

Unified Capital Partners – Desk Note

TRADING IDEAS

**CPO – Fortuna continues to return high grades (5.37% Cu)**

Link to announcement: [Click Here](#)

Exchange inventories in China have dropped to a 13-month low, while holdings at bonded warehouses fell to a record low of 23,100 tons, according to Shanghai Metals Market. Stockpiles have also started to decline after rising since mid-July. The time to buy Dr. Copper is now whilst it's at its lows.

Culpeo Minerals (ASX: CPO, OTCQB: CPORF) is a junior copper explorer to keep a sharp eye on. Located in Chile, the world's number one copper producer, CPO has a market cap of just ~A\$4 million despite already boasting high-grade copper discovery at its flagship Lana Corina Project.

**CPO has just announced a returned grades of 5.37% Cu from rock chip samples at the new discovery at Lucero Prospect, within it's Fortuna Project**

Lucero lies 1.3km to the north of El Quillay at its recently acquired Fortuna Project ("Fortuna"). Fortuna lies 10kms to the north of Lana Corina, which has hit multiple intercepts with high priority holes to be drilled.

- CPO reported **new high-grade copper** at Lucero Prospect.
- This new discovery is just north, of their recent copper/gold discovery at Piedra Dura, which is north of their flagship Lana Corina, showing the continuous nature of the surface copper/gold mineralisation of the Fortuna Project in Chile.
- It represents the **fifth key prospect CPO had identified at Fortuna since the recent acquisition**.
- It also presents as two sub-parallel mineralised zones striking north-west and **remains open in all directions**.
- CPO too cheap at these levels. Management is continuing to build out mineralisation. Our bet for CPO is that they will:
  - Continue to grow and prove up their large-scale resource at its Fortuna Project and La Corina to deliver on promises en-route to being a low-cost copper producer (more likely to be taken out before then);
  - Become increasingly attractive for a **mining major to acquire the company prior to production** – already in BD discussions with majors in the region.

**Geological Highlights**

- **Grades of up to 5.37% Cu returned** from several newly defined parallel mineralised structures measuring approximately 950m by 60m.
- Total of 36 rock chip samples assayed, with **18 returning grades of greater than 2% Cu**.
- Significant results include:
  - **5.37% Cu** (sample #8615);
  - **4.48% Cu** (sample #8609); and
  - **4.60% Cu** (ample #8626).
- Four-hole diamond drilling program to commence at El Quillay North in November 2023.
- Results validate the prospectivity of the Fortuna Project acquisition, increased land holding as a regional target with additional drilling warranted to test high-priority zones, and the **board and management**.

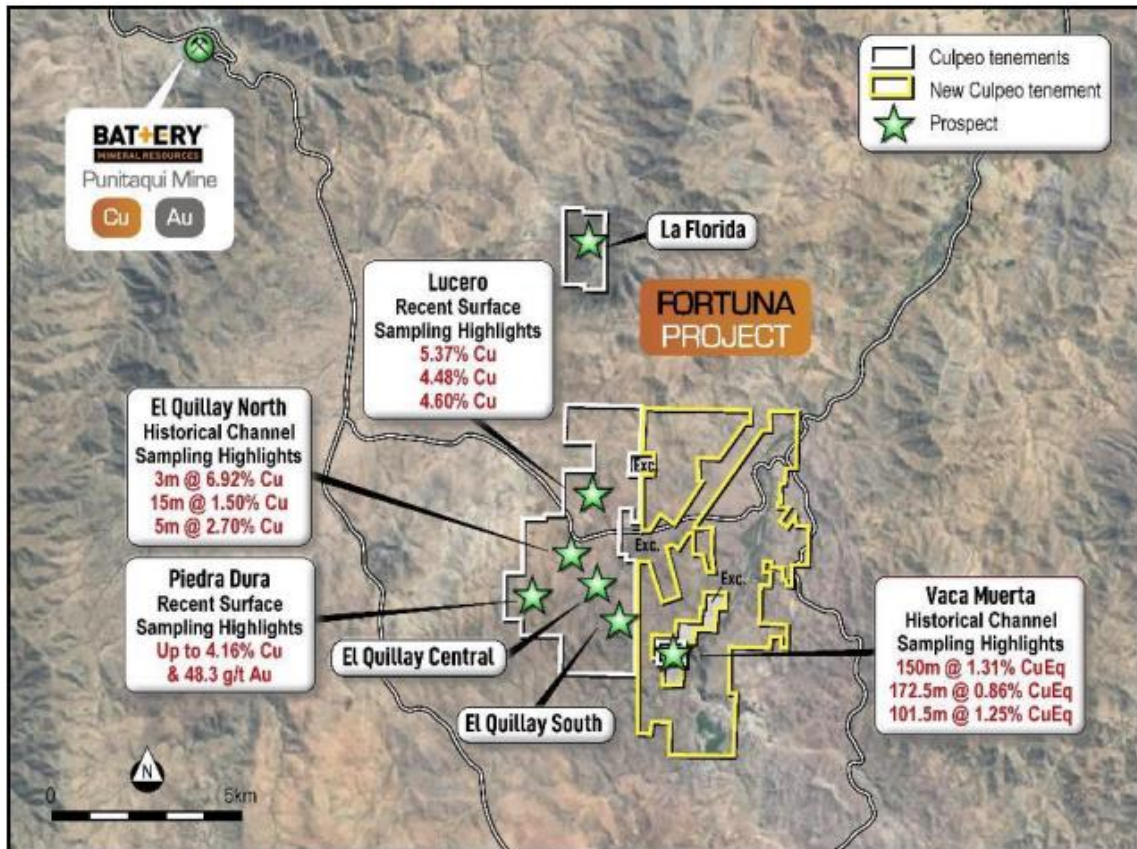


Figure 1 - Plan view of the Fortuna Project showing the location of the Lucero Discovery (ASX Announcement 21 November 2023)

## Catalysts

- Follow-up sampling in progress with results expected in the coming weeks.
- Additional mapping and sampling at Piedra Dura to define drill targets.
- Mapping and sampling of outcropping mineralisation within the Fortuna Project area to identify additional targets.
- Drilling to commence at El Quillay and Vaca Muerta in November 2023.



Figure 2 – Significant copper (malachite, bornite and chalcopyrite) mapped in outcrop, sample number CPO0008615, returned 5.37% Cu. (ASX Announcement 21 November 2023)

## Recent Highlights

- **Completed acquisition of 80% interest in the untested Fortuna Project**, increasing copper exploration landholdings by 300% in the highly prospective coastal metallogenic belt of Chile.
- **Fortuna Project hosts multiple broad zones of copper mineralisation that outcrop at surface**, measuring >1,000m in length and up to 500m in width. Historic surface channel sampling returned wide zones, including:
  - 150m @ 1.31% CuEq;
  - 102m @ 1.25% CuEq; and
  - 173m @ 0.86% CuEq.
- **High Priority El Quillay North target defined at Fortuna Project** in the northern portion of the 3km long El Quillay mineralised trend.
- Mine records show **approximately 200,000 tonnes @ 2% Cu extracted historically** [open pit and underground] at the Fortuna Project. Historical underground sampling<sup>2</sup> returned **high-grade zones**, including:
  - 3m @ 6.92% Cu;
  - 15m @ 1.50% Cu;
  - 5m @ 1.18% Cu; and
  - 5m @ 2.70% Cu.
- **Fortuna Project package extended** with new tenement applications covering 2,250 hectares, filed with the Chilean Judicial Authority (**Civil Court**), the authority responsible for the granting of new tenements.

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