

ASX CODE: ESR

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ASX ANNOUNCEMENT

18 March 2014

Assay Results from Maiden Diamond Drilling at Colupo

HIGHLIGHTS

- ✓ Assay results from initial diamond drilling program at Colupo confirms structural continuity of mineralisation.
- ✓ Mineralisation width exceeds initial expectations and commences from surface.
- ✓ Highlights of the diamond drilling results include:
 - 24m @ 0.6% Cu incl. 5m @ 1.3% Cu
 - 22m @ 0.6% Cu
 - 32m @ 0.5% Cu incl. 12m @ 0.8% Cu
- ✓ True width range from 7m to 21m.
- ✓ Grade results consistent to 4Q 2013 RC results.
- ✓ Another critical step towards maiden JORC resource for Colupo in short term.

1. Introduction

Estrella Resources Limited (ASX:ESR) (**Estrella** or **Company**) is pleased to report that all the assay results for the maiden diamond drill program at the Colupo Prospect have now been received. Colupo lies within Estrella's Altair Project in Region II northern Chile (**Figure 1**).

The purpose of the maiden diamond drilling program was to identify:

- ✓ Strike and dip of the structural contacts to assist validating the current geological model;
- ✓ Geometrical nature of the multiple breccia system and subsequent mineralisation;
- ✓ Deeper extensions of multiple mineralisation zones;
- ✓ True width of each mineralisation zone; and
- ✓ Provide a critical step to delineating an initial JORC resource at Colupo.

From this maiden diamond drilling program Estrella has successfully determined the quantitative structural contacts (via using optical imagery of the drill hole wall), true widths of mineralisation zones and continuity of mineralisation within the current known extents. This knowledge will help advance Colupo to a maiden JORC resource.

2. Project Locality and Geology

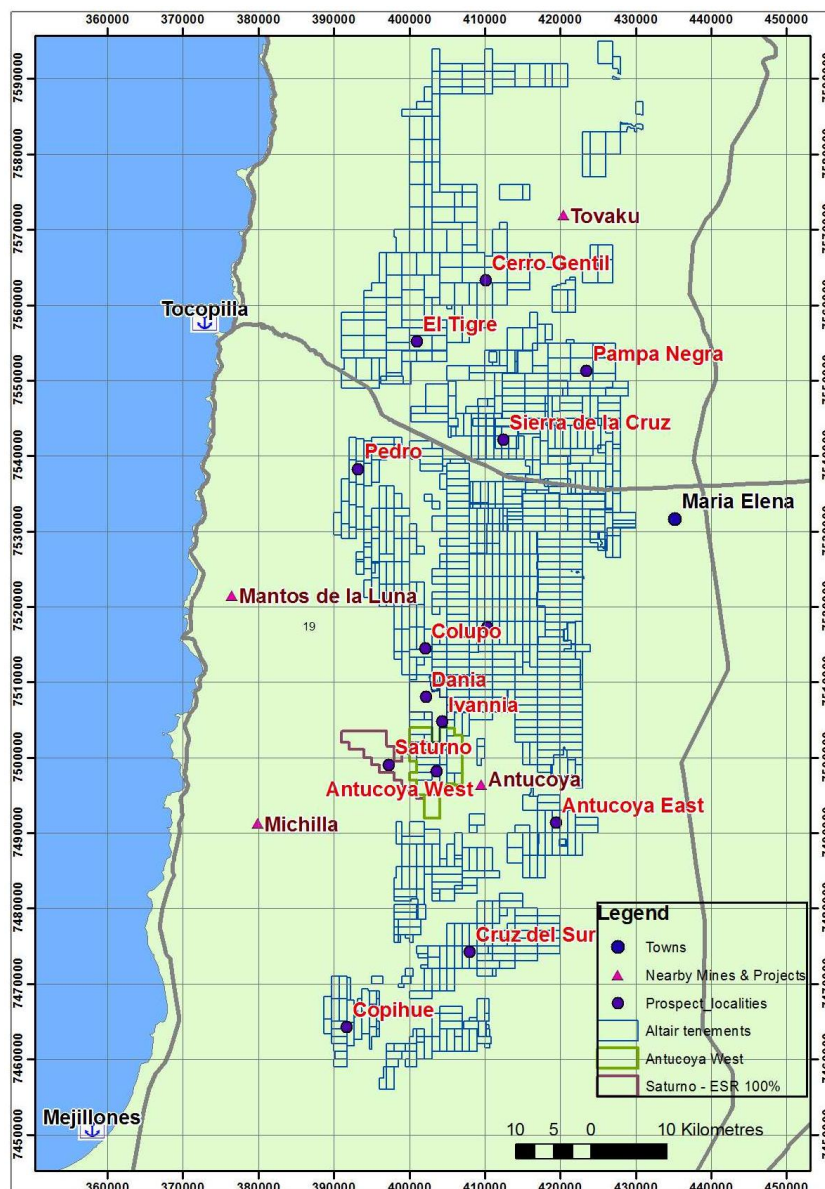


Figure 1: Locality map of Estrella's Colupo prospect and the Altair Project in Region II, Northern Chile.

