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UPDATE OF LADY ANNIE OPERATIONS MINERAL RESOURCE AND ORE RESERVE STATEMENT

Dear Gill

PROJECT BACKGROUND

The Lady Annie project is located 120 km north of the city of Mt Isa in north-western Queensland (Figure 1). Access to the site is by the sealed Mt Barkly Highway from Mt Isa, via the all-weather McNamara road to the plant, offices and Mt Kelly area and then another 18 km to the Lady Annie mine area.

The project tenements associated with the Mineral Resource, Ore Reserves and mining and processing operations comprise 12 Mining Leases ("ML"). Three of the MLs are associated with infrastructure (ML90184, ML90169 and ML90178). ML90179 is a sub-lease that extends to an elevation of 174 m RL based on the Australian Height Datum. CST holds two additional MLs (ML5426 and ML5474), located to the south of Mount Clarke, which cover the McLeod prospect. All licences and permits are in place for existing mining operations and exploration programs. The Lady Annie project currently consists of 61 Exploration Permit for Minerals ("EPM") and 3 EPM's under application to surrender. A Mineral Resource has been estimated for the Anthill copper deposit contained within EPM16244. All other Mineral Resource estimates are within existing Mining Leases.

Mining was suspended on 12 January 2016 with reduced copper cathode production continuing. The Lady Brenda and Lady Annie pits were the only areas that mined ore during 2016. Mining of waste only was undertaken at the Flying Horse pit during 2016. Stockpile material was processed from Lady Annie stockpiles during 2016, in addition to material being added to the Lady Annie stockpiles during the same year.

The ore from Lady Annie and Lady Brenda is placed in ROM stockpiles adjacent to the pit and then loaded and hauled by road trains to the Mt Kelly processing plant area where it is again stockpiled on the Mt Kelly ROM pad.

Golder has been engaged by CST to carry out the 2016 Mineral Resources depletion and the update of Mineral Resources and Ore Reserves at Lady Annie copper operations in north-west Queensland.

Due to the short period of activity in 2016, no topography update was carried out and CST provided only the Monthly Report – January 2016: Mining – Operating Statistics Summary document summarising the mining operations. Therefore, the Mineral Resources depletion was carried out using the mining operating summary statistics.

LADY ANNIE MINERAL RESOURCE

The Mineral Resource (in accordance with the JORC Code, 2012 Edition guidelines) for CST operations includes the pits Lady Annie, Lady Brenda, Mount Clarke and Flying Horse and the deposits McLeod Hill, Swagman, Anthill and Lady Colleen.

The Mineral Resource update was estimated by subtracting the mined-out material from the pits during 2016 (see Table 1 showing a summary of the mining operating statistics provided by CST) from the Mineral Resource completed in 2015.

Table 1: Mining Operating Statistics Summary, according to tables provided by CST

Pit	Mined-Out Tonnes	Cu Grade (%)	Mined-Out Waste Tonnes
Lady Annie	8 818	1.50	11 879
Lady Brenda	41 864	0.71	315 292
Flying Horse	-	-	9 653

CST was not able to provide an update of the topography or provide schematic location of the mined areas. Based on the mined-out copper grades, Golder has assumed the ore material was totally mined from the Measured Resource from Transition type material and the resource table has been updated accordingly. The Mineral Resource at a cut-off grade of 0.3% Cu is presented in Table 2.

The oxide mineralisation and parts of the transition (with low calcium + magnesium) are suitable for acid leach recovery using methods currently employed at Lady Annie. The transition and fresh mineralisation contain copper sulfide minerals that would also be suitable for effective recovery using traditional flotation methods. Fresh material is generally not suitable for the existing copper heap leach treatment.

Mineral Resources that have not been converted to Ore Reserves may have potential economic viability, although this has not been presently demonstrated through appropriate mining studies.

The Mineral Resource estimate does not include material currently on ROM stockpiles or on the leach pads.

The Mineral Resource estimate with mining depletion applied to the end of December 2016 was based on data compiled or supervised by Mr Jorge Peres, Senior Resource Geologist, who is a Chartered Professional Member of the Australasian Institute of Mining and Metallurgy (AusIMM (CP)) and a full time employee of Golder Associates Pty Ltd. Mr Jorge Peres has sufficient experience that is relevant to the style of mineralisation and the type of deposit under consideration and to the activity which he has undertaken to qualify as a Competent Person as defined in the 2012 Edition of the ‘Australasian Code for the Reporting of Exploration Results, Mineral Resources and Ore Reserves’.

