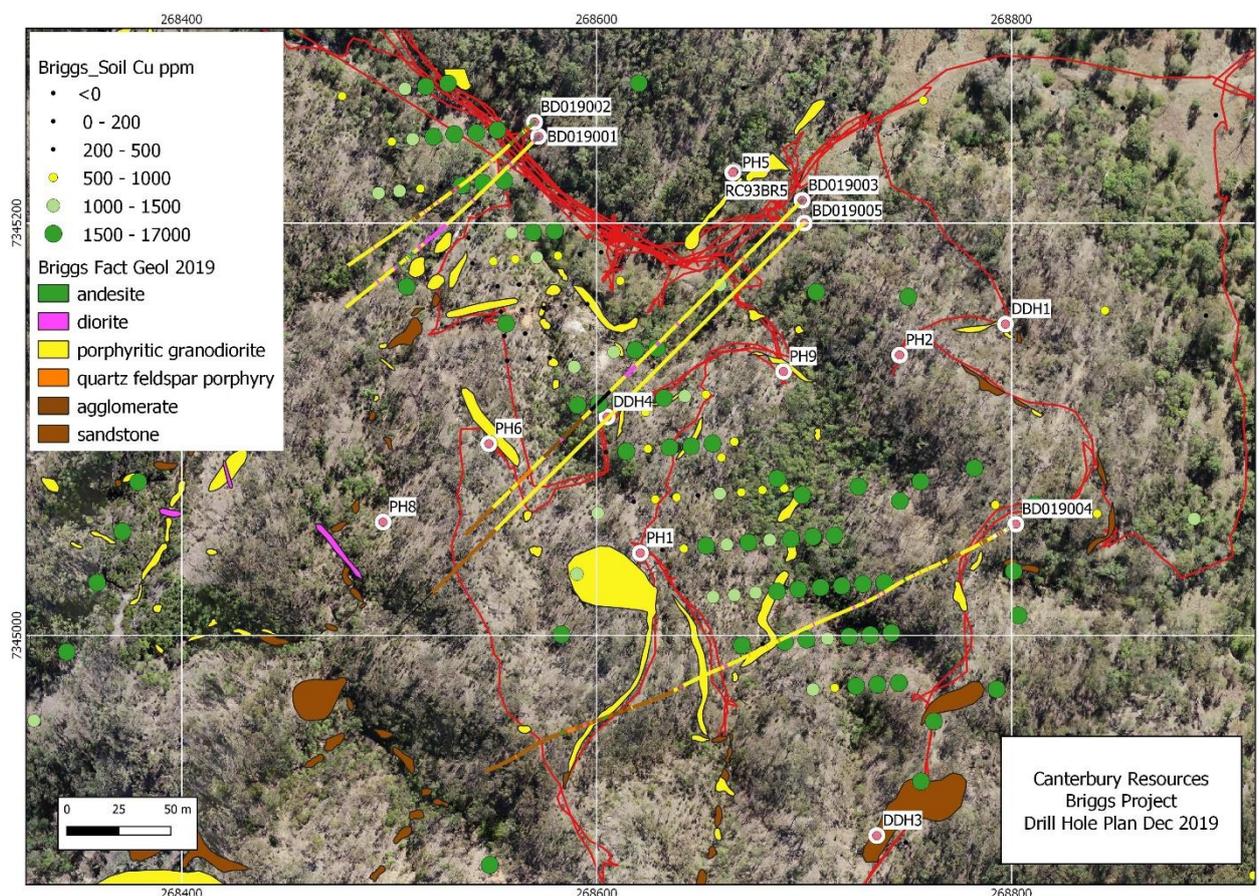


Figure 2 Briggs Drill Plan, Central Porphyry Zone

Each of Canterbury's 2019 holes have encountered very broad intervals of copper mineralisation; predominantly as quartz-potassium feldspar-chalcopyrite veins developed within a granodiorite porphyry, volcanoclastic sediment and andesite sequence. Several higher-grade features have been observed, and all holes have finished in mineralisation.