Mineralisation at Colupo is within faults and fractures zones of the Atacama Fault Zone. The pre and syn-mineralization structures are likely to have controlled, to some degree, the localisation of hydrothermal fluids and emplacement of hydrothermal quartz-tourmaline breccias. These structures are significant in hosting oxide copper mineralisation showing a high degree of continuity at depth.

To date, two mineralised fault and/or fracture orientations have been identified at Colupo and in order of importance are:

1. The north north-east strike (320° - 340°) with a sub-vertical dip; and
2. The west north westerly (280° - 290°) dipping 70° to the north.

The drill plan layout for all Estrella's and historic SQM's drill holes (ASX announcement 18 March 2013) at Colupo is shown in **Figure 2**. Estrella has now drilled 9 RC holes (RCC01 to RCC09) (ASX announcements 11 November 2013 & 3

December 2013) and four diamond drill holes (DHC01 to DHC03). These are in addition to the historic SQM drilled 15 shallow RC holes at Colupo (ARCO-1 to ARCO-15).

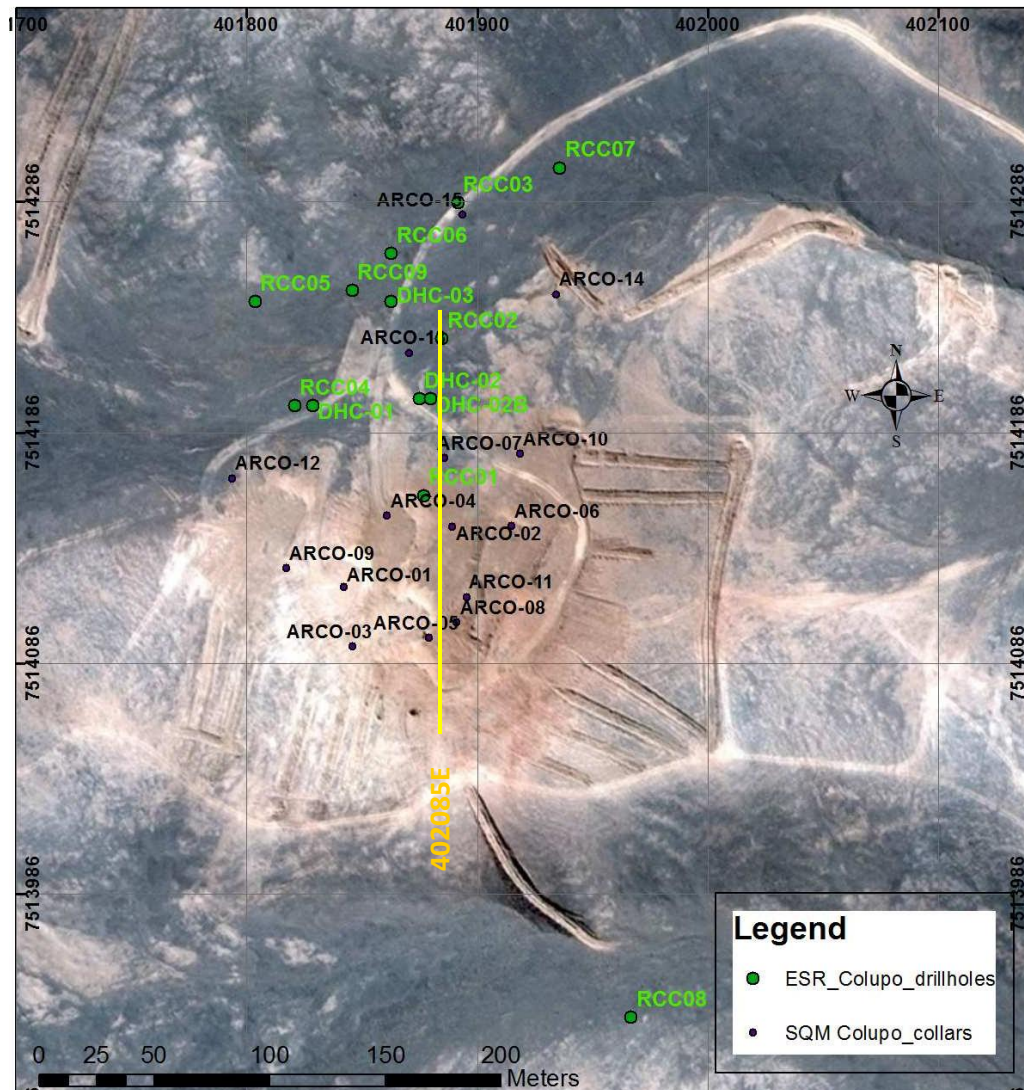


Figure 2: Drill plan layout for all Estrella's and SQM's drill holes at Colupo Prospect. The yellow section line is shown in profile in Figure 3.

