

# Castillo Copper Limited

ACN 137 606 476

## PROSPECTUS

### Cleansing offer

For an offer of up to 100,000 *shares* at an issue price of \$0.02 each to raise up to \$2,000 (before costs) (*cleansing offer*).

This *prospectus* has been prepared primarily for the purposes of section 708A(11) of the *Corporations Act* to remove any trading restrictions on the sale of certain *shares* issued prior to the *closing date*. Please refer to Section 4.1 for further details.

*This document is important and should be read in its entirety. If after reading this prospectus you have any questions about the securities being offered under this prospectus or any other matter, then you should consult your stockbroker, accountant or other professional advisor.*

*The shares offered by this prospectus should be considered as highly speculative.*

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# 1. CORPORATE DIRECTORY

<i>directors</i>	Mr Robert Scott	Non-Executive Chairman
	Mr Simon Paull	Managing Director
	Mr Matthew Bull	Non-Executive Director
	Mr Gerrard Hall	Non-Executive Director
<i>company secretary</i>	Mr Tim Slate	
<i>registered office</i>	Level 26, 140 St Georges Terrace, Perth WA 6000	
<i>telephone</i>	+61 8 6558 0886	
<i>email</i>	<a href="mailto:info@castillocopper.com">info@castillocopper.com</a>	
<i>website</i>	<a href="http://www.castillocopper.com">www.castillocopper.com</a>	
<i>share registry*</i>	Automic Registry Services Level 5, 126 Phillip Street, Sydney NSW 2000	
<i>auditor*</i>	HLB Mann Judd Level 4, 130 Stirling Street, Perth WA 6000	
<i>solicitors to the company</i>	Blackwall Legal LLP Level 26, 140 St Georges Terrace, Perth WA 6000	
<i>securities exchange</i>	Australian Securities Exchange ASX Code: CCZ	

\*These entities are included for information purposes only. They have not been involved in the preparation of this *prospectus* and have not consented to being named in it.

## 2. TIMETABLE

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<i>21 February 2020</i>	Lodgement of <i>prospectus</i> with <i>ASIC</i> and <i>ASX</i>
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<i>21 February 2020</i>	<i>Offer</i> opens
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<i>30 April 2020</i>	<i>Closing date</i>
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<i>1 May 2020</i>	<i>Quotation</i> of <i>securities</i> issued under the <i>offer</i>
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The above timetable is indicative only and subject to change. Subject to the *listing rules*, the *directors* reserve the right to vary these dates, including the *closing date*, without prior notice. Any extension of the *closing date* will have a consequential effect on the anticipated date for issue of the *securities*. The *directors* also reserve the right not to proceed with the whole or part of the *offer* at any time prior to allotment. In that event, any relevant *application monies* will be returned without interest.

## 3. IMPORTANT NOTES

### 3.1. Lodgement and timing

- 3.1.1. This *prospectus* is dated 21 February 2020 and was lodged with ASIC on that date. ASIC, ASX and their officers take no responsibility for the contents of this *prospectus* or the merits of the investment to which this *prospectus* relates.
- 3.1.2. This prospectus is a transaction-specific prospectus for an offer of *continuously quoted securities* and has been prepared in accordance with section 713 of the *Corporations Act*. As such it should be read in conjunction with the *company's* periodic and continuous disclosure announcements given to ASX which are available at [www.asx.com.au](http://www.asx.com.au).
- 3.1.3. In making representations in this *prospectus*, regard has been had to the fact that the *company* is a disclosing entity for the purposes of the *Corporations Act* and certain matters may reasonably be expected to be known to investors and professional advisers whom potential investors may consult.
- 3.1.4. No *securities* may be issued on the basis of this *prospectus* later than 13 months after the date of this *prospectus*.
- 3.1.5. Application will be made to ASX within seven days after the date of this *prospectus* for quotation of the *securities* the subject of the *offer*.

### 3.2. Disclaimer

- 3.2.1. No person is authorised to give information or to make any representation in connection with this *prospectus*, which is not contained in the *prospectus*. Any information or representation not so contained may not be relied on as having been authorised by the *company* in connection with this *prospectus*.
- 3.2.2. It is important that investors read this *prospectus* in its entirety and seek professional advice where necessary. The *securities* the subject of this *prospectus* should be considered highly speculative. No document or information included on the *company's* website is incorporated by reference into this *prospectus*.

### 3.3. Electronic prospectus

This *prospectus* will be issued in paper form and as an electronic prospectus which may be accessed on the internet at [www.castillocopper.com](http://www.castillocopper.com). The *offer* pursuant to the electronic *prospectus* is only available to persons receiving an electronic version of this *prospectus* in Australia. The *Corporations Act* prohibits any person passing the *application form* on to another person unless it is attached to, or accompanied by, the complete and unaltered version of the *prospectus*. During the *offer period*, any person may obtain

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a hard copy of this *prospectus* by contacting the *company* at the address set out in the corporate directory in *section 1*.

