

ASX Announcement

1st December 2021

Completion of Peenam Acquisition

SUMMARY

- **Canterbury has completed the acquisition of Neillkins Pty Ltd, which holds EPM 27756 (Peenam), located about 150 km northwest of Brisbane.**
 - **Purchase price - 3 million fully paid ordinary shares in Canterbury Resources Limited, escrowed for 12 months.**
- **Historic exploration in the region by BHP Gold, Keela Wee Exploration and D’Aguilar Gold focused on gold exploration and included shallow drilling that encountered Cu-Au mineralization.**
- **Canterbury interprets past exploration as having tested the outer margins of a mineralized porphyry system, with substantial untested potential at depth and along strike.**
- **Canterbury’s proposed activities include:**
 - **systematic soil sampling and mapping,**
 - **interpretation of available geophysical data, including VTEM and magnetic,**
 - **consideration of an Induced Polarisation (IP) survey, and**
 - **drill testing of selected targets.**

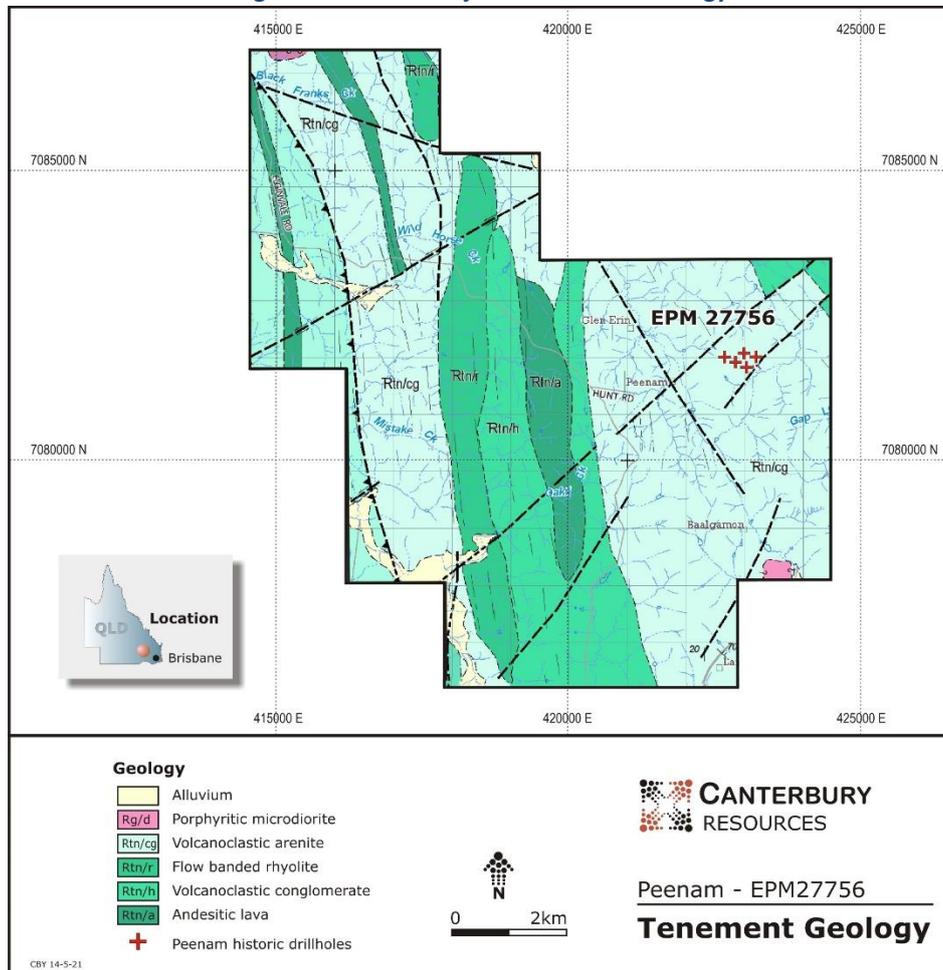
Canterbury’s Managing Director, Grant Craighead, said: “We believe that many porphyry related mineralisation systems in eastern Queensland represent under explored opportunities that have potential to host large-scale Cu-Au deposits. Canterbury continues to assess opportunities in this setting, as it advances and expands its exploration portfolio in the region. This includes a significant RC drilling program currently in progress at the Briggs Copper Project.”