Diamond Holes DHC-02 and DHC-02B

Estrella's diamond drilling holes DHC-02 and DHC-02B compare closely with Estrella's historical RC drill holes that lie within the same section line (**Figure 2**). The observed mineralisation widths are greater in DHC-02 & DHC-02B and are up to 21 metres in true width and the copper grades are similar, except higher gold and silver values are present in DHC-02.

See **Figure 3** for mineralisation shell interpretation prepared by SRK Consulting (**SRK**).

See **Table 1** for assay results for DHC-02 and DHC-02B.

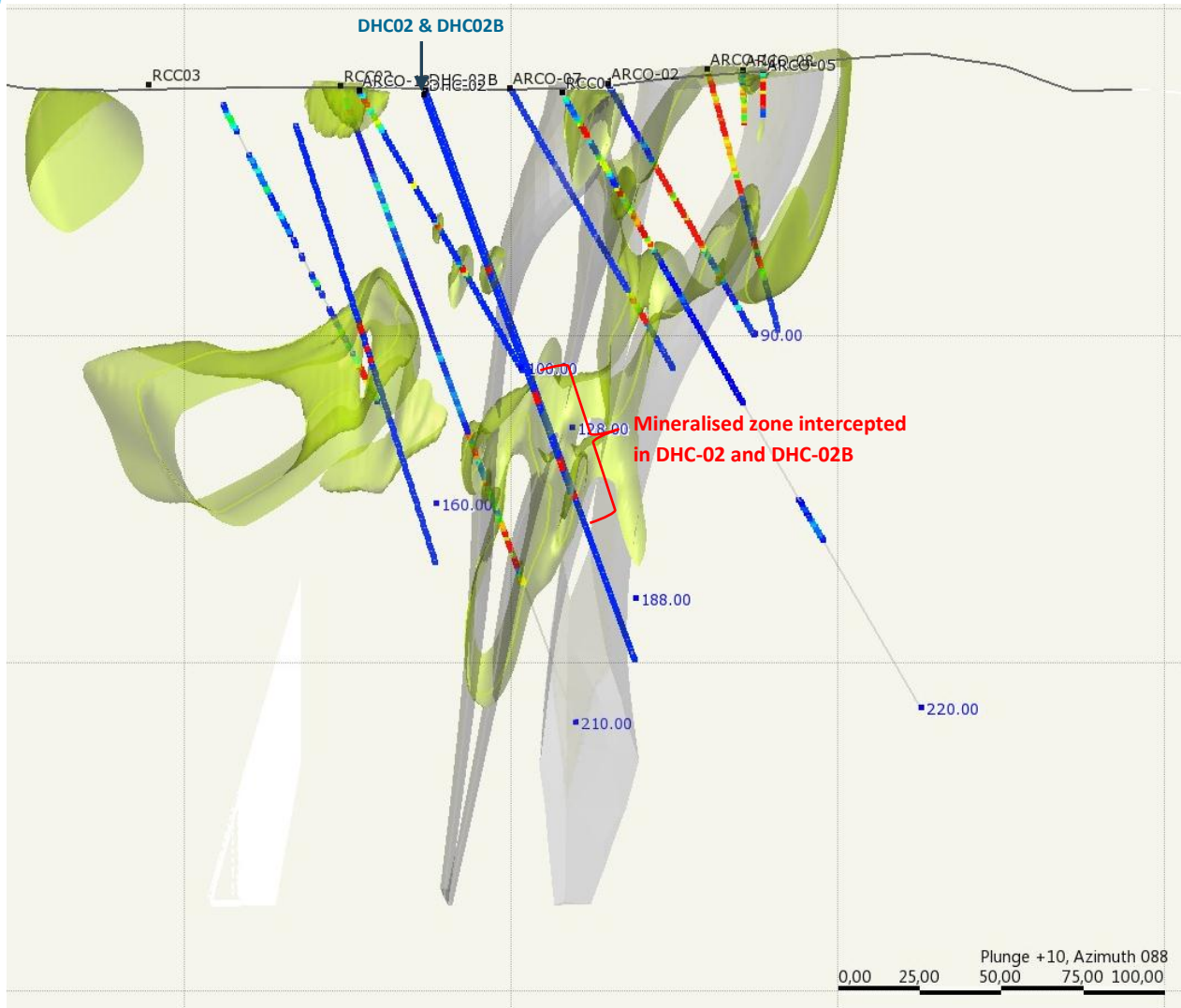


Figure 3: Colupo - Section 402085E displays DHC-02 and DHC-02B drill hole traces (blue) and mineralised intercepts from historical drill holes. The light grey shells represent breccias and the light green shells represent the 0.2% Cu cut-off mineralisation shells.

Table 1: Colupo Assay Results for DHC-02 and DHC-02B (March 2014) with comparative results from RCC-01 & RCC-02 (drilled by ESR in Q4 2013).

