



**ASX Release**

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**23 May 2016**

**THE CARAJAS COPPER  
COMPANY LIMITED  
ACN 076 390 451**

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Australia

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**Contact:**

Mr Gregory Wood

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**Directors**

Mr Gregory Wood – Non-  
Executive Chairman  
Mr Mark Reilly – Non-  
Executive Director  
Ms Paula Cowan – Non-  
Executive Director/Company  
Secretary

**Issued Capital:**

136.67 million Shares  
90 million Performance  
Shares  
30 million Unlisted Options

**ASX Symbol:**

CJC

## **LETTER OF INTENT AND OPTION TO ACQUIRE COPPER ASSETS IN PERU**

The Carajas Copper Company Limited (“the Company” or “Carajas”) is pleased to announce that it has signed a Letter of Intent with Kiwanda Copper LLC (“Kiwanda”) pursuant to which the Company has been granted the exclusive option to conduct due diligence on, and acquire the rights to, the Picha Copper Project in southern Peru. The opportunity to acquire the Picha Copper Project, in addition to other copper assets in Peru, is an exciting development for the Company to expand upon its existing copper assets located in South America.

Kiwanda controls 3,000 hectares of mineral rights denominated as the “Picha Project”, located in southern Peru as summarised in the below table.

Kiwanda agrees to grant Carajas a six-week exclusive option to conduct due diligence on and purchase the rights to the Picha Project on the following terms:

- Carajas will pay an option fee of A\$60,000 within 30 days of signing of the letter of intent;
- Kiwanda will provide to the Company access to all the project data in its control for the purpose of the Company’s due diligence review of the project;
- subject to due diligence, the parties will negotiate in good faith the terms of a definitive acquisition agreement pursuant to which Carajas will agree to acquire the rights to the Picha Project; and
- the parties will work in concert to source, vet and potentially acquire additional copper assets in Peru and elsewhere in South America.

If the Company wishes to proceed with the acquisition of the Picha Project, the commercial terms of the formal agreement will be negotiated and agreed with Kiwanda (and/or its nominees) in due course and the Company will update investors as the transaction progresses.

For further information please contact:

**Gregory Wood  
Chairman**

**Schedule 1.**

The Picha Project comprises the following mineral rights controlled by Kiwanda:

Claim Name	Claim Code	Area (hectares)
PICHA 1	<u>010385205</u>	1,000
PICHA 2	<u>010385305</u>	900
PICHA 3	<u>010385405</u>	900
PICHA 7	<u>010057807</u>	100
LEON 3	<u>010463808</u>	100

To date, two reconnaissance field campaigns have been completed, comprising geological mapping and collection of rock, soil and stream samples. The positive copper results from this sampling, along with the widespread alteration, brecciation and vein stockworking, are indicative of the presence of a porphyry system at depth. In the past, several mineral occurrences at Picha were mined on a small scale from adits, shafts and small open pits. The project is currently permitted for drilling to test the high priority copper targets.

Picha is located in the Moquegua Department of Peru, 17km ENE of the Chucapaca (San Gabriel – Buenaventura) gold deposit, as indicated on the map below.