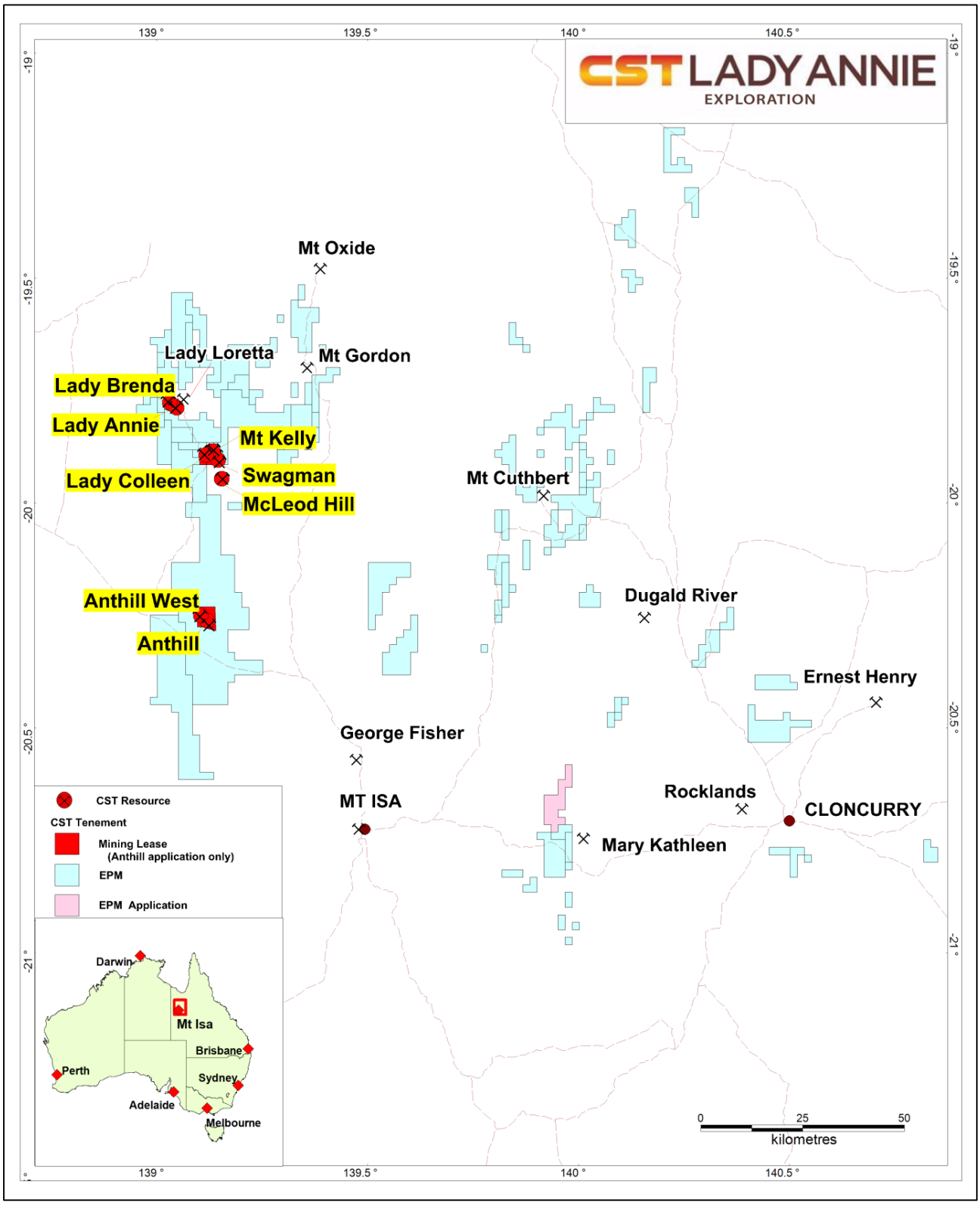

Figure 1: Lady Annie operations location map

Table 2: *In Situ* Mineral Resource Estimate at 0.3% Cu Cut-off Grade Depleted to End of December 2016

Deposit	Material Type	Measured				Indicated				Inferred				Total			
		Mt	Cu%	Ca%*	Mg%*	Mt	Cu%	Ca%*	Mg%*	Mt	Cu%	Ca%*	Mg%*	Mt	Cu%	Ca%*	Mg%*
Anthill	Oxide	2.70	0.77	0.3	0.2	6.10	0.71	0.3	0.3	0.10	0.37	0.3	0.3	8.90	0.73	0.3	0.3
	Transition	0.30	0.90	5.8	3.3	1.80	0.76	5.6	3.2	0.30	0.47	5.5	3.3	2.40	0.74	5.6	3.2
	Sulfide	0.02	0.70	5.9	3.4	0.80	0.61	5.5	3.1	1.70	0.54	6.5	3.9	2.50	0.57	6.2	3.7
	Total**	**3.00**	**0.79**	**0.8**	**0.5**	**8.70**	**0.71**	**1.9**	**1.2**	**2.10**	**0.52**	**6.0**	**3.6**	**13.80**	**0.70**	**2.3**	**1.4**
Flying Horse	Oxide	0.82	0.51	0.7	0.6	0.62	0.44	0.6	0.6	0.01	0.34	0.1	0.1	1.45	0.48	0.6	0.6
	Transition	0.87	0.64	4.9	2.7	1.42	0.61	4.3	2.5	0.06	0.56	2.7	1.5	2.35	0.62	4.5	2.6
	Sulfide	0.95	1.16	5.1	2.9	5.75	0.85	5.9	3.4	4.01	0.77	5.2	3.1	10.71	0.85	5.5	3.2
	Total**	**2.64**	**0.79**	**3.6**	**2.1**	**7.79**	**0.77**	**5.2**	**3.0**	**4.08**	**0.77**	**5.1**	**3.1**	**14.51**	**0.77**	**4.9**	**2.9**
Lady Annie	Oxide	0.51	0.56	1.0	0.6	1.35	0.44	0.5	0.5	0.03	0.40	0.4	0.7	1.89	0.47	0.6	0.5
	Transition	1.94	0.68	8.0	4.7	3.33	0.83	8.1	4.9	0.12	0.57	9.2	5.8	5.39	0.77	8.1	4.8
	Sulfide	0.55	0.91	8.3	4.9	3.84	0.89	9.7	5.9	0.49	0.58	10.4	6.5	4.88	0.86	9.6	5.9
	Total**	**3**	**0.70**	**6.9**	**4.0**	**8.52**	**0.80**	**7.6**	**4.6**	**0.64**	**0.57**	**9.7**	**6.1**	**12.16**	**0.76**	**7.5**	**4.6**
Lady Brenda	Oxide	0.66	0.49	1.1	0.7	3.2	0.43	1.1	0.8	0.16	0.35	2.2	1.4	4.02	0.44	1.2	0.8
	Transition	0.35	0.59	8.9	5.2	3.09	0.53	8.8	5.2	0.65	0.46	7.4	4.6	4.09	0.52	8.6	5.1
	Sulfide	0.02	0.42	2.6	1.3	0.45	0.56	10.4	6.2	0.37	0.45	7.1	4.2	0.84	0.51	8.7	5.2
	Total**	**1.03**	**0.52**	**4.0**	**2.3**	**6.74**	**0.48**	**5.2**	**3.2**	**1.18**	**0.44**	**6.6**	**4.0**	**8.95**	**0.48**	**5.3**	**3.2**
Lady Colleen	Oxide					0.10	0.63	1.0	0.4	0.10	0.52	0.7	0.3	0.20	0.58	0.9	0.4
	Transition	0.10	0.93	5.7	3.2	1.30	0.84	4.5	2.5	0.70	0.55	2.2	1.2	2.10	0.75	3.8	2.1
	Sulfide	0.10	1.08	0.7	0.4	1.90	1.14	6.1	3.3	3.60	0.75	3.5	2.0	5.60	0.89	4.4	2.4
	Total**	**0.10**	**1.00**	**3.3**	**1.9**	**3.30**	**1.01**	**5.3**	**2.9**	**4.40**	**0.72**	**3.2**	**1.8**	**7.90**	**0.84**	**4.1**	**2.3**
Mt Clarke	Oxide	0.15	0.46	0.4	0.6	0.35	0.43	0.2	0.5	0.02	0.48	0.3	0.8	0.52	0.44	0.3	0.5
	Transition	0.41	0.55	1.5	1.0	0.16	0.47	2.2	1.3	0.003	0.46	6.4	2.8	0.57	0.53	1.7	1.1
	Sulfide	0.36	0.61	1.2	0.8	0.69	0.57	1.9	1.2	0.5	0.55	2.4	1.4	1.55	0.57	1.9	1.2
	Total**	**0.92**	**0.56**	**1.2**	**0.8**	**1.2**	**0.52**	**1.5**	**1.0**	**0.52**	**0.55**	**2.4**	**1.4**	**2.64**	**0.54**	**1.6**	**1.0**