Hole ID	Coordinates (PSAD56)		RL	EOH	Dip	Azimuth	From	To	Interval	Copper	Gold	Silver	Core loss	True width
	East	North					(m)	(m)	(m)	%Cu	g/t Au	g/t Ag	%	m
Diamond core														
DHC-02	402079	7514553	1920	128	-70	180	53	58	5	0.6			8	3
Note: DHC-02 lies in between RCC01 and RCC02. DHC-02 ended at 128m due to rods stuck in the hole. DHC-02B was twinned next to DHC-02 but not sampled from 0-128m.					including		57	58	1	1.5				
							56	58	2		0.1	10		
							96	128	32	0.5			8	21
					including		96	108	12	0.8				
							97	108	11			8		
							98	101	3		0.2			
							118	128	10		0.1			
DHC-02B	402084	7514553	1920	188	-70	180	132	135	3	0.7			0	2
RC holes nearby														
RCC01	402081	7514511	1910	210	-60	180	10	16	6	0.7				
RCC01 drilled by ESR Q4 2013					including		12	15	3	1.1				
							34	37	3	0.5				
							43	56	13	0.4				
					including		47	51	4	0.6				
							53	55	2	0.5				
RCC02	402089	7514579	1910	200	-70	180	7	10	3	0.5				
RCC02 drilled by ESR Q4 2013							118	122	4	0.4				
							144	158	20	0.9				
					including		150	153	3	3.4				

The drill rods for diamond drill hole DHC-02 became stuck in the hole at 128 metres of drilling down hole due to fractured ground conditions. The hole was abandoned and hole DHC-02B was drilled 5 metres away to reach the target depth of 190 metres that hole DHC-02 failed to reach. For hole DHC-02B, no samples were taken from 0 to 128 metres. Sampling of DHC-02B commenced at 128 metres.

Diamond Drill Hole DHC-03

Hole DHC-03 was diamond drilled to the southeast (145°) to test structural continuity in the east and northeast sector of the currently known extents of mineralisation. DHC-03 demonstrated (**Table 2**) significant width of mineralisation and continuity of copper grade, along with significant gold and silver values.

Table 2: Colupo Assay Results for DHC-03 (March 2014) with comparative results from RCC-06 (drilled by ESR in Q4 2013).

Hole ID	Coordinates (PSAD56)		RL	EOH	Dip	Azimuth	From	To	Interval	Copper	Gold	Silver	Core loss	True width
	East	North					(m)	(m)	(m)	%Cu	g/t Au	g/t Ag	%	m
Diamond core														
DHC-03	402067	7514595	1920	160	-70	145	71	95	24	0.6			7	15
					including		78	83	5	1.3	0.1			
						80	87	7			16			
						78	94	16		0.1				
RC nearby comparison														
RCC06	402067	7514616	1910	200	-60	146	102	108	6	0.8				
RCC06 drilled by ESR Q4 2013					including		104	107	3	1.2				
						126	132	6	1.4					
					including		127	130	3	2.5	0.2	20.3		

Diamond Drill Hole DHC-01

Hole DHC-01 was positioned (**Figure 2**) 8 metres east of RCC04 (drilled by ESR – see ASX announcement 11 November 2013) but angled 10° steeper (**Figure 4**) providing a comparison to the best mineralisation intercept of that RC drilling program whilst testing mineralisation extents to a greater depth. Unfortunately due to substantial fracturing in certain sections, the diamond core recoveries (**Figure 5**) were unsatisfactory throughout all the mineralisation intercepts of DHC-01 and the subsequent assays fail to provide a reliable comparison with RC hole RCC04. Despite this, it is clear where the mineralisation intercepts occur and Estrella remains confident that the true widths of the mineralisation are accurate estimations.