### 3.4. Forward-looking statements

- 3.4.1. This *prospectus* may contain forward-looking statements which are identified by words such as ‘may’, ‘could’, ‘believes’, ‘estimates’, ‘targets’, ‘expects’, or ‘intends’ and other similar words that involve risks and uncertainties.
- 3.4.2. These statements are based on an assessment of present economic and operating conditions, and on a number of assumptions regarding future events and actions that, as at the date of this *prospectus*, are expected to take place.
- 3.4.3. Such forward-looking statements are not guarantees of future performance and involve known and unknown risks, uncertainties, assumptions and other important factors, many of which are beyond the control of the *company*, the *directors* and management.
- 3.4.4. We cannot and do not give any assurance that the results, performance or achievements expressed or implied by the forward-looking statements contained in this *prospectus* will actually occur and investors are cautioned not to place undue reliance on these forward-looking statements.
- 3.4.5. We have no intention to update or revise forward-looking statements, or to publish prospective financial information in the future, regardless of whether new information, future events or any other factors affect the information contained in this *prospectus*, except where required by law. These forward-looking statements are subject to various risk factors that could cause our actual results to differ materially from the results expressed or anticipated in these statements. These risk factors are set out in *section 6*.

### 3.5. Foreign jurisdictions

- 3.5.1. No action has been taken to permit the offer of *securities* under this *prospectus* in any jurisdiction other than Australia. The distribution of this *prospectus* outside Australia may be restricted by law and therefore persons into whose possession this *prospectus* comes should seek advice on and observe any such restrictions. Any failure to comply with these restrictions may constitute a violation of those laws. This *prospectus* does not constitute an offer of any *securities* in any jurisdiction where, or to any person to whom, it would be unlawful to issue this *prospectus*.

### 3.6. Other matters

- 3.6.1. All financial amounts in this *prospectus* are expressed as Australian dollars unless otherwise stated. Any discrepancies between totals and sums and components in tables contained in this *prospectus* are due to rounding.

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3.6.2. Defined terms and abbreviations italicised in this *prospectus* are detailed in the *glossary* in *section 9*.

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## 4. DETAILS OF THE OFFER

### 4.1. Cleansing offer

- 4.1.1. By this *prospectus*, the *company* offers up to 100,000 *shares* at an issue price of \$0.02 each to raise up to \$2,000. As the *company* is only seeking to raise a nominal amount by way of the *cleansing offer*, the principal purpose of the *prospectus* is not to raise capital.
- 4.1.2. All *shares* issued pursuant to the *cleansing offer* will rank equally with existing *shares*. Please refer to *section 7.1* for further information regarding the rights and liabilities attaching to *shares*.
- 4.1.3. Please refer to *section 4.4* for details on how to apply for *shares* under the *cleansing offer*.

### 4.2. Purpose of the cleansing offer

- 4.2.1. Following lodgement of the *prospectus*, subject to *completion* occurring, the *company* intends to issue 31,250,000 *shares* and 93,750,000 *performance shares* to the *Zed sellers* (or their nominees) pursuant to the *Zed acquisition* and as set out in the explanatory statement contained in the *company's* notice of meeting dated 7 October 2019 and approved by shareholders on 6 November 2019. On 19 February 2020 the *ASX* granted a waiver of *listing rule 14.7* to extend the time limit for the issue of *shares* and *performance shares* to the *Zed sellers* to 26 February 2020.
- 4.2.2. The *company* is unable to issue a cleansing notice under section 708A(5) of the *Corporations Act* as its *shares* have been suspended from trading on *ASX* for more than five trading days in the last 12 months. Accordingly, for the purposes of section 708A(11)(b)(ii) of the *Corporations Act*, the primary purpose of the *cleansing offer* is to facilitate secondary trading of the *shares* that are proposed to be issued by the *company* as referred to above and any other *shares* that may be issued under the *company's* 15% placement capacity and its additional 10% placement capacity to raise additional capital, made before the *closing date*. As at the date of this *prospectus*, the *company* has not arranged any issues of additional *securities*.

### 4.3. Minimum subscription

There is no minimum subscription for the *cleansing offer*.

### 4.4. Applications

- 4.4.1. The *cleansing offer* will only be extended to specific parties on invitation from the *directors*. *Application forms* will only be provided to these parties.



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- 4.4.2. All *application monies* for *shares* will be held by the *company* on trust on behalf of *applicants* in a separate bank account maintained solely for the purpose of depositing *application monies* received pursuant to this *prospectus*. If the *shares* to be issued under the *cleansing offer* are not admitted to *quotation* within three months after the date of this *prospectus*, no *shares* will be issued and *application monies* will be refunded in full without interest in accordance with the *Corporations Act*.

## 4.5. Issue of securities

- 4.5.1. *Securities* issued pursuant to the *offer* will be issued in accordance with the *listing rules* and the timetable set out at in *section 2*.
- 4.5.2. Holding statements for *securities* issued under the *offer* will be mailed in accordance with the *listing rules* and timetable set out at in *section 2*.

## 4.6. Quotation of securities

- 4.6.1. Application for *quotation* of the *securities* issued pursuant to this *prospectus* will be made in accordance with the timetable set out in *section 2*.
- 4.6.2. If *ASX* does not grant *quotation* of the *shares* offered pursuant to this *prospectus* before the expiration of 3 months after the date of issue of the *prospectus* (or such period as varied by *ASIC*) the *company* will not issue any *shares* and will repay all *application monies* for the *shares* within the time prescribed under the *Corporations Act*, without interest.
- 4.6.3. The fact that *ASX* may grant *quotation* to the *shares* is not to be taken in any way as an indication of the merits of the *company* or the *shares* now offered for subscription.