Deposit	Material Type	Measured				Indicated				Inferred				Total			
		Mt	Cu%	Ca%*	Mg%*	Mt	Cu%	Ca%*	Mg%*	Mt	Cu%	Ca%*	Mg%*	Mt	Cu%	Ca%*	Mg%*
McLeod Hill	Oxide									0.48	0.35			0.50	0.35		
	Transition									0.55	0.57			0.60	0.57		
	Sulfide									0.39	0.56			0.40	0.56		
	Total**									**1.42**	**0.49**			**1.40**	**0.49**		
Swagman	Oxide	0.14	0.67			0.03	0.62			0.02	0.53			0.20	0.65		
	Transition					0.07	0.60			0.04	0.45			0.10	0.55		
	Sulfide									0.03	0.45			0.00	0.45		
	Total**	**0.14**	**0.67**			**0.10**	**0.61**			**0.09**	**0.47**			**0.30**	**0.60**		
Total	Oxide	4.98	0.66	0.5	0.4	11.75	0.58	0.6	0.5	0.92	0.38	0.5	0.4	17.65	0.59	0.5	0.4
	Transition	3.97	0.67	6.5	3.8	11.17	0.70	6.8	4.0	2.42	0.52	3.8	2.3	17.56	0.67	6.4	3.7
	Sulfide	2	0.98	5.0	2.9	13.43	0.86	6.9	4.1	11.09	0.69	4.8	2.9	26.52	0.80	5.9	3.5
	Total**	**10.95**	**0.72**	**3.5**	**2.1**	**36.35**	**0.72**	**4.8**	**2.9**	**14.43**	**0.64**	**4.4**	**2.6**	**61.73**	**0.70**	**4.5**	**2.7**

Notes: *Due to the sparseness of calcium and magnesium assays the calcium and magnesium estimates are indicative only
**Totals may not add up due to rounding

LADY ANNIE ORE RESERVE

The Ore Reserve estimate for Lady Annie is based on pit designs and includes modifying factors with mining dilution of 5% at an assumed 0.2% Cu average grade and mining losses of 2.5%. Cut-off grades are variable as they are dependent on calcium grade and oxidation type. The Ore Reserve for Lady Annie as at end of December 2016 is provided in Table 3.

The ore within the pit designs is mostly oxide with some transition also encountered as pits get deeper. The proportion of calcium has increased with depth and results in increased acid consumption and processing cost.

Table 3: Lady Annie Ore Reserves by Area as at 31 December 2016*

Deposit	Material Type	Proven			Probable			Total		
		kt	Cu%	Ca%	kt	Cu%	Ca%	kt	Cu%	Ca%
Lady Annie	Oxide	7	0.66	0.46	13	0.85	0.57	21	0.78	0.53
	Transition	92	0.72	8.74	67	1.16	8.06	159	0.90	8.45
	Total	**99**	**0.71**	**8.12**	**80**	**1.11**	**6.82**	**179**	**0.89**	**7.54**
Lady Brenda	Oxide	341	0.55	0.73	65	0.76	5.09	407	0.59	1.43
	Transition	65	0.76	5.09	145	0.78	5.89	210	0.77	5.64
	Total	**407**	**0.59**	**1.43**	**210**	**0.77**	**5.64**	**617**	**0.65**	**2.86**
Mt Kelly	Oxide	237	0.66	0.32	79	0.50	0.36	315	0.62	0.33
	Transition	365	0.76	3.96	167	0.92	0.56	533	0.81	2.89
	Total	**602**	**0.72**	**2.53**	**246**	**0.78**	**0.50**	**848**	**0.74**	**1.94**
ROM Stockpiles	Oxide	109	0.91	0.29				109	0.91	0.29
	Transition	260	1.00	5.40				260	1.00	5.40
	Total	**369**	**0.97**	**3.89**	**-**	**-**	**-**	**369**	**0.97**	**3.89**
Total	Oxide	695	0.65	0.52	157	0.64	2.34	852	0.65	0.85
	Transition	783	0.83	5.09	379	0.91	3.92	1161	0.86	4.71
	Total	**1477**	**0.75**	**2.94**	**536**	**0.83**	**3.46**	**2013**	**0.77**	**3.08**

Notes: Includes high grade stockpiles at end of Dec 2016 and excludes material on leach pads being processed.
*Totals may not add up due to rounding

The statement of Ore Reserves for transitional material is dependent on the systematic blending of transition and oxide material types for the remaining life of mine. This is required to even out acid consumption.

The Ore Reserve estimate relates specifically to the conversion of Measured and Indicated oxide and transition Mineral Resources within the Lady Annie Project pit designs and current stockpiles. The Ore Reserves are as reported at 31 December 2016.

This Ore Reserve estimate was based on data supplied by CST and compiled or supervised by Glenn Turnbull, Principal Mining Engineer, who is a Member of the Australian Institute of Mining and Metallurgy and an employee of Golder Associates Pty Ltd. Glenn Turnbull has sufficient experience that is relevant to the style of mineralisation and the type of deposit under consideration and to the activity which he has undertaken to qualify as a Competent Person as defined in the 2012 Edition of the 'Australasian Code for the Reporting of Exploration Results, Mineral Resources and Ore Reserves'.

In October 2012 Golder Associates Pty Ltd completed a Resource Estimation for the Anthill Deposit. Details of these Resources were announced in the CST Mining Group announcement dated 20 November 2012. In December 2013 pit optimisations were carried out utilising similar economic parameters and modifying factors to those used for the Lady Annie and Mt Kelly deposits, and pit designs based upon these optimisations were completed for the Anthill Project. The resource within these pit designs is considered Potential Mining Inventory. These Resources are inclusive of ore loss and dilution and CST envisage they should be available for conversion to Reserve upon grant of the Anthill mining lease ML90233 currently in application. This material is additional to Mineral Reserves shown in Table 3 and included in the Mineral Resources in Table 2.