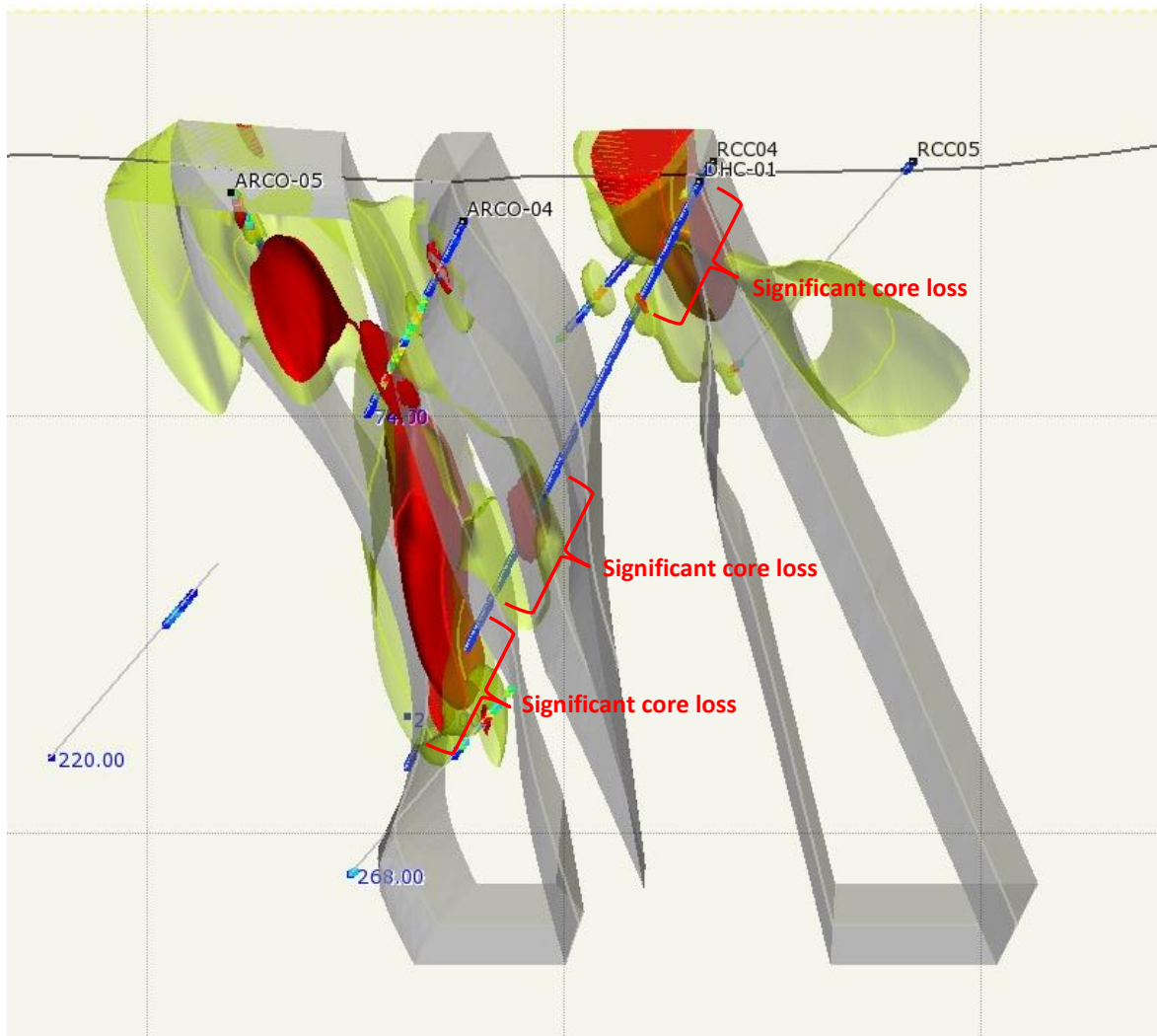


Figure 4: Colupo Section 402035E view west. The collar of hole DHC-01 is positioned 8 metres from RCC04 but drilled 10° steeper at 70°.

Where large discrepancies exist between the diamond drilling assays and RC drilling assays, such as between DHC-01 and RCC-04, it is Estrella's Competent Person opinion that the RC assay results provide a more accurate representation of the host mineralisation. Each metre drilled in Estrella's RC program has been preserved in a bag-farm on-site, so Estrella can re-split and re-sample the rocks if considered necessary.

See **Table 3** for assay results for DHC-01.

Table 3: Colupo Assay Results for DHC-01 (March 2014) with comparative results from RCC-04 (drilled by ESR in Q4 2013).

Hole ID	Coordinates (PSAD56)		RL	EOH	Dip	Azimuth	From	To	Interval	Copper	Gold	Silver	Core loss	True width			
	East	North					(m)	(m)	(m)	%Cu	g/t Au	g/t Ag	%	m			
Diamond core																	
DHC-01	402033	7514550	1920	215	-70	180	34	51	17	0.3			15	11			
Note DHC-01 is inclined 10 degrees steeper than RCC04					including		38	41	3	0.14			26				
							44	51	7	0.6			12				
							45	48			0.1						
							58	64	6	0.2			40				
							71	74	3	0.4			23				
							119	130	11	0.5			56	7			
					including		122	128	6		0.1						
							127	128	1	2.8							
							178	200	22	0.6			52	14			
					including		178	189	11	0.7							
							183	195	13		0.2						
							194	196	2	1.7							
RC twin comparison																	
RCC04	402025	7514550	1910	230	-60	180	12	31	20	2.4							
RCC04 drilled by ESR Q4 2013					including		23	26	6	6.6	0.5	27.1					
							56	62	6	0.4							
							102	108	6	0.4							
							115	122	7	0.5							
					including		116	119	3	0.7							
							131	147	16	1.5							
					including		131	137	6	1.6	0.2	7.5					
					including		141	147	6	2.2	0.2	11.8					

3. Progress to JORC resource

Whilst the known extents of mineralisation at Colupo remain open and will be tested with further drilling, Estrella has already engaged independent resource modelling consultants to commence the compilation process for a JORC compliant resource. Estrella remains committed to progressing Colupo along the path to near term production and sees the completion of a JORC resource for Colupo from the current drill hole data as a vital step in this direction.

4. Commentary

Commenting on the maiden diamond drilling results, Estrella's Managing Director Dr. Jason Berton said:

"The maiden diamond drilling campaign at Colupo has confirmed continuity of mineralisation from surface to at least 200 metres depth and between cross-sections as originally interpreted from our RC program. The mineralisation extents remain open to the east and northeast. All assay results from the diamond drilling program are comparable to those from the RC program, with the exception of DHC-01 due to difficult in-ground conditions. The true widths of each mineralisation zone are significant and will assist the potential economics of the Colupo Project.

