

Placement and Share Purchase Plan

Canterbury Resources Limited (ASX: CBY) (**Canterbury** or the **Company**) is pleased to advise that it has received firm commitments to raise \$530,000 via the issue of 5.3 million new fully paid ordinary shares (**Placement Shares**) at an issue price of \$0.10 per Placement Share (**Placement**), which represents an 18.4% discount to the 15-day VWAP of 12.3 cents and a 23.9% discount to the 5-day VWAP of 13.1 cps.

Following completion of the Placement, the Company intends to offer a share purchase plan (**SPP**) on the same terms as the Placement to eligible shareholders, capped at \$30,000 per shareholder, up to a maximum of 10 million ordinary shares (**New Shares**) to raise \$1 million.

The Directors and related parties have committed to participate in the Placement and/or the SPP.

The Placement and SPP will together raise up to \$1.53 million but the Company reserves the right to increase the size of the SPP if there is a strong demand from investors.

Having regard to the increased costs and further restrictions incurred by the Company in the COVID-19 environment, these funds will support a continuation of exploration activity on the Company's portfolio of copper-gold assets, including preparation for the next phase of drilling at each of the most advanced assets - Briggs in Queensland, plus Bismarck and Ekuti Range in PNG. In parallel the Company has commenced discussions with potential joint venture parties in relation to several of these assets, in order to access additional capital aimed at increasing the amount of high-impact drilling that is able to be undertaken.

Canterbury's Managing Director, Grant Craighead, said: *"We are pleased with the level of support being shown in our capital raising initiatives, and the new funds will allow us to maintain exploration momentum as we prepare for the next phase of high-impact drilling at our key projects. We are also encouraged by the recent strong recovery in copper pricing, in part due to COVID related production constraints in Chile, as well as market concerns over a lack of new copper development projects."*

Private Placement

The Company has approached its network, including existing shareholders, to identify a number of sophisticated or professional investors and other third parties to participate in the Private Placement.

The Company will issue the Placement Shares without shareholder approval in accordance with ASX Listing Rule 7.1 as amended by the ASX Class Waiver Decision – Temporary Extra Placement Capacity dated 9 July 2020. Any issue of Placement Shares to a Director is conditional on shareholder approval in accordance with ASX Listing Rule 10.11.

The Placement is not underwritten.

Share Purchase Plan

The Company is pleased to announce an SPP to eligible shareholders to raise up to \$1 million by the issue of up to 10 million ordinary shares on the same terms as the Placement. Eligible shareholders will have the opportunity to apply for up to \$30,000 worth of New Shares at an issue price of \$0.10 per New Share. No brokerage or commissions are payable by shareholders in respect of New Shares applied for under the SPP.

Eligible Shareholders are those shareholders who have a registered address in Australia or New Zealand at 7.00pm AEST on 20 July 2020 (being the business day prior to the release of this announcement). The Company will provide further information on the SPP to shareholders in the coming weeks.

The SPP is not underwritten. The Company reserves the right, in its absolute discretion, to withdraw, scale-back, and/or vary the close date of the SPP, as well as to accept over-subscriptions in the SPP or undertake further placements to cover any shortfall. Any scale-back will be carried out on a pro rata basis and on the basis of the maximum authorised subscription under a share purchase plan of \$30,000 over 12 months.

The SPP is conducted in accordance with ASIC Corporations (Share and Interest Purchase Plans) Instrument 2019/547 (Instrument 2019/547) and ASX Class Waiver Decision – Temporary Extra Placement Capacity dated 9 July 2020.

Further information

Placement Shares and New Shares will be issued under the Company's issue capacity pursuant to ASX Listing Rule 7.1 as amended by the ASX Class Waiver Decision – Temporary Extra Placement Capacity dated 9 July 2020 and will rank equally with existing shares on issue.

Notice given under section 708A(5)(e) of the Corporations Act

The Company gives notice pursuant to section 708A(5)(e) of the Corporations Act 2001 (Cth) Corporations Act) that:

1. the Company issued the Placement Shares without disclosure under Part 6D.2 of the Corporations Act; and
2. as at the date of this notice, the Company has complied with:
 - (i) the provisions of Chapter 2M of the Corporations Act as they apply to the Company; and
 - (ii) section 674 of the Corporations Act; and
3. as at the date of this notice, there is no information to be disclosed which is excluded information (as defined in section 708A(7) of the Corporations Act) that is reasonable for investors and their professional advisers to expect to find in a disclosure document.



On behalf of the Board
Grant Craighead, Managing Director

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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.