## 4.7. Dividend policy

- 4.7.1. The *company* does not expect to declare any dividends in the near future as its focus will primarily be on using cash reserves to grow and develop the *company's* exploration projects.
- 4.7.2. Any future determination as to the payment of dividends by the *company* will be at the discretion of the *directors* and will depend on matters such as the availability of distributable earnings, the operating results and financial condition of the *company*, future capital requirements and general business and other factors considered relevant by the *directors*. No assurances can be given by the *company* in relation to the payment of dividends or that franking credits may attach to any dividends.

## 4.8. Financial forecasts

The *directors* have considered the matters set out in *ASIC* Regulatory Guide 170 and believe that they do not have a reasonable basis to forecast future earnings on the basis that the operations of the *company* are inherently uncertain. Accordingly, any forecast or projection information would contain such a broad range of potential

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outcomes and possibilities that it is not possible to prepare a reliable best estimate forecast or projection.

## 4.9. CHESS and issuer sponsorship

- 4.9.1. The *company* is a participant in *CHESS*, for those investors who have, or wish to have, a sponsoring stockbroker. Investors who do not wish to participate through *CHESS* will be *issuer sponsored* by the *company*. Because the sub-registers are electronic, ownership of *securities* can be transferred without having to rely upon paper documentation.
- 4.9.2. Electronic registers mean that the *company* will not be issuing certificates to investors. Instead, investors will be provided with a statement (similar to a bank account statement) that sets out the number of *shares* issued to them under this *prospectus* (as well as any other *securities* registered in their name at the time). The notice will also advise holders of their “Holder Identification Number” (if broker sponsored) or “Securityholder Reference Number” (if *issuer sponsored*) and explain, for future reference, the sale and purchase procedures under *CHESS* and *issuer sponsorship*.
- 4.9.3. Further monthly statements will be provided to holders if there have been any changes in their security holding in the *company* during the preceding month.

## 4.10. Privacy

- 4.10.1. If you complete an *application* for *shares*, you will be providing personal information to the *company* (directly or through the *company's* share registry). The *company* collects, holds and will use that information to assess your *application*, service your needs as a holder of *securities* in the *company*, facilitate distribution payments and corporate communications to you as a *shareholder*, and carry out administration.
- 4.10.2. The information may also be used from time to time and disclosed to persons inspecting the *company's securities* registers, bidders for your *securities* in the context of takeovers, regulatory bodies, including the Australian Taxation Office, authorised securities brokers, print service providers, mail houses and the *company's* share registry.
- 4.10.3. You can access, correct and update the personal information that we hold about you. Please contact the *company* or its share registry if you wish to do so at the relevant contact numbers set out in this *prospectus*.
- 4.10.4. Collection, maintenance and disclosure of certain personal information is governed by legislation including the *Privacy Act 1988* (Cth) (as amended), the *Corporations Act* and certain rules such as the *settlement operating rules*. You should note that if you do not provide the information required on the *application form*, the *company* may not be able to process or accept your *application*.

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## 4.11. Taxation

- 4.11.1. It is the responsibility of all persons to satisfy themselves of the taxation treatment that applies to them in relation to the *offer*, by consulting their own professional tax advisers. Neither the *company* nor any of its *directors* or officers accepts any liability or responsibility in respect of the taxation consequences of the matters referred to above.

## 4.12. Enquiries

- 4.12.1. Any questions concerning the *offer* should be directed to the *company* on +61 8 6558 0886.

## 5. EFFECT OF THE OFFER

### 5.1. Effect on capital structure

5.1.1. As at the date of this *prospectus*, the *company* has on issue:

- (a) 793,936,049 *shares*;
- (b) 10,000,000 unlisted *options* exercisable at \$0.03 on or before 30 June 2020;
- (c) 15,000,000 unlisted *options* exercisable at \$0.03 on or before 5 July 2020;
- (d) 15,000,000 unlisted *options* exercisable at \$0.05 on or before 1 February 2022;
- (e) 5,000,000 unlisted *options* exercisable at \$0.05 on or before 31 December 2023;
- (f) 17,000,000 unlisted *options* exercisable at \$0.10 on or before 31 December 2023;
- (g) 57,716,574 unlisted *options* exercisable at \$0.05 on or before 1 August 2022;
- (h) 52,291,667 unlisted *options* exercisable at \$0.05 on or before 2 December 2022;

5.1.2. The combined effect on the capital structure of the *company* of the *cleansing offer* (assuming the *offer* is fully subscribed and no *options* are exercised between the date of this *prospectus* and the *closing date*) and the other issues of *securities* as set out in *section 1.1.1*, is set out below:

	<i>ordinary shares</i>	<i>unlisted options</i>	<i>performance shares</i>
<i>currently on issue</i>	793,936,049	184,008,241	-
<i>cleansing offer</i>	100,000	-	-
<i>Zed sellers*</i>	31,250,000	-	93,750,000
<i>total after offer and issues</i>	<b>825,286,049</b>	<b>184,008,241</b>	<b>93,750,000</b>

\* Subject to *completion* occurring

### 5.2. Effect on control

The *cleansing offer* and other issues of *securities* will not have a material impact on control of the *company*.