MINERAL RESOURCE DEPLETION

The Mineral Resource depletions undertaken for this Mineral Resource update were applied to the mined pits Lady Annie and Lady Brenda. Due to the absence of updated topography and the average copper grade of the mine-out material provided by CST, Golder carried out the depletion based on the following assumptions:

- Ore was mined from Lady Annie and Lady Brenda pits.
- Due to the absence of a location for the mined material, all mined ore is assumed to be from the Measured Resource category.
- Due to the high Cu grade presented in the CST mining report, it is assumed the ore corresponds to Transition material.
- Due to the absence of provided depletion grades for Ca and Mg, the average grades from the prior Mineral Resources of 2015 have been assumed unchanged.

The areas of Lady Annie pit classified Measured Resource of Transition type are illustrated in Figure 2 and are considered the probable source area from where the ore was mined from Lady Annie.

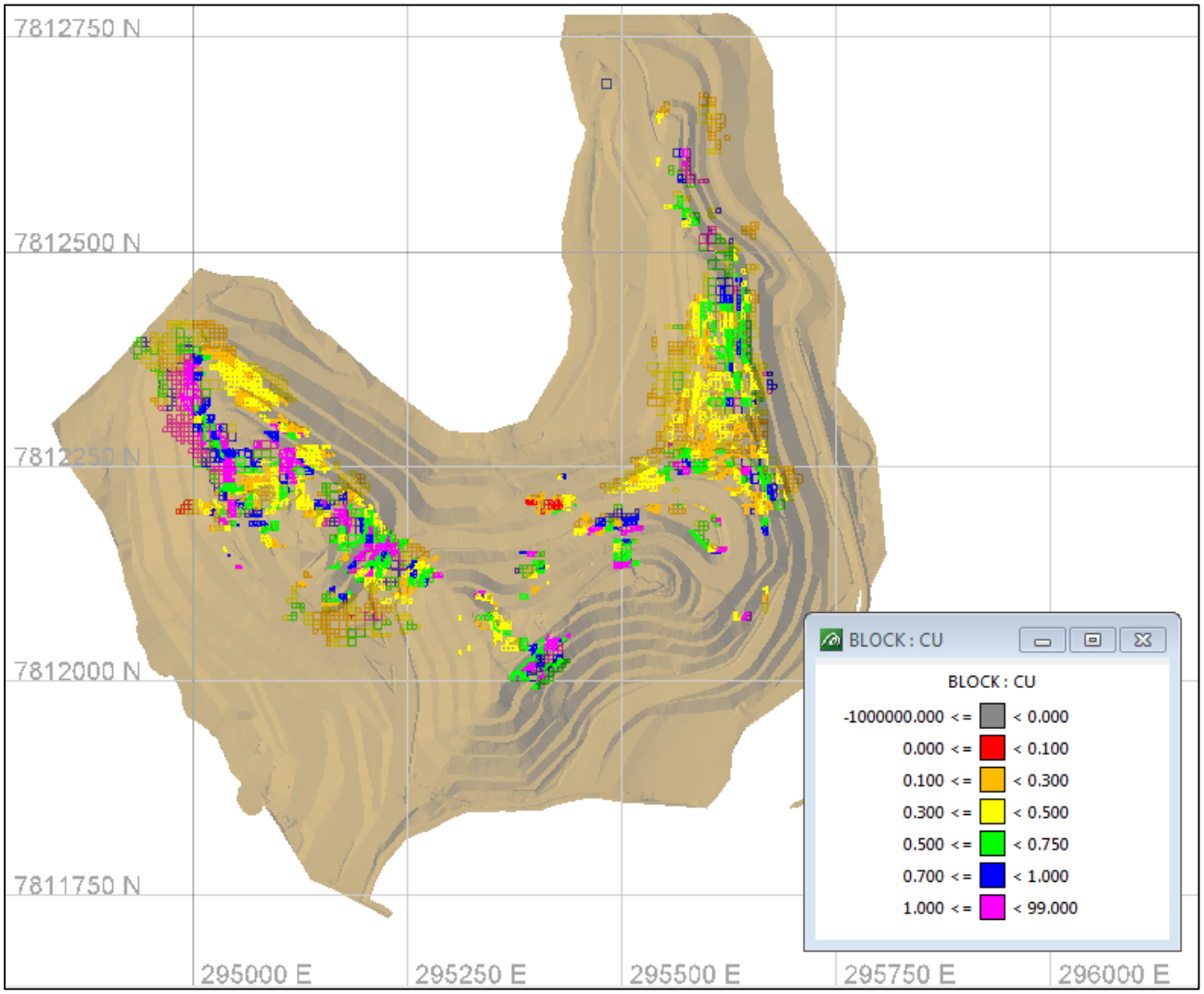

Figure 2: Plan view of Lady Annie pit showing the Measured Resources Transition ore blocks available within the pit area

The areas of Lady Brenda pit classified Measured Resource of Transition type are illustrated in Figure 3 and are considered the probable source area from where the ore was mined from Lady Brenda.