Importantly, the diamond drilling is a key step towards achieving a maiden JORC resource at Colupo, which we are aiming to achieve in the very near term."

Competent Person's Statement

Exploration information in this announcement is based upon work undertaken by Dr. Jason Berton, the Managing Director and a full-time employee of Estrella Resources Limited whom is a Member of the Australasian Institute of Metallurgy and Mining (AusIMM). Dr Berton has sufficient experience that is relevant to the style of mineralisation and type of deposit under consideration and to the activity which he is undertaking to qualify as a 'Competent Person' as defined in the 2012 Edition of the 'Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves' (JORC Code). Dr Berton consents to the inclusion in this presentation of the statements based on his information and context in which they appear.

About Estrella Resources

Estrella Resources Limited is an ASX listed, Chilean focused copper-gold exploration company. Estrella has a number of exploration projects in Chile. With a highly experienced board, a strong operational and management team and a sole focus on Chilean copper and gold projects, the Company is well positioned to develop its projects and add value for shareholders.

Directors and Management

Non-Executive Chairman:
-Gavin Solomon

Non-Executive Directors:
-Julian Bavin
-Simon Kidston
-Robert Thomson

Managing Director
-Dr. Jason Berton

Company Secretary
-Justin Clyne

ESTRELLA RESOURCES LIMITED
ACN 151 155 207

ASX CODE: ESR

ORDINARY FULLY PAID SHARES:
96,601,000

UNLISTED OPTIONS:
11,130,000

JORC Code, 2012 Edition – Table 1 report template

Section 1 Sampling Techniques and Data

(Criteria in this section apply to all succeeding sections.)

Criteria	JORC Code explanation	Commentary
Sampling techniques	- 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.	- Core samples for Diamond Drilling were systematically recorded. HQ3, HQ and BQ size core was undertaken at intervals of one meter by splitting longitudinally the half of the core for assay with a core cutting saw three phase (SAW-01 ALS code), while the other half is retained in the core box. The diamond core were sampled under the company supervision at the facilities of ALS Chemex, an international certified Laboratory in Antofagasta. The core boxes are stored for logging and reference in the warehouse of the company at Maria Elena town, II Region, Chile. - Control of recovery percentage, geotechnical description, RQD, photography of core box and cutting line pinstripe were performed at the field. - The bag (40x60cm and 0.3mm plastic bag) labeling of core samples in the Lab and selection of field duplicates were carried out. Approximately 2kg of <10# coarse reject material is stored on the Lab for reference.
Drilling techniques	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).	The drilling method was predominantly down-the-hole diamond drilling with a Sandvik DE710 HEAVY-DUTY CORE DRILL, and the most frequently used diamond drill bit was HQ (96 cm diameter) and NQ (75.7 cm diameter). Core barrels used include a 3 meter double tube type and a 1.5m meter
Drill sample recovery	- 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	- Standard half cutting and sampling protocols were implemented from the start of the 2013 drilling campaign. Diamond core are reduced by core cutting saw in the Lab to 50% of the original drilled interval. Sample protocols included sample duplicates for diamond core (25% of total) at ~5% of total samples. - Recovery data capture has been systematically implemented at the cutting site

Criteria	JORC Code explanation	Commentary
	grade and whether sample bias may have occurred due to preferential loss/gain of fine/coarse material.	as well as the weight data capture at the cutting site. Fractured ground conditions particularly through mineralized intercepts frequently resulted in poor core recovery (up to 60% core loss). Considering that mineralization occurs within fracture filling matrix, the core loss has most likely reduced the concentration of mineralization.
Logging	- 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.	- All diamond cores are logged on site immediately after drilling, and geologists carried out a Quick Logging 1:500 scale for samples selection to analysis and preliminary geological interpretation. The Quick Log captures lithology contrast, general alteration type and relevant mineralization. Paper RC Quick logs are filed on site and data is input into the pdf database. - The entire diamond drill core is detailed logged at 1:100 scale. The logging scheme and logging sheet reflects the local geology in data capture. Standard logging and coding sheets were created for this work, a single person imposed consistency on the logging and coding processes. The holes mapped have complete data records that include lithology, alteration associations, degree and texture, mineralization type and minerals, intensity, relative abundance in percentage of ore minerals, texture and occurrence type of mineralization and interpreted relevant faulting. - The mapping system is undertaken on paper logging forms and data capture has been migrated to digital capture on the Excel database. Once all analysis of core sample at 1m support is completed mineralization coding will be locally revised to include the mineralogy as continual infill drilling progresses.
Sub-sampling techniques and sample preparation	- 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	- Samples from the current program are prepared and analyzed at ALS Chemex Laboratories (ALS) in Antofagasta, II Region, Chile. The ALS laboratory holds ISO 9001:2008 and ISO 17025 certification and is independent of the company and its subsidiaries. - Samples were typically dried, crushed to 70% passing -2 mm, and pulverized to 85% passing -0.075 mm using the ALS code PREP-31B. Pulverized samples were assayed for 33 elements by atomic emission spectroscopy/inductively-coupled plasma (ICP-AES) using the ALS ME-ICP61 method which comprises near-total, four acid