Overall, the drilling has outlined copper mineralisation over a strike length of up to 600m, widths of up to 300m, and to depths of at least 500m.

The final hole in the program, BD019-005, was collared from the same pad as BD019-003 and drilled at a steeper angle. It is currently at a downhole depth of ~594m and expected to be completed later this week.

Visual observations of core from BD019-005 highlight two important features:

- Firstly, a mineralized zone of silicified granodiorite and quartz veins was intersected between ~282m and ~300m which correlates to the 'out-flow' feature of pyrite and chalcopyrite bearing massive quartz noted in BD019-003, as well as a similar quartz-copper feature at surface (see ASX release dated 21 October 2019 "Higher Grade Zone Discovered at Briggs Copper Deposit"). The 'out-flow' feature in BD019-003 assayed 28.0m at 0.83% Cu from 226.0m, including 17.6m at 1.00% Cu from 236.4m.
- Secondly, a broad interval of strong copper mineralization has been intersected from ~450m downhole in the 'western margin' geological setting. In this position in hole BD019-004 more than 150m of strong copper mineralization was intersected in metavolcanics associated with multiphase quartz-k-feldspar and quartz-chalcopyrite veins. Assays for this zone of BD019-004 are anticipated during December.

The metavolcanics on the western margin of the Briggs deposit were not previously recognised as a significant target by historic explorers. However, based on visual observations by Canterbury's geologists of core from BD019-003, BD019-004 and BD019-005, it is likely to be a key geological setting supporting substantial copper mineralisation.

The following photos, from cut half-core from BD019-004, illustrate examples the 'western margin' mineralisation.



Figure 3 BD019-004 at ~328m - Multiphase Quartz-K-Feldspar and Quartz-Chalcopyrite Veins in Metavolcanics



Figure 4 BD019-004 at ~333m - Multiphase Quartz-Chalcopyrite and Quartz-K-Feldspar Veins in Metavolcanics

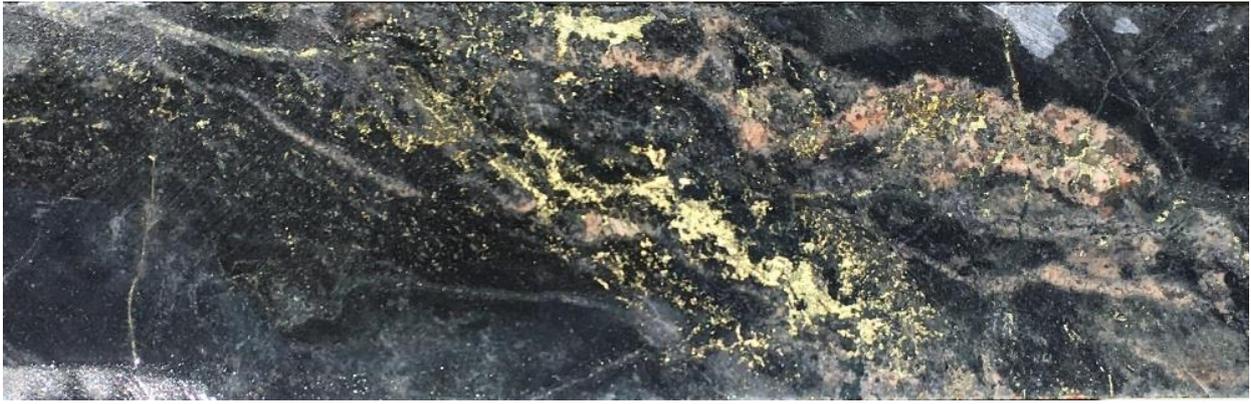


Figure 5 BD019-004 at ~351m - Metavolcanics Cut by Quartz-K-Feldspar and Quartz-Chalcopyrite Veins



Figure 6 BD019-004 at ~420m - Quartz-K-Feldspar Veins with Chalcopyrite (left) and Pyrite (right)

In BD019-005 significant copper mineralisation is observed from around 450m downhole to the current depth of around 594m. Completion of the hole is anticipated later this week at target depth of around 650m. In the lower portion of the hole, the geology and style mineralisation being encountered correlates well with the 'western margin' mineralisation in BD019-004 drilled on a parallel section around 200m to the southeast. Assays from BD019-005 are anticipated in mid-January.