Authorised on behalf of Canterbury Resources Limited by its Managing Director, Mr Grant Craighead.

Canterbury Resources Limited (ASX: CBY) (“Canterbury”, the “Company”) is pleased to announce that it has completed the acquisition of Neillkins Pty Ltd which holds EPM 27756 covering the Peenam Project in Queensland. EPM 27756 was granted on 18 November 2021 for a three-year term.

EPM 27756 comprises 24 sub-blocks and is located 150km northwest of Brisbane, with good site access via highways, local roads and farm tracks. The land is currently used for cattle production.

Figure 1 Peenam Project Location & Geology



The Project covers a section of the north-south trending Esk Trough which comprises Triassic age andesitic volcanics intruded by late Triassic dioritic plutons. Some of the intrusions are intimately associated with epithermal style Au-Ag-Hg and porphyry style Cu-Au-Mo mineralisation.

Initial exploration in the area by BHP Gold in the late 1980s targeted volcanics in the Esk Trough deposited in a rift environment. Au-Ag-Hg occurrences in the area were compatible with mineral deposition at shallow depth.

BHP Gold undertook a regional -80 mesh stream sediment sampling program with samples analysed for Au (bulk cyanide leach method), Hg and As. Anomalous values were recorded in streams draining the Peenam area, centred on an area of strong quartz-sericite alteration which had affected volcanics and a small dioritic intrusion. Rock chip and soil sampling confirmed the presence of low-grade Au mineralisation within the general area of the hydrothermal alteration.

BHP Gold, and subsequently their joint venture partner Keela Wee, drilled 19 shallow reverse circulation drill holes outlining a broad area of low-grade Au mineralisation. However, no assaying for copper was undertaken.

D'Aguilar Gold picked up the ground in 2002 as part of a larger package considered prospective for precious and base metal deposits in shear-related Au or Cu-Au porphyry settings. During 2010, an angled diamond core hole (PEED001) was drilled to test an interpreted porphyry Cu-Au system at Peenam coinciding with outcropping copper mineralisation and a magnetic high previously drilled only to shallow depths. The hole intersected a hornblende-feldspar porphyry with quartz veining and potassic feldspar and magnetite alteration (see core photos below).

Figure 2 PEED001 at 128m - Sheeted Quartz-Chalcopyrite-Magnetite Veins



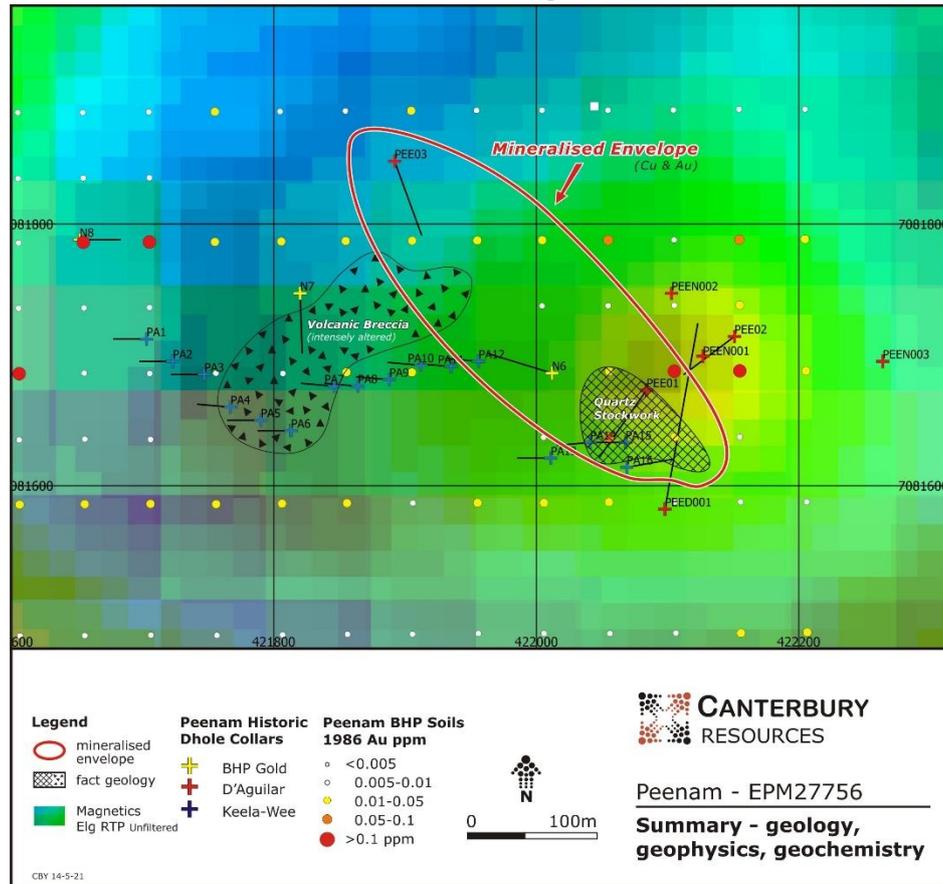
Figure 3 PEED001 at 142m - Quartz Stockworking