Criteria	JORC Code explanation	Commentary
	instance results for field duplicate/second-half sampling. Whether sample sizes are appropriate to the grain size of the material being sampled.	digestion, followed by HCl dilution and ICP-AES determination. In addition, all samples were assayed for Au using the ALS AuICP23. Selected samples were also assayed for Cu and Ag using the ALS ME-OG62 method, and for Au using the AA21 method, when assays by ALS method ME-ICP61 or by ALS method AuICP21/AuAA23 exceeded the analytical range.
Quality of assay data and laboratory tests	- The nature, quality and appropriateness of the assaying and laboratory procedures used and whether the technique is considered partial or total. - For geophysical tools, spectrometres, 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 been established.	- Mechanical Sample preparation was undertaken by ALS Chemex in a sample preparation facility installed in Antofagasta. Preparation procedures followed the following mechanical preparation steps: Drying at 105°C; Primary crushing in a "Rhino" jaw crusher to 70% passing <10# Tyler; Homogenization and reduction by Jones Riffle Splitter Pulverizing to 85% passing <150# Tyler; Splitting to 2 sample pulp bags of approx. 500 g each. - Three certified standard reference materials were inserted each 20 samples in the sample pulps stream during the Company drilling campaign at ALS Chemex facilities in Antofagasta. New bar codes sequence for pulps stream were generated and registered in the excel database and printed. Correlations between cutting samples and new bar codes were registered at the excel database and printed. A complete set of original pulps with bar codes is storage at ALS facilities. Three certified GEOSTATS standard were used for Copper and Gold reference. High grade copper standard (code Std Cu GbM399-5) nominal value: 2.94% CuT; low grade copper standard (code Std Cu GbM301-4) nominal value: 0.165% CuT and gold standard (code STD Au GLG908-4) nominal value: 0.0658 ppm Au. Blank material consist of quartz was inserted each 40 metres at ALS facilities for approximately the 2.5% of the sampled material in the drilling campaign. ALS customarily inserts pulp duplicates, blanks and reference materials in the assay batches. - The laboratory is clean and well run, with a full-time chemist supervising operations, based on a shift seven days per week.
Verification of sampling and assaying	- 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	Assay data are supplied electronically by ALS, and uploaded into the spread sheet. Additionally ALS provides an access controlled server data base where the results could be revised and/or downloaded. All the process of labelling and sampling at the Lab

Criteria	JORC Code explanation	Commentary
	verification, data storage (physical and electronic) protocols. Discuss any adjustment to assay data.	is labeled by bar codes.
Location of data points	- 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.	- The local coordinate system employed for collar location is PSAD56 19S in UTM projections. The collar locations of all holes are surveyed by an independent contractor using total station surveying methods. All survey certificates are held in the hard copy files for each drill hole stored on site. Drill hole surveying for the 3 holes drilled were surveyed with Gyroscope at 10m intervals. - Drill hole orientation surveys are has been carried out by Semm Logging contractor using TeleView methodology 1:10 scale including optical (OBI608) and acoustic (ABI400) tools. - The reproducibility of the survey methods is considered acceptable.
Data spacing and distribution	- 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.	Drill hole spacing is within 40 metres of separation for most of the drill holes drilled to date. There is enough consistency between drill holes and surface observations to have a high degree of confidence in relation to geological and grade continuity.
Orientation of data in relation to geological structure	- 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.	Distrital and local scale structures are a key factor in the localization of mineralization in the project area. Faults and fractures zones are highly significant aspects for the mineralization emplacement. The property is located along an interpreted north-south trending fault splay as a part of east influence of the Atacama Fault Zone, a 3 to 15km wide zone of inter-related faults that extends for much of the length of the Coastal Cordillera. Faults and fractures that range from pre and syn-mineralization. The pre and syn-mineralization structures are likely to have controlled, to some degree, the localization of hydrothermal fluids and emplacement of hydrothermal quartz-tourmaline breccias and the local structures are significant in hosting oxide copper mineralization showing a high degree of continuity at depth. Two fault and/or fracture zone orientations are conspicuous, and in order of importance are: north northeasterly (320-340 degrees) and west northwesterly (280-290 degrees). Folding has not been observed within the volcanic rocks.

Criteria	JORC Code explanation	Commentary
		The diamond drilling campaign included 2 holes systematically inclined to the South (-60° to -70°) with an azimuth of 180 and 1 hole inclined to the South-East (-60°) with an azimuth of 145.
Sample security	The measures taken to ensure sample security.	- Samples were transported by ALS using transport services (ALS code PKP-21) trucks and personnel, and were securely locked at the ALS Labs. Chain-of-custody procedures consisted of filling out core boxes submittal forms that accompanied the core shipments to confirm that all boxes were received by the laboratory. Sample security consisted of locking samples, once collected, in the Lab. This level of security is considered industry standard for early-stage exploration programs. - Sample rejects and Pulps are currently stored at ALS in a secure environment. Company sampling data are stored in an Excel spread sheet.
Audits or reviews	The results of any audits or reviews of sampling techniques and data.	