Results received to date from the 2019 drill program, plus visual observations for BD019-004 and BD019-005, strongly support Canterbury's immediate objective of quantifying a large-scale near-surface resource. Once final assays are received for all the holes, Canterbury and independent consulting group, SRK, will complete a JORC (2012) compliant Mineral Resource estimate for the deposit.

Completion of the Mineral Resource estimate is expected to trigger Rio Tinto's back-in option for Briggs, under which it has 90 days to consider purchasing a 60% joint venture interest in the Project via payment of \$15m to Canterbury and sole-funding the first \$50 million of joint venture funding.



On behalf of the Board
Grant Craighead, Managing Director

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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 (\pm 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	<ul style="list-style-type: none"> 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 <ul style="list-style-type: none"> 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	<ul style="list-style-type: none"> 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 <ul style="list-style-type: none"> Core HQ3 (61.1mm), and NQ3 (45mm) sizes. Core is orientated (electronic ori tool).
Drill sample recovery	<ul style="list-style-type: none"> 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 	<ul style="list-style-type: none"> 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	<ul style="list-style-type: none"> 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. 	<ul style="list-style-type: none"> 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	<ul style="list-style-type: none"> 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 <ul style="list-style-type: none"> 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	<ul style="list-style-type: none"> 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 <ul style="list-style-type: none"> 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	<ul style="list-style-type: none"> 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. 	<ul style="list-style-type: none"> 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	<ul style="list-style-type: none"> 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 <ul style="list-style-type: none"> Coordinates are in GDA94 MGA Zone 56. Topographic surface is LIDAR. Survey control is by Garmin GPS.
Data spacing and distribution	<ul style="list-style-type: none"> 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. 	<ul style="list-style-type: none"> The 2019 holes are being drilled on three, ~200m spaced section lines and, in combination with surface mapping, are expected to provide enough data to support estimation of an Inferred Resource.
Orientation of data in relation to geological structure	<ul style="list-style-type: none"> 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 <ul style="list-style-type: none"> Drill holes are testing across known structures.
Sample security	<ul style="list-style-type: none"> The measures taken to ensure sample security. 	<ul style="list-style-type: none"> Chain of Custody procedure in place.
Audits or reviews	<ul style="list-style-type: none"> The results of any audits or reviews of sampling techniques and data. 	<ul style="list-style-type: none"> 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	<ul style="list-style-type: none"> 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 <ul style="list-style-type: none"> 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	<ul style="list-style-type: none"> Acknowledgment and appraisal of exploration by other parties. 	BRIGGS PROJECT <ul style="list-style-type: none"> 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	<ul style="list-style-type: none"> Deposit type, geological setting and style of mineralisation. 	BRIGGS PROJECT <ul style="list-style-type: none"> Cu ± Mo porphyry.
Drill hole Information	<ul style="list-style-type: none"> 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: <ul style="list-style-type: none"> 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. 	<ul style="list-style-type: none"> Attached

Criteria	JORC Code Explanation	Commentary
Data aggregation methods	<ul style="list-style-type: none"> 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. 	<ul style="list-style-type: none"> Significant assays reported in text. Weighted averages used in calculations. Cut off grades documented.
Relationship between mineralisation widths and intercept lengths	<ul style="list-style-type: none"> 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'). 	<ul style="list-style-type: none"> Down-hole lengths reported.
Diagrams	<ul style="list-style-type: none"> 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 <ul style="list-style-type: none"> Drill plan included.
Balanced reporting	<ul style="list-style-type: none"> 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. 	<ul style="list-style-type: none"> Not applicable.
Other substantive exploration data	<ul style="list-style-type: none"> 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 <ul style="list-style-type: none"> 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
Further work	substances. <ul style="list-style-type: none"> 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 <ul style="list-style-type: none"> Complete the planned drill program. Undertake a resource assessment.