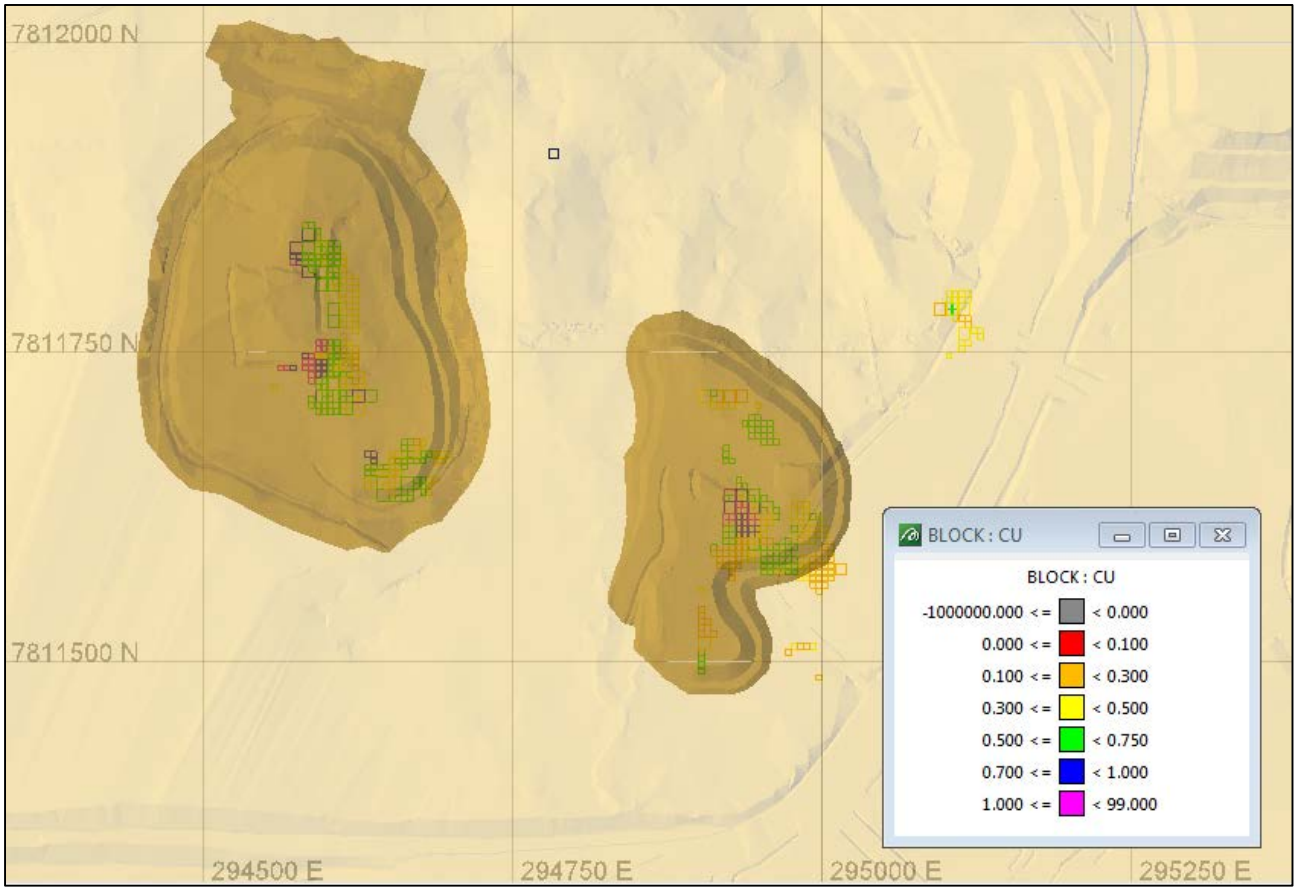

Figure 3: Plan view of Lady Brenda pit showing the Measured Resources Transition ore blocks available within the pit area

Golder recommends, when a new topography update is available, the resource and reserve depletion carried out in this document to be confirmed and validated.

THE JORC CODE ASSESSMENT CRITERIA

The JORC Code (2012 Edition) describes a number of criteria, which must be addressed in the Public Report of Mineral Resource estimates for significant projects. These criteria provide a means of assessing whether or not parts of or the entire data inventory used in the estimate are adequate for that purpose.

Section 1 Sampling Techniques and Data

JORC Code explanation	Commentary
Sampling techniques	
Nature and quality of sampling (e.g. 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 (e.g. '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 (e.g. submarine nodules) may warrant disclosure of detailed information.*	RC drilling was used to sample on 1 m intervals to collect 2 to 3 kg sample. The splitter was cleaned at the end of each rod, the cyclone was cleaned at the start of each hole. Diamond core drilling was used to sample half core in 1 m lengths based on mineralisation. Samples were sent to ALS lab for sample preparation and analysis. The laboratory conforms to Australian Standards ISO 9001 and ISO 17025.
Drilling techniques	
Drill type (e.g. core, reverse circulation, open-hole hammer, rotary air blast, auger, Bangka, sonic, etc.) and details (e.g. 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.).	Reverse circulation and percussion methods were used to test near surface oxide mineralisation while diamond drilling (HQ) was used for evaluating deeper sulfide mineralisation. RC drilling used standard face sampling hammers, high pressure compressor and a riffle splitter. Diamond drilling was HQ size using standard/triple tubing. Drill holes considered unreliable such as water bore, percussion holes, RAB holes, were excluded from the resource estimate.
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 grade and whether sample bias may have occurred due to preferential loss/gain of fine/coarse material.*	For RC and RAB samples the weight of the recovered sample was recorded as high, medium or low or as a number from 1 to 5. The drill hole database indicates that 35% of the samples have a high sample recovery weight and 51% with medium sample recovery weights. For diamond drilling the sample recovery averages 95.39%. RC and diamond sampling methods are appropriate for the style of mineralisation. The CST RC drilling procedures include adequate measures to control sample contamination and minimise sample loss.

JORC Code explanation	Commentary
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* Golder *intersections logged.*	Geological logging entered into a Microsoft Access database includes: lithology, oxidation, grain size, colour, rock texture, dominant copper minerals, fracture angle and bedding angle (DD).
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 instance results for field duplicate/second-half sampling.* *Whether sample sizes are appropriate to the grain size of the material being sampled.*	Diamond core is sawn longitudinally with half core taken for sampling. The RC drilling has an attached cyclone and riffle splitter from which 2 to 3 kg samples were collected. Field duplicates were collected for the RC samples from a bucket containing the rejects using a spear. Duplicates for diamond core samples were taken from the crushed rejects at ALS laboratory.
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, spectrometers, 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 (e.g. standards, blanks, duplicates, external laboratory checks) and whether acceptable levels of accuracy (i.e. lack of bias) and precision have been established.*	Standards and blanks were inserted at rate of 1 in 25 and a minimum of 2 standards per batch. Standards were picked to match the expected grade of the mineralised interval. Blanks were inserted immediately after the standard. Field duplicates were inserted with the blanks and standards. Prior to 2008 there was minimal QAQC, but some check sampling and production reconciliation indicated no problems with assaying. Available QAQC data was assessed and there were no significant sampling and assaying issues noted. The frequency of standards, blanks and duplicates are considered adequate.