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	- 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.	- The Altair project under Option Agreement with SQM and is comprised of 939 tenements known as 'Pertenencia's' which are registered with and maintained by SQM and with no encumbrances. - Estrella holds 100% 'metals' rights with SQM maintaining 49% 'clawback' upon completion of a prefeasibility study. Royalty commitments have been previously published in ASX announcements. - There are no native title interests, historical sites, national parks, wilderness or environmental settings to Estrella's knowledge.
Exploration done by other parties	Acknowledgment and appraisal of exploration by other parties.	Exploration activities were performed by SQM in 2011; 15 RC holes and sampling of multiple surface trenches (ASX announcement 18 March 2013). No resource estimation was performed on historical drilling activities.
Geology	Deposit type, geological setting and style of mineralisation.	Mineralization of the project and other deposits in the region are part of the Stratabound family of deposits. Porphyry Cu (Mo), Copper bearing veins and IOCG type deposit could be found in the District. Strata-bound Cu- (Ag) deposits,

Criteria	JORC Code explanation	Commentary
		long known as 'Chilean manto-type', occur along the Coastal Cordillera of northern Chile (22°-30°S) hosted by Jurassic and Lower Cretaceous volcanic. The mineralisation took place at the time of structurally controlled emplacement of batholiths within the Mesozoic volcanic and sedimentary strata. The volcanic-hosted strata-bound Cu- (Ag) deposits invariably occur distal, but peripheral to coeval batholiths emplaced within tilted Mesozoic strata. The prevalent view that these deposits have an inherent genetic relationship with hydrothermal fluid derivation from sub volcanic stocks and dykes is contended here. The strata-bound Cu- (Ag) mineralisation appears to be produced by fluids of mixed origin that were mobilized within permeable levels and structural weakness zones of the Mesozoic arc-related volcano-sedimentary sequence during the emplacement of shallow granodioritic batholiths under transtensional regimes. • The project exhibits alteration- limonitic outcrops and copper old mining works are present in the area. Structures are mostly NS and EW trending faulting and fracturing zones from 300 to 400m long. Copper high grades ores concentrate in rich sub-vertical zones, pockets and tourmaline quartz breccias zones along and between these structures zones, separated by low-grade sections of other tourmaline breccias and dacitic host rocks. • Silicification, propylitic alteration and chloritization occur within and around these copper bearing breccias and pockets which exhibits local quartz-sericitic alteration, and extend some metres into the wall rocks. The supergene paragenetic sequence of the largest breccia is magnetite-quartz-tourmaline-pyrite-(chalcopyrite)-hematite-calcite and (chalcocite) atacamite and chrysocolla. • The supergene copper minerals fill fractures and openings, either as irregular and discontinuous veinlets or semi-massive pockets with cumular and brecciated textures, or as fine dissemination. The structure of the Cu-bearing breccias is regular and continuous within structural zones.
Drill hole Information	• 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: ○ easting and northing of the drill hole collar ○ elevation or RL (Reduced Level – elevation above sea level in	• A summary for all Material holes of this announcement is provided in the results tables: Tables 1, 2 & 3.

Criteria	JORC Code explanation	Commentary
	metres) of the drill hole collar - o dip and azimuth of the hole - o down hole length and interception depth - o 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.	
Data aggregation methods	• 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.	• No use of weighted averaging, no maximum grade cut, the minimum grade cut is 0.1% Cu, and no metal equivalent reporting was performed.
Relationship between mineralisation widths and intercept lengths	• 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').	• True widths are provided in the results tables in this announcement.
Diagrams	• 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.	• Provided in the announcement.
Balanced reporting	• 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.	• All material results have been provided, including low and high grade intercepts.

Criteria	JORC Code explanation	Commentary
Other substantive exploration data	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 substances.	
Further work	- 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.	- Assuming positive results from the current work, the second key issue can be tackled which is more infill drilling to define the extents of the mineralized zones in depth and their extension to the north structural lineament, and determine the both the nature and location of boundaries between higher grade, tourmaline breccia and lower grade mineralization. There is evidence of local mineralized mantos from previous RC program. Magnetic susceptibility data recorded for RC drilling program showed a good correlation between nonmagnetic tourmaline breccia and copper mineralization. Lows magnetic signature areas from the Ground magnetics survey has been inspected and local quartz and hematite rich breccias sub-crops with copper traces has been found, showing a potential for the low magnetic areas 0.5 to 1km to the East of the Colupo area. Is estimated that up to 5 holes (approximately 1,000 m) to depths between 200 and 250 metres will be required for a final infill program. - Following the drill program, and assuming positive results, a new resource estimate will be carried out. It may be possible to include certain new geochemical analysis parameters within the data set and to interpolate this data into the block model, which could allow qualification of metallurgical ore types. Finally, grade blocks should be classified based on geostatistical properties to allow classification of ore into appropriate reporting categories.