### 5.3. Substantial holdings

The *company* does not have any substantial *shareholders*. The *cleansing offer* and other issues of *securities* will not result in any *shareholder* becoming a substantial *shareholder*.

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## 5.4. Effect on financial position of the company

- 5.4.1. After paying the expenses of the *cleansing offer* of approximately \$10,000 (exclusive of GST), there will be no net proceeds from the *cleansing offer*. The net expenses of the *cleansing offer* will be met from the *company's* existing cash reserves.
- 5.4.2. The net effect of the *cleansing offer* on the *company's* financial position will be a net decrease in cash held of approximately \$8,000 (exclusive of GST).

## 6. RISK FACTORS

### 6.1. Introduction

- 6.1.1. The *securities* offered under this *prospectus* are considered highly speculative. An investment in the *company* is not risk free and the *directors* strongly recommend potential investors to consider the risk factors described below, together with information contained elsewhere in this *prospectus* and to consult their professional advisors before deciding whether to apply for *shares* pursuant to this *prospectus*.
- 6.1.2. There are specific risks which relate directly to the *company's* business. In addition, there are other general risks, many of which are largely beyond the control of the *company* and the *directors*. The risks identified in this *section*, or other risk factors, may have a material impact on the financial performance of the *company* and the market price of the *shares*.
- 6.1.3. The following is not intended to be an exhaustive list of the risk factors to which the *company* is exposed.

### 6.2. Risks specific to the company

#### 6.2.1. Exploration risks

The *company's* projects are at an early stage of exploration and development. There can be no assurance that exploration of these mineral tenements, or any other mineral tenements that may be acquired in the future, will result in the discovery of an economic ore deposit. Even if an apparently viable deposit is identified, there is no guarantee that it can be economically exploited.

#### 6.2.2. Country risk - Zambia

- (a) On completion of the *Zed acquisition*, the *company* will commence operations in Zambia, and will be subject to the risks associated with operating in a foreign country. These risks include economic, social or political instability or change, hyperinflation, currency non-convertibility or instability and changes of law affecting foreign ownership, government participation, taxation, working conditions, rates of exchange, exchange control, exploration licensing, export duties, repatriation of income or return of capital, environmental protection, mine safety, labour relations as well as government control over mineral properties or government regulations that require the employment of local staff or contractors or require other benefits to be provided to local residents.
- (b) The *company* may also be hindered or prevented from enforcing its rights with respect to a governmental instrument because of the doctrine of sovereign immunity. Any future material adverse changes in government policies or legislation in Zambia that affect foreign ownership, mineral exploration,

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development or mining activities, may affect the viability and profitability of the *company* and its projects.

6.2.3. Environmental risks

The operations and proposed activities of the *company* are subject to state and federal environmental laws and regulations. As with most exploration projects and mining operations, the *company's* activities are expected to have an impact on the environment, particularly if advanced exploration or mine development proceeds. The *company* will attempt to conduct its activities to the highest standard of environmental obligation, including compliance with all environmental laws.

6.2.4. Tenement grant and maintenance risks

The *company's* mining exploration activities are dependent upon the grant, or as the case may be, the maintenance of appropriate licences, concessions, leases, permits and regulatory consents which may be withdrawn or made subject to limitations. The maintaining of tenements, obtaining renewals, or getting tenements granted, often depends on the *company* being successful in obtaining the required statutory approvals for its proposed activities and that the licences, concessions, leases, permits or consents it holds will be renewed as and when required. There is no assurance that such renewals will be given as a matter of course and there is no assurance that new conditions will not be imposed in connection therewith.

6.2.5. Commodity and exchange rate fluctuation risk

To the extent the *company* may become involved in mineral production the revenue derived through the sale of commodities may expose the potential income of the *company* to commodity price and exchange rate risks. Commodity prices fluctuate and are affected by many factors beyond the control of the *company*. Such factors include supply and demand fluctuations for precious and base metals, technological advancements, forward selling activities and other macro-economic factors.

6.2.6. Requirement for additional capital

- (a) The funds to be raised under the *offer* are considered sufficient to meet the immediate objectives of the *company*. Additional funding may be required in the event costs exceed the *company's* estimates and to effectively implement its business and operational plans in the future to take advantage of opportunities for acquisitions, joint ventures or other business opportunities, and to meet any unanticipated liabilities or expenses which the *company* may incur. If such events occur, additional funding will be required.
- (b) Following the *offer*, the *company* may seek to raise further funds through equity or debt financing, joint ventures, licensing arrangements, or other means. Failure to obtain sufficient financing for the *company's* activities and future projects may result in delay and indefinite postponement of these activities and potential development programmes. There can be no assurance that additional finance will be available when needed or, if available, the terms of the financing

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may not be favourable to the *company* and might involve substantial dilution to *shareholders*.

#### 6.2.7. Retention of key personnel

There is a risk that, where there is a turnover of development staff who have knowledge of the mineral tenements and the business, knowledge will be lost in the event that those staff resign or retire. This involves the risk that those staff will have information in respect of the *company's* activities which has a commercial value to the *company's* as well as an opportunity cost for replacement of those staff and subsequent training.