JORC Code explanation	Commentary
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 verification, data storage (physical and electronic) protocols.* *Discuss any adjustment to assay data.*	A twinning program was conducted by CopperCo of selected Buka drilling at the Lady Annie deposit and assessed by FinOre. The assessment showed that the CopperCo twinned drilling within 7.5 m (81 drill holes) of existing Buka drilling showed a higher mean copper grade while comparison with drilling within 10 m (296 drill holes) showed a lower mean copper grade. However, the older Buka and CopperCo drilling is overwhelmed by the more recent drilling by CST. There are a small number (19) of closed spaced drilling (within 10 m) that intersect the Anthill copper mineralisation. Comparison of the close spaced drilling show that in most cases the trend and magnitude of the copper mineralisation is consistent between the paired drill holes. The drill hole database is maintained on site in digital (Microsoft Access database) and hard-copy format. A designated database administrator maintains the database and is tasked with adding data and making any corrections to the database. Replace negative assay values with half detection limit (typically 0.005). Unsampled intervals within the mineralised envelope were assigned a value of 0.01% Cu.
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.*	Majority of the drill hole locations are reported to be by differential GPS which provides sub-metre accuracy for regional AMG coordinates. All drilling is in Australian Map Grid (AMG84) coordinates Zone 54. Down hole surveys were collected using a range of methods with the majority of the drill holes surveyed using a single-shot or multi-shot camera on approximately 30 m intervals. 16% of samples at Lady Annie were surveyed by compass and 3% were vertical. For 34% of the Lady Annie drill holes (15% at Anthill) the survey method is not recorded in the database. Topography for Lady Annie is provided by a detailed survey by CST, which is continuously updated with sub-metre accuracy. The current topography surfaces have been updated to the end of December 2014. A LiDAR topography surface was provided by CST for Anthill.

JORC Code explanation	Commentary
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.*	Lady Annie: drill spacing varies from 10 m by 10 m to 100 m by 100 m, averages 20 m by 10 m to 20 m by 20 m. Mt Kelly: drill spacing varies from less than 20 m by 20 m to 100 m by 50 m, averages approximately 50 m. Swagman: drill spacing on oblique grid of 20 m by 20 m. McLeod Hill: drill spacing 50 m by 25 m. Anthill: drill spacing varies from 20 m to over 100 m and averages approximately 20 m by 40 m. Drill hole data was composited to 3 m intervals by mineralisation domain for Lady Annie, Mt Kelly and Anthill, and 1 m intervals by mineralisation and oxide domain for Swagman and McLeod Hill. The drill spacing is sufficient to capture the salient geological features controlling the mineralisation and is sufficient, in places, to define Measured and Indicated Mineral Resources.
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.*	Lady Annie: drilling is oriented on average 60° toward an azimuth of 090° and 270°; copper mineralisation shallow dipping in the near surface oxide. Mt Kelly: drilling is oriented 60° toward azimuths of both 040° and 220°; copper mineralisation is flat dipping near surface oxide and steeper mineralisation is dipping 35° to 40° with a strike of 120° to 170°. Swagman: drilling gridlines are orientated towards the north-east; mineralisation is flat lying in the oxide and dips approximately 50° toward 200° for the transition and sulfide mineralisation. McLeod Hill: drilling is oriented toward the east to north-east; mineralisation strikes at 170° and dips approximately 60° toward the west. Anthill: drilling is oriented on average 60° toward azimuths 090° and 270° in Anthill west and 035° and 215° for Anthill east and link zone; Copper mineralisation is generally shallow dipping in the near surface oxide; Anthill west there is steep mineralisation that dips 40 to 65° and strikes 300°. Drilling is appropriately oriented to intersect the mineralisation across dip to avoid any sampling bias.

JORC Code explanation	Commentary
Sample security	
The measures taken to ensure sample security.	Samples are collected by CST field staff. Sample numbers are recorded on the sample sheet and the data is later entered into the corresponding drill log. Once the hole/log is complete the file is sent to the database manager and checked by a geologist. Samples are placed in numbered sample dispatch 'bins' prior to being sent to the laboratory. The sample number, bin and date-time are recorded in the sample dispatch sheet which is signed by the operating field technician. Each sample bin or approximately every 300 samples are allocated a batch number and a separate laboratory submission sheet. Samples are then dispatched by truck to the ALS Townville laboratory weekly. The assay results are sent from the Laboratory directly to the database The assay results are sent from the laboratory directly to the manager and geologist by email.
Audits or reviews	
The results of any audits or reviews of sampling techniques and data.	FinOre Mining Consultants undertook an audit of the drill hole QAQC including an audit of the laboratory in 2005 for the CopperCo Lady Annie Feasibility Study. In 2007 and 2008 Maxwell GeoServices assessed the CopperCo QAQC data. Snowden in 2010 assessed the QAQC data collected since 2008. Golder undertook a brief data review in 2012, including undertaking a small number of checks of the hard-copy data with the digital data and rudimentary checks of the drill hole database. No major issues with the sampling and assaying were identified by the reviews. The RC and diamond drilling data is appropriate for Mineral Resource estimation.

Section 2 Reporting of Exploration Results

JORC Code Assessment Criteria	Comments
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.*	Golder has not independently verified the ownership and current standing and status of CST's tenements and is not qualified to make any representations in this regard. Golder understands that the project tenements associated with the Mineral Resources, Ore Reserves and mining and processing operations comprise 14 Mining Leases ("ML") held by CST. In addition, the Lady Annie project consists of 61 Exploration Permit for Minerals ("EPM") containing 704 sub-blocks. Currently 3 EPM's are under application to surrender. EPM16244 and mining lease application ML90233 cover the Anthill deposit. Golder reviewed the Queensland State Government interactive tenement system (IRTM) and the current tenements are consistent with boundaries provided by CST.
Exploration done by other parties	
Acknowledgment and appraisal of exploration by other parties.	Buka Minerals Limited (Buka) purchased the Lady Annie and Lady Loretta deposits in 1996 and commissioned a pre-feasibility study into the development of a standalone cathode copper operation at Lady Annie. In June 2004, Avon Resources was renamed to CopperCo Limited (CopperCo) and acquired 100% of the Lady Annie Project from Buka. The Lady Annie Project was developed by CopperCo and mining commenced at Mount Clarke with pre-stripping in April 2007 and at Lady Annie in October 2008. The Mount Kelly process plant was commissioned in October 2007. Exploration primarily utilised RC and diamond drilling to test the Lady Annie, Mt Kelly and Anthill areas. Drilling at Lady Annie and Mt Kelly was conducted from 1964 to present day with majority of the drilling completed in 2004 using predominantly modern reverse circulation (61% of drilling) and diamond drilling (11% of drilling) methods. The rest of the drilling is predominately rotary air blast (RAB – 12% of drilling) and unspecified drilling methods (10%). Drilling at the Anthill deposit was conducted from 1972 to 2012 with the majority completed in 2010 to 2012. Drilling is by predominantly modern reverse circulation (70% of drilling) and diamond drilling (14% of drilling) plus RC with diamond tail (12%) methods.