Drill hole PEED001 was drilled as a scissor hole to a 2006 drill hole, PEE01, and both drill holes reported moderate intervals of low grade Cu-Au mineralisation as noted in the D'Aguilar Gold March 2006 Quarterly Activities Report available at [00610555.tif \(asx.com.au\)](http://www.asx.com.au/00610555.tif)

At this time, Canterbury has not been able to validate the historical drill hole assay data to a standard that it regards as compliant with the JORC code.

Figure 4 Mapped Quartz Stockwork Zone Coincident with Magnetic High and Broad Zone of Low-grade Cu-Au Mineralisation Extending Northwest



3D magnetic inversion modelling of Peenam suggests a typical porphyry target response of a sharp localised central magnetic high caused by a ferromagnetic porphyry, surrounded by a smooth, broad magnetic low associated with magnetite destruction in the volcanics by propylitic and phyllic alteration. The central discrete magnetic high feature is also surrounded by a broad 1km by 0.5km resistive feature, coincident with the magnetic low feature. Whilst the magnetic feature has been partially drill tested, the resistive feature has not. Geophysical studies have also outlined several untested targets elsewhere in the tenement that require further investigation.

Overall, the geology and mineralisation encountered to date at Peenam is considered typical of the upper roof or margins of a Cu-Au porphyry system. The available geological, geochemical and geophysical data indicate that the quartz enriched cores of this style of porphyry is likely to occur outside the current limits of drilling. Additionally, to the west of the Peenam prospect, a 16 sq km zone of geochemically anomalous clay silica alteration is recognised that has only been partially and cursorily assessed.

Following completion of access arrangements, Canterbury's proposed activities include:

- additional soil sampling and mapping, to better understand the geology and geochemistry of the prospects,
- interpretation of available VTEM and magnetic data, to refine geological models,
- consideration of an Induced Polarisation (IP) survey, aimed at better defining a resistive quartz enriched core of the porphyry, and
- drill testing of selected targets.

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.

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. The term "Canterbury" must be loosely construed to include the subsidiaries of Canterbury Resources Limited where relevant.

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 and exploring potential Tier-1 copper-gold projects in the southwest Pacific. It has a strong portfolio of projects in Australia and Papua New Guinea 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. It periodically forms partnerships with other resource companies to defray risk and cost.

Canterbury’s portfolio includes multiple projects that are at the advanced exploration phase. Each project provides potential for the discovery and/or delineation of large-scale copper (\pm gold, \pm molybdenum) resources. Initial Mineral Resources have been estimated at three deposits:

Project	Deposit	Category	Cut-off	Mt	Au (g/t)	Cu (%)	Au (Moz)	Cu (kt)
Wamum	Idzan Creek	Inferred	0.2g/t Au	137.3	0.53	0.24	2.34	327
Wamum	Wamum Creek	Inferred	0.2% Cu	141.5	0.18	0.31	0.82	435
Briggs	Central Zone	Inferred	0.2% Cu	142.8	-	0.29	-	414
Total							3.16	1,176



Figure 5 Canterbury Project Locations – December 2021