### 6.3. General risks

#### 6.3.1. Market conditions

Share market conditions may affect the value of the *company's* quoted *securities* regardless of the *company's* operating performance. Share market conditions are affected by many factors such as:

- (a) general economic outlook;
- (b) introduction of tax reform or other new legislation;
- (c) interest rates and inflation rates;
- (d) changes in investor sentiment toward particular market sectors;
- (e) the demand for, and supply of, capital; and
- (f) terrorism or other hostilities.

The market price of *securities* can fall as well as rise and may be subject to varied and unpredictable influences on the market for equities in general and technology stocks in particular. Neither the *company* nor the *directors* warrant the future performance of the *company* or any return on an investment in the *company*.

#### 6.3.2. Economic and government risk

The future viability of the *company* is also dependent on a number of other factors affecting performance of all industries and not just the exploration industry including, but not limited to, the following:

- (a) general economic conditions in jurisdictions in which the *company* operates;
- (b) changes in government policies, taxation and other laws in jurisdictions in which the *company* operates;
- (c) the strength of the equity markets in Australia and throughout the world, and in particular investor sentiment towards the exploration sector;



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- (d) movement in, or outlook on, interest rates and inflation rates in jurisdictions in which the *company* operates; and
  - (e) natural disasters, social upheaval or war in jurisdictions in which the Company operates.

## 6.4. Speculative investment

- 6.4.1. The above list of risk factors ought not to be taken as exhaustive of the risks faced by the *company* or by investors in the *company*. The above factors, and others not specifically referred to above, may in the future materially affect the financial performance of the *company* and the value of the *shares* offered under this *prospectus*.
- 6.4.2. Therefore, the *shares* to be issued pursuant to this *prospectus* carry no guarantee with respect to the payment of dividends, returns of capital or the market value of those *shares*. Potential investors should consider that the investment in the *company* is highly speculative and should consult their professional advisors before deciding whether to apply for *shares* pursuant to this *prospectus*.

# 7. ADDITIONAL INFORMATION

## 7.1. Rights attaching to shares

7.1.1. The following is a summary of the more significant rights and liabilities attaching to *shares* being offered pursuant to this *prospectus*. This summary is not exhaustive and does not constitute a definitive statement of the rights and liabilities of *shareholders*. To obtain such a statement, persons should seek independent legal advice. Full details of the rights and liabilities attaching to *shares* are set out in the *constitution*, a copy of which is available for inspection at the *company's* registered office during normal business hours.

### 7.1.2. General meetings

- (a) *Shareholders* are entitled to be present in person, or by proxy, attorney or representative to attend and vote at general meetings of the company.
- (b) *Shareholders* may requisition meetings in accordance with section 249D of the Corporations Act and the constitution.

### 7.1.3. Voting rights

- (a) Subject to the *constitution* and to any rights and restrictions attaching to any class of *shares*, at meetings of *shareholders*, each *shareholder* entitled to attend and vote may attend and vote in person or by proxy or by attorney and, where the *shareholder* is a body corporate, by representative.
- (b) On a show of hands every *shareholder* present having the right to vote at the meeting has one vote. On a poll, every *shareholder* present has one vote for each fully paid *share* and, the case of partly paid *shares* or *share* held by the *shareholder*, a fraction of a vote equivalent to the proportion which the amount paid (but not credited) is of the total amounts paid and payable (excluding amounts credited) on the *share* or *shares* held.

### 7.1.4. Dividend rights

Subject to the *Corporations Act* and to any special rights or restrictions attached to any *shares*, *directors* may from time to time authorise the *company* to pay interim and final dividends which appear to the *directors* to be justified by the profits of the *company*.

### 7.1.5. Winding-up

If the *company* is wound up, the liquidator may, with the authority of a special resolution, divide among the *shareholders* in kind the whole or any part of the property of the *company*, and may for that purpose set such value as he considers fair upon any property to be so divided, and may determine how the division is to be carried out as between the *shareholders* or different classes of *shareholders*.

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#### 7.1.6. Transfer of shares

Generally, *shares* are freely transferable, subject to formal requirements, the registration of the transfer not resulting in a contravention of or failure to observe the provisions of a law of Australia and the transfer not being in breach of the *Corporations Act* and the *listing rules*.

#### 7.1.7. Future increase in capital

The issue of any *shares* is under the control of the *directors*. Subject to restrictions on the issue or grant of *securities* contained in the *listing rules*, the *constitution* and the *Corporations Act* (and without affecting any special right previously conferred on the holder of an existing *share* or class of *shares*), the *directors* may issue *shares* as they shall, in their absolute discretion, determine.

#### 7.1.8. Variation of rights

- (a) Under section 246B of the *Corporations Act*, the *company* may, with the sanction of a special resolution passed at a meeting of *shareholders*, vary or abrogate the rights attaching to *shares*.
- (b) If at any time the share capital is divided into different classes of shares, the rights attached to any class (unless otherwise provided by the terms of issue of the shares of that class), whether or not the *company* is being wound up, may be varied or abrogated with the consent in writing of the holders of three quarters of the issued shares of that class, or if authorised by a special resolution passed at a separate meeting of the holders of the shares of that class.

### 7.2. Continuous disclosure

7.2.1. The *company* is a “disclosing entity” (as defined in section 111AC of the *Corporations Act*) for the purposes of section 713 of the *Corporations Act* and, as such, is subject to regular reporting and disclosure obligations. Specifically, the *company* is required to continuously disclose any information it has to the market which a reasonable person would expect to have a material effect on the price or the value of the *company’s securities*.

7.2.2. This *prospectus* is a “transaction specific prospectus” prepared in accordance with section 713 of the *Corporations Act*. Section 713 provides that a “transaction specific prospectus” is only required to contain information in relation to:

- (a) the effect of the issue of *securities* on the *company*; and
- (b) the rights attaching to the *securities*.

7.2.3. It is not necessary to include general information in relation to all of the assets and liabilities, financial position, profits and losses or prospects of the issuing company.

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- 7.2.4. This *prospectus* is intended to be read in conjunction with the publicly available information in relation to the *company* which has been notified to *ASX* and does not include all of the information that would be included in a prospectus for an initial offering of *securities* in an entity that is not already listed on a stock exchange. Investors should therefore have regard to the other publicly available information in relation to the *company* before deciding whether or not to invest.
- 7.2.5. The *company* believes that it has complied with the general and specific requirements of *ASX* as applicable from time to time throughout the 3 months before the issue of this *prospectus* which required the *company* to notify *ASX* of information about specified events or matters as they arise for the purpose of *ASX* making that information available to the stock market conducted by *ASX*.
- 7.2.6. Information that is already in the public domain has not been reported in this *prospectus* other than that which is considered necessary to make this *prospectus* complete.
- 7.2.7. The *company*, as a disclosing entity under the *Corporations Act* and in accordance with section 713(3) of the *Corporations Act*, states that:
- (a) it is subject to regular reporting and disclosure obligations;
  - (b) copies of documents lodged with *ASIC* in relation to the *company* (not being documents referred to in section 1274(2)(a) of the *Corporations Act*) may be obtained from, or inspected at, the offices of *ASIC*; and
  - (c) it will provide a copy of each of the following documents, free of charge, to any person on request between the date of issue of this *prospectus* and the *closing date*:
    - (i) the annual financial report most recently lodged by the *company* with the *ASIC*;
    - (ii) any half-year financial report lodged by the *company* with *ASIC* after the lodgement of the annual financial report referred to in (i) and before the lodgement of this *prospectus* with *ASIC*; and
    - (iii) any continuous disclosure documents given by the *company* to *ASX* in accordance with the *listing rules* as referred to in section 674(1) of the *Corporations Act* after the lodgement of the annual financial report referred to in (i) and before the lodgement of this *prospectus* with *ASIC*.
- 7.2.8. Copies of all documents lodged with *ASIC* in relation to the *company* can be:
- (a) inspected at the registered office of the *company* during normal office hours; or
  - (b) obtained from *ASIC* or an information broker nominated by *ASIC*.

- 7.2.9. Details of documents lodged with *ASX* since the date of lodgement of the *company's* latest annual financial report and before the lodgement of this *prospectus* with *ASIC* are set out in the table below:

<i>Date</i>	<i>Announcement</i>
<i>20/02/2020</i>	Formal Share Sale Agreement Signed
<i>19/02/2020</i>	Grant of waiver to ASX Listing Rule 14.7
<i>19/02/2020</i>	Mt Oxide pillar firming up with multiple targets
<i>10/02/2020</i>	Mt Oxide within a Geoscience Australia IOCG target area
<i>30/01/2020</i>	Quarterly Cashflow Report
<i>30/01/2020</i>	Quarterly Activities Report
<i>29/01/2020</i>	Amendment to Appendix 3B
<i>23/01/2020</i>	Appendix 3B
<i>22/01/2020</i>	Mkushi soil sampling extends potential strike length
<i>14/01/2020</i>	Historic drill data verifies supergene ore at Mt Oxide
<i>2/01/2020</i>	Initial Director's Interest Notice
<i>2/01/2020</i>	Final Director's Interest Notice
<i>2/01/2020</i>	Appendix 3B
<i>23/12/2019</i>	Response to ASX Appendix 3Y Query
<i>20/12/2019</i>	Board Change and Managing Director Remuneration
<i>17/12/2019</i>	Change of Director's Interest Notice x3
<i>16/12/2019</i>	Important historic data acquired for Mt Oxide pillar
<i>11/12/2019</i>	Appendix 3B
<i>3/12/2019</i>	Appendix 3B
<i>3/12/2019</i>	Metallurgy test-work completed with Cangai ore
<i>29/11/2019</i>	Cleansing Prospectus
<i>29/11/2019</i>	Results of Meeting
<i>27/11/2019</i>	Castillo Successfully Completes Capital Raising
<i>25/11/2019</i>	Trading Halt
<i>21/11/2019</i>	Amendment to Appendix 3B