JORC Code Assessment Criteria	Comments
Geology	
Deposit type, geological setting and style of mineralisation.	The Lady Annie mining area is contained within the north trending Lady Loretta High Strain Zone. The Lady Annie deposit is hosted by fault bounded blocks of gently folded Paradise Creek and Upper Gunpowder Creek Formations. The Lady Brenda deposit is located approximately 300 m to the south-west of the Lady Annie deposit. Copper mineralisation at Lady Annie and Lady Brenda is hosted in dolomitic, carbonaceous and argillaceous sandstones and siltstones. Oxidation of these units has removed the dolomitic material leaving behind ferruginous silty sandstones or kaolinitic sandy siltstones. The primary copper sulfide mineralisation appears to be structurally controlled, being commonly associated with well-defined fault-related silicification. The Mount Kelly mining area is dominated by early to mid-Proterozoic siltstones and dolomitic siltstones of the McNamara Group. Copper mineralisation occurs within units of the McNamara Group and is reportedly related to the north-west-trending Mount Kelly and Spinifex Faults, which intersect and cut the McNamara Fault. The known mineralisation is associated with multiple phases of brecciation and veining along the fault zones. The copper oxide mineralisation appears to be shear and fault controlled. The Swagman and McLeod Hill deposits occur within a few kilometres of the Mt Kelly mining area and have similar rock types and mineralisation styles. The mineralisation at both deposits is controlled by structural features such as shear zones and faults. The Anthill deposit is hosted predominately within the Esperanza Formation. The host lithologies of the ore body are mostly inferred to be dolomitic siltstones; however the strong weathering and oxidation process has resulted in the near complete loss of dolomite from the rock in the upper oxide zone. The mineralisation appears to be controlled by a combination of steep structural elements and broad domal features. The Anthill transition is commonly hosted in structurally controlled silicified zones as well as in silicified sedimentary breccias in dolomite, which appear to have been a preferred permeability horizon for mineralising fluids.

JORC Code Assessment Criteria	Comments
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 metres) of the drill hole collar* ■ *dip and azimuth of the hole* ■ *downhole length and interception depth* ■ *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.*	Exploration and drill holes are not included in the tasks for this resource depletion.
Data aggregation methods	
In reporting Exploration Results, weighting averaging techniques, maximum and/or minimum grade truncations (e.g. 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.*	Data aggregation is not included in the tasks for this resource depletion.
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 downhole lengths are reported, there should be a clear statement to this effect (e.g. 'downhole length, true width not known').*	Exploration results are not part of the current resource depletion.
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.	A general location map is provided in Figure 1. Due to the absence of updated topography outlining the mined areas, plan Views showing the probable source area from where ore was mined during 2016 are presented in Figure 2 and Figure 3.

JORC Code Assessment Criteria	Comments
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.	Exploration results are not part of the current resource depletion.
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.	Exploration results are not part of the current resource depletion.
Further work	
The nature and scale of planned further work (e.g. 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.*	No further work is associated to the current resource depletion.

Section 3 Estimation and Reporting of Mineral Resources

JORC Code explanation	Commentary
Database integrity	
Measures taken to ensure that data has not been corrupted by, for example, transcription or keying errors, between its initial collection and its use for Mineral Resource estimation purposes. *Data validation procedures used.*	Database validation was performed during the previous resource update carried out by Golder Associates in 2012. During the current resource depletion no database validations were performed.
Site visits	
Comment on any site visits undertaken by the Competent Person and the outcome of those visits. *If no site visits have been undertaken indicate why this is the case.*	A site visit was carried out by Vicki Woodward (MAusIMM) to the Lady Annie Project during the period 17 to 19 March 2015. No site visit was carried out by the resource geologist. All the relevant information for the resource depletion in 2016 was provided by CST Lady Annie personnel by e-mails or have been retained from previous resource updates.
Geological interpretation	
Confidence in (or conversely, the uncertainty of) the geological interpretation of the mineral deposit. *Nature of the data used and of any assumptions made.* *The effect, if any, of alternative interpretations on Mineral Resource estimation.* *The use of geology in guiding and controlling Mineral Resource estimation.* *The factors affecting continuity both of grade and geology.*	The following description is part of the last resource update performed by Golder, which was used as the basis of the current resource depletion. The Lady Annie and Mt Kelly interpretations were carried out by Golder. The McLeod Hill interpretation was carried out by CST and the Swagman interpretation by Snowden. Domaining used a nominal 0.2% Cu cut-off grade to distinguish between mineralisation and waste. Oxidation surfaces were interpreted from drill hole geological logging of weathering and drill hole copper sequential assays where available. The interpretation was performed in cross sections parallel to the dominant drilling direction and evenly spaced according to drill spacing. Solid wireframes were constructed from the sectional interpretations. Copper mineralisation shows good continuity between drill holes along strike and down-dip.
Dimensions	
The extent and variability of the Mineral Resource expressed as length (along strike or otherwise), plan width, and depth below surface to the upper and lower limits of the Mineral Resource.	Lady Annie: approximately 1050 m by 850 m, thickness ranges from less than 10 m to 50 m; broad open anticline that plunges to the south and dips approximately 20° on the eastern limb and 30° on the western limb; limited vertically down to 174 m RL as this is the limit of the CST tenement. Lady Brenda: approximately 950 m by 750 m, thickness ranges from less than 10 m to up to 35 m in thickness; ranges from 10° to 40° toward the west and 30° toward the east with flat dipping near surface oxide mineralisation; limited vertically down to 174 m RL as this is the limit of the CST tenement.

