

Canterbury Resources Limited

A High Leverage Copper-Gold Explorer

Canterbury Resources Ltd (ASX:CBY) is an Australian exploration company focused on large scale, porphyry related, copper-gold and gold-silver prospects in proven mineral provinces in the SW Pacific Region. The company listed on the ASX in March 2019 after raising \$6.147m at \$0.30/share. to give a market capitalisation at listing of \$24.5m, and has subsequently raised an additional \$3.68m to progress its prospects. Canterbury has established a portfolio of potential Tier-1 projects and provides high leverage for investors under a success scenario. Significant mineral resources have been outlined at three deposits – Briggs in Central Queensland and Idzan Creek and Wamum Creek near the massive Wafi-Golpu Project in PNG – which have combined defined resources of 3.2Moz Au and 1.2Mt Cu. The company is commencing a scoping study for a standalone copper-gold operation at the Wamum Project, incorporating Idzan Creek and Wamum Creek. In parallel, it is planning further drilling programs at Bismarck, PNG (in joint venture with Rio Tinto) and at Briggs in Queensland.

The Projects

Canterbury has multiple potential tier 1 assets in Papua New Guinea with the 100% Wamum Project (Idzan Creek and Wamum Creek) the most advanced. Mineral Resource estimates have defined 3.2Moz Au and 762kt Cu. The Wamum tenement was recently granted and Canterbury will now commence a scoping study to assess Wamum as a standalone operation. Planned activities include further drilling (13 holes, 6,450m) to upgrade the Mineral Resource estimates from Inferred to Indicated category, metallurgical testwork to determine ore-types and response to conventional processing methods, geotechnical assessment to consider mining options, economic assessment to determine capital and operating costs regimes and consideration of funding options. Elsewhere in PNG, CBY owns 40% of the Bismarck project on Manus Island, which is being managed and sole-funded by Rio Tinto (ASX:RIO), and 100% of Ekuti Range, where CBY has completed scout drilling with a best result at EK004 (18m at 6.23g/t Au, 13.0g/t Ag, and 18% Cu). In Queensland, drilling at CBY's Briggs copper project has outlined a large, low grade Mineral Resource of 142.8Mt at 0.29% Cu, which forms part of a very large mineralisation system.

Next steps

Canterbury has announced the granting of the key Wamum licence. This will enable commencement of its planned resource definition drilling and engineering studies, as part of a 15-month scoping study. CBY is likely to attract considerable interest from potential JV partners to support this phase of activity. At Briggs, CBY has engaged renowned economic geologist Dr Peter Pollard to undertake detailed logging of the core from the central porphyry zone to assist with targeting during the next stage of assessment. This includes a planned 13-hole drill program aimed at expanding the resource and defining higher grade features. Field work is set to recommence at the Bismarck Project, where very large, buried porphyry Cu-Au targets are being tested. Additional geophysics will be undertaken ahead of a resumption of drilling in 2022. At Ekutu Range, an IP survey is proposed to better define high grade Au-Cu lodes at the Otibanda and Waikanda prospects. Geophysical and geological interpretation also suggests these lodes may be related to a nearby buried Cu-Au porphyry system.

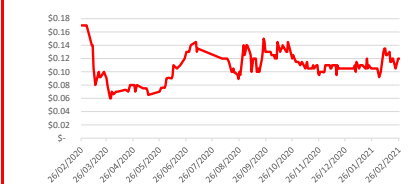
Pathway to development

Canterbury is poised to rapidly advance two projects, Wamum in PNG and Briggs in Queensland. Briggs is blessed with outstanding regional infrastructure (power, roads, port, skilled labour and industrial services) making it an attractive development location. The Wamum project is in the Morobe Province and is just 20km NW of the major Wafi Golpu development project owned by Newcrest and Harmony Gold which has road access to the industrial city and port of Lae.

Share details

ASX Code	CBY
Share Price	\$0.12
Market Capitalisation	\$13.4M
Number of shares	111.9M
Options on issue (exercise price range \$0.25-\$0.50)	8.4M
Net cash at 31 st Dec	~\$1.4M

Share price performance (12 months)



Upside Case

- Management has strong track record of exploration success
- Portfolio approach & JV partnerships help defray risk and cost
- Mineral Resource estimates already completed at 3 deposits with combined contained metal of 1.2Mt copper and 3.2M ounces gold

Downside Case

- Sovereign risk in operating in PNG
- Significant additional capital will be required
- Volatile equity markets

Catalysts

- Announcement of JV partners for key projects
- Commencement of resource definition drill program at Idzan Creek and Wamum Creek deposits
- Further drilling on Briggs to expand resource

Comparative companies (Australia & NZ)

ASX:AZY, ASX:KSN, ASX:MAT

Company contacts

Grant Craighead (CEO) +61 409 900 570
gcraighead@canterburyresources.com.au

RaaS contacts

Finola Burke +61 414 354 712
finola.burke@raasgroup.com

FINANCIAL SERVICES GUIDE

RaaS Advisory Pty Ltd

ABN 99 614 783 363

Corporate Authorised Representative, number 1248415

of

BR SECURITIES AUSTRALIA PTY LTD

ABN 92 168 734 530

AFSL 456663

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- how we transact with you
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Contact Details, BR and RaaS

BR Head Office: Level 14, 344 Queen Street, Brisbane, QLD, 4000

RaaS. 20 Halls Road Arcadia, NSW 2159

P: +61 414 354712

E: finola.burke@raasgroup.com

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