<i>Date</i>	<i>Announcement</i>
<i>21/11/2019</i>	Change of Director's Interest Notice x 2
<i>20/11/2019</i>	Change of Director's Interest Notice
<i>19/11/2019</i>	Change of Director's Interest Notice x 3
<i>19/11/2019</i>	Appendix 3B
<i>18/11/2019</i>	Change of Director's Interest Notice
<i>12/11/2019</i>	Investor Presentation
<i>12/11/2019</i>	CCZ to raise up to \$2 million
<i>11/11/2019</i>	Exploration campaign at Mkushi project to commence
<i>6/11/2019</i>	New Constitution
<i>6/11/2019</i>	Results of Meeting
<i>6/11/2019</i>	Cangai Copper Mine Pillar - Scoping Study Intent
<i>29/10/2019</i>	Quarterly Cashflow Report
<i>29/10/2019</i>	Quarterly Activities Report
<i>25/10/2019</i>	Notice of Annual General Meeting
<i>24/10/2019</i>	Expiry of Unlisted Options
<i>21/10/2019</i>	Structural target identified in Mkushi Project
<i>14/10/2019</i>	Two historic deposits identified at Mt Oxide
<i>7/10/2019</i>	Notice of General Meeting
<i>2/10/2019</i>	Targets for Copper Mineralisation Identified in Luanshya
<i>27/09/2019</i>	Appendix 4G
<i>27/09/2019</i>	Annual Report to shareholders
<i>27/09/2019</i>	Appendix 3B
<i>27/09/2019</i>	Cangai Copper Mine Intent and Convertible Note Conversion

## 7.3. Market price of shares

- 7.3.1. The highest, lowest and last market sale prices of *shares* on *ASX* during the three months immediately preceding the date of lodgement of this *prospectus* with *ASIC* and the respective dates of those sales were:

	<i>price</i>	<i>date</i>
<i>highest</i>	\$0.024	20 January 2020
<i>lowest</i>	\$0.016	10 December 2019
<i>last</i>	\$0.018	20 February 2020

## 7.4. Interests of directors

7.4.1. Other than as set out below or elsewhere in this *prospectus*, no director has or had within 2 years before the lodgement of this *prospectus* with ASIC, any interest in:

- (a) the formation or promotion of the *company*;
- (b) property acquired or proposed to be acquired by the *company* in connection with its formation or promotion or the *offer* pursuant to this prospectus; or
- (c) the *offer*,

and no amounts have been paid or agreed to be paid (in cash or *shares* or otherwise) to any *director* either to induce them to become, or to qualify them as, a director or otherwise for services rendered by them in connection with the formation or promotion of the *company* or the *offer*.

7.4.2. The *relevant interest* of each of the *directors* in the *securities* of the *company* as at the date of this *prospectus* is set out below:

<i>director</i>	<i>shares</i>	<i>options</i>
<b><i>Robert Scott<sup>1</sup></i></b>	1,000,000 <sup>1</sup>	5,000,000
<b><i>Simon Paull</i></b>	1,000,000 <sup>2</sup>	6,000,000 <sup>3</sup>
<b><i>Matthew Bull</i></b>	160,000	-
<b><i>Gerrard Hall</i></b>	2,500,000 <sup>4</sup>	3,000,000 <sup>4</sup>

Notes:

- 1. Held by associate Ferber Holdings Pty Ltd ATF Scott Superannuation Fund
- 2. Held by associate Paulkiner Pty Ltd ATF Paulkiner Superannuation Fund
- 3. Held by associate Yingyang Pty Ltd ATF Trojan Trust
- 4. Jointly held by Mr G Hall & Mrs Z Hall

7.4.3. Details of the *directors'* expected remuneration (exclusive of superannuation or GST) are set out in the table below:

<i>director</i>	<i>remuneration for year ended 30 June 2019</i>	<i>proposed remuneration for year ended 30 June 2020</i>
<b><i>Robert Scott</i></b>	24,450	48,000
<b><i>Simon Paull</i></b>	-	108,000
<b><i>Matthew Bull</i></b>	-	48,000
<b><i>Gerrard Hall</i></b>		54,000 <sup>1</sup>

Notes:

1. Mr Hall's proposed remunerations is £30,000 (estimated fx rate GBP£1/AUD\$1.80)

## 7.5. Interests of experts and advisors

- 7.5.1. Other than as set out below or elsewhere in this *prospectus*, no promoter of the *company* or person named in this *prospectus* as performing a function in a professional, advisory or other capacity in connection with the preparation or distribution of this *prospectus* has, or had within the 2 years preceding lodgement of this *prospectus* with ASIC, any interest in:

- (a) the formation or promotion of the *company*;
- (a) any property acquired or proposed to be acquired by the *company* in connection with its formation or promotion or in connection with the *offer*,

and no amounts have been paid or agreed to be paid and no benefits have been given or agreed to be given to any of these persons for services provided in connection with the formation or promotion of the *company* or the *offer*.

- 7.5.2. Blackwall Legal LLP has acted as the *company*'s solicitors in relation to the *offer*. The *company* estimates it will pay Blackwall Legal LLP approximately \$1,500 (excluding GST and disbursements) for these services. Blackwall Legal LLP has been paid \$99,000 for other professional services provided to the *company* during the 2 years prior to the lodgement of this *prospectus* with ASIC.

## 7.6. Consents

- 7.6.1. Chapter 6D of the Corporations act imposes a liability regime on the *company* (as the offeror of the *securities*), the *directors*, the persons named in the prospectus with their consent as incoming directors, any underwriters, persons named in the *prospectus* with their consent having made a statement in the *prospectus* and persons involved in a contravention in relation to the *prospectus*. Although the *company* bears primary responsibility for the *prospectus*, the other parties involved in the preparation of the *prospectus* can also be responsible for certain statements in it.

- 7.6.2. Other than as set out below, each of the parties referred to in this *section*:



- 
- (a) has not authorised or caused the issue of this *prospectus*;
  - (b) does not make, or purport to make, any statement in this *prospectus* other than those referred to in this *section*;
  - (c) to the maximum extent permitted by law, expressly disclaim and take no responsibility for any part of this *prospectus* other than a reference to its name and a statement included in this *prospectus* with the consent of that party; and
  - (d) was not involved in the preparation of this *prospectus* or any part of it except where expressly attributed to that person.

7.6.3. Blackwall Legal LLP has given its written consent to being named as the solicitors to the *company* in this *prospectus*. Blackwall Legal LLP has not withdrawn its consent prior to the lodgement of this *prospectus* with ASIC.

## 7.7. Litigation

As at the date of this *prospectus*, the *company* is not involved in any legal proceedings and the *directors* are not aware of any legal proceedings pending or threatened against the *company*.

## 7.8. Expenses of the offer

The expenses of the *offer* are expected to comprise the following amounts, which are exclusive of any GST payable by the *company*:

<i>Expense</i>	<i>Amount (\$)</i>
<i>Legal fees</i>	1,500
<i>ASIC &amp; ASX fees</i>	5,128
<i>Miscellaneous</i>	1,372
<i>Total</i>	8,000

## 8. DIRECTORS' AUTHORISATION

This *prospectus* is issued by the *company* and its issue has been authorised by a resolution of the *directors*. In accordance with section 720 of the *Corporations Act*, each *director* has consented to the lodgement of this *prospectus* with ASIC.



**Robert Scott**  
**Non-Executive Chairman**

for and on behalf of  
**Castillo Copper Limited**

## 9. GLOSSARY

In this *prospectus*, unless the context otherwise requires, the following terms have the following meanings:

<i>applicant</i>	a person who applies for <i>securities</i> pursuant to an <i>offer</i> .
<i>application</i>	a valid application to subscribe for <i>shares</i> under this <i>prospectus</i> .
<i>application form</i>	the application form provided to <i>applicants</i> .
<i>application monies</i>	money submitted by <i>applicants</i> in respect of <i>applications</i> .
<i>ASIC</i>	the Australian Securities and Investments Commission.
<i>ASX</i>	ASX Limited ACN 008 624 691, or where the context requires, the Australian Securities Exchange which it runs.
<i>CHESS</i>	<i>ASX</i> 's Clearing House Electronic Sub-registry System.
<i>cleansing offer or offer</i>	has the meaning given on the cover page of this <i>prospectus</i> .
<i>closing date</i>	30 April 2020 (unless extended).
<i>company</i>	Castillo Copper Limited ACN 137 606 476, a public company incorporated and existing in Australia and listed on <i>ASX</i> (ASX: CCZ).
<i>company secretary</i>	the secretary of the <i>company</i> , Mr Tim Slate.
<i>completion</i>	completion of the <i>Zed acquisition</i> .
<i>constitution</i>	the constitution of the <i>company</i> from time to time.
<i>continuously quoted securities</i>	has the meaning given by section 9 of the <i>Corporations Act</i> .
<i>Corporations Act</i>	the <i>Corporations Act 2001</i> (Cth).
<i>director</i>	a director of the <i>company</i> .
<i>dollar, \$, A\$ or AUD</i>	the lawful currency for the time being of the Commonwealth of Australia.
<i>glossary</i>	this glossary of terms.

<b><i>issuer sponsored</i></b>	<i>securities</i> issued by an issuer that are held in uncertificated form without the holder entering into a sponsorship agreement with a broker or without the holder being admitted as an institutional participant in <i>CHESS</i> .
<b><i>listing rules</i></b>	the official listing rules of <i>ASX</i> from time to time.
<b><i>offer period</i></b>	the period between the date of this <i>prospectus</i> and the <i>closing date</i> .
<b><i>option</i></b>	an option to acquire a <i>share</i> .
<b><i>prospectus</i></b>	this prospectus dated 21 February 2020
<b><i>quotation</i></b>	has the meaning given to that term in the <i>listing rules</i> .
<b><i>relevant interest</i></b>	has the meaning given by sections 608 and 609 of the <i>Corporations Act</i> .
<b><i>section</i></b>	a section of this <i>prospectus</i> .
<b><i>securities</i></b>	has the meaning given to that term in section 92 of the <i>Corporations Act</i> .
<b><i>settlement operating rules</i></b>	the settlement rules of the securities clearing house which operates <i>CHESS</i> .
<b><i>shares</i></b>	fully paid ordinary shares in the capital of the <i>company</i> .
<b><i>shareholder</i></b>	a holder of <i>shares</i> from time to time.
<b><i>WST</i></b>	Western Standard Time, being the time in Perth, Western Australia.
<b><i>Zed acquisition</i></b>	the <i>company's</i> proposed acquisition of 100% of the issued capital of <i>Zed Copper</i> .
<b><i>Zed Copper</i></b>	Zed Copper Pty Ltd ACN 634 154 331, a proprietary company incorporated and existing in Australia.
<b><i>Zed sellers</i></b>	the shareholders of <i>Zed Copper</i> , to which <i>shares</i> will be issued in accordance with the terms of the <i>Zed acquisition</i> .