JORC Code explanation	Commentary
	Mt Kelly mining area: Mt Clarke – approximately 1150 m by 330 m by 250 m; Flying Horse – 1600 m by 500 m by 500 m; Lady Colleen – 600 m by 370 m by 280 m; range in thickness from several metres to up to 50 m; mineralisation consists of flat dipping near surface oxide mineralisation and steeper mineralisation dipping 35° to 40° toward 030° to 080°. Swagman: 65 m wide by 150 m in length with a depth extent of 155 m; mineralisation is flat lying in oxide and dips approximately 50° toward 200° for the transition and sulfide mineralisation. McLeod Hill: 1-25 m wide by 600 m in length with a depth extent of 120 m; mineralisation strikes at 170° and dips approximately 60° toward the west. Anthill: approximately 1700 m by 770 m and ranges in thickness from less than 10 m to approximately 40 m; mineralisation is subdivided into three areas: Anthill east, Anthill west and Anthill link (low-grade).
Estimation and modelling techniques	
The nature and appropriateness of the estimation technique(s) applied and key assumptions, including treatment of extreme grade values, domaining, interpolation parameters and maximum distance of extrapolation from data points. If a computer assisted estimation method was chosen include a description of computer software and parameters used. *The availability of check estimates, previous estimates and/or mine production records and whether the Mineral Resource estimate takes appropriate account of such data.* *The assumptions made regarding recovery of by-products.* *Estimation of deleterious elements or other non-grade variables of economic significance (e.g. sulfur for acid mine drainage characterisation).* *In the case of block model interpolation, the block size in relation to the average sample spacing and the search employed.* *Any assumptions behind modelling of selective mining units.* *Any assumptions about correlation between variables.* *Description of how the geological interpretation was used to control the resource estimates.*	The resource model updated from 2012 was used for the current study to apply the resource depletion. Golder carried out the resource estimation using CAE Studio's Datamine software using standard three-dimensional block modelling approach. The 0.2% Cu interpreted mineralisation envelopes, interpreted oxidation surfaces and surveyed topography were used to build the models. Grade estimation was conducted using ordinary kriging (OK) for copper and inverse distance squared (ID^2) for calcium and magnesium. Grades were assigned using a three pass approach and parent cell estimation. Search distances were based on the variogram. Dynamic anisotropy was used to orient the search and variograms during grade estimation. High-grade cuts were applied to the drill hole samples prior to estimation. Contact analysis was performed to determine the style of the grade trends across the copper domains and oxide domains. Copper was estimated using hard boundaries between mineralisation domains and soft boundaries between oxide domains for Lady Annie and Mt Kelly and Anthill. Calcium and magnesium estimated per oxide domain using hard boundaries for Lady Annie, Mt Kelly and McLeod Hill. Density estimated for Lady Annie and Mt Kelly only while density assigned for Swagman and McLeod Hill models based on the Mt Kelly area.

JORC Code explanation	Commentary
Discussion of basis for using or not using grade cutting or capping. *The process of validation, the checking process used, the comparison of model data to drill hole data, and use of reconciliation data if available.*	Validation was undertaken on the model estimates using visual and statistical methods.
Moisture	
Whether the tonnages are estimated on a dry basis or with natural moisture, and the method of determination of the moisture content.	All tonnage and density is reported on a dry basis.
Cut-off parameters	
The basis of the adopted cut-off grade(s) or quality parameters applied.	Cut-offs grades of 0.2 and 0.3% Cu are considered appropriate for reporting a Mineral Resource for open pit mining. This approximates the marginal operating cost for copper production of oxide and low calcium-magnesium transition material through an acid heap leach process as currently used by CST for the Lady Annie and Mt Kelly mining areas. Both the Swagman and McLeod Hill deposits are close enough to Mt Kelly that trucking distance is unlikely to be a major factor in the economics of mining the deposits.
Mining factors or assumptions	
Assumptions made regarding possible mining methods, minimum mining dimensions and internal (or, if applicable, external) mining dilution. It is always necessary as part of the process of determining reasonable prospects for eventual economic extraction to consider potential mining methods, but the assumptions made regarding mining methods and parameters when estimating Mineral Resources may not always be rigorous. Where this is the case, this should be reported with an explanation of the basis of the mining assumptions made.	Open cut mining is assumed. Block model cell dimensions were selected on the basis of the mining method with respect to the current smallest mining unit (SMU). Internal dilution is incorporated into the mineralisation domains. No edge dilution was considered.
Metallurgical factors or assumptions	
The basis for assumptions or predictions regarding metallurgical amenability. It is always necessary as part of the process of determining reasonable prospects for eventual economic extraction to consider potential metallurgical methods, but the assumptions regarding metallurgical treatment processes and parameters made when reporting Mineral Resources may not always be rigorous. Where this is the case, this should be reported with an explanation of the basis of the metallurgical assumptions made.	Low calcium-magnesium oxide and transition material is currently being mined at the Lady Annie mine and processed by acid heap leach. There is currently no capability to process the sulfide material and blended high calcium-magnesium transition material. However, this material is likely to be amenable to conventional flotation.

JORC Code explanation	Commentary
Environmental factors or assumptions	
Assumptions made regarding possible waste and process residue disposal options. It is always necessary as part of the process of determining reasonable prospects for eventual economic extraction to consider the potential environmental impacts of the mining and processing operation. While at this stage the determination of potential environmental impacts, particularly for a greenfields project, may not always be well advanced, the status of early consideration of these potential environmental impacts should be reported. Where these aspects have not been considered this should be reported with an explanation of the environmental assumptions made.	There are no environmental factors that restrict or impact on the current Mineral Resource.
Bulk density	
Whether assumed or determined. If assumed, the basis for the assumptions. If determined, the method used, whether wet or dry, the frequency of the measurements, the nature, size and representativeness of the samples. *The bulk density for bulk material must have been measured by methods that adequately account for void spaces (vugs, porosity, etc.), moisture and differences between rock and alteration zones within the deposit.* *Discuss assumptions for bulk density estimates used in the evaluation process of the different materials.*	The following description is part of the last resource update performed by Golder: Lady Annie and Mt Kelly: estimated dry bulk density from dry bulk density sample measurements; measured using water immersion method on core, both sealed (wax) and unsealed; 6177 samples at Lady Annie and 2551 samples at Mt Kelly; density measurements can be subject to sample selection bias and porosity; estimated density is reduced by a factor of 5% to account for porosity that is not adequately measured. Swagman and McLeod Hill – assigned density based on Mt Kelly area.
Classification	
The basis for the classification of the Mineral Resources into varying confidence categories. *Whether appropriate account has been taken of all relevant factors (i.e. relative confidence in tonnage/grade estimations, reliability of input data, confidence in continuity of geology and metal values, quality, quantity and distribution of the data).* *Whether the result appropriately reflects the Competent Person's view of the deposit.*	The following description is part of the last resource update performed by Golder: Lady Annie, Mt Kelly and Anthill classification was assigned only within the interpreted 0.2% copper grade envelope using drill spacing: Measured – at least four drill holes within a radius of 30 m; Indicated – at least four drill holes within a radius of 60 m; Inferred – less than four drill holes within a radius of 60 m. Swagman classification was assigned based on: geological confidence, the integrity of the data, the spatial continuity of the mineralisation as demonstrated by the variography, and the quality of the estimation. McLeod Hill Resources were all classified as Inferred due to: drill hole spacing and geological confidence.

JORC Code explanation	Commentary
Audits or reviews	
The results of any audits or reviews of Mineral Resource estimates.	The resource estimate for Lady Annie, Mt Kelly and Anthill was reviewed internally by Golder. The resource estimate for Swagman was reviewed by Snowden and considered adequate while the McLeod Hill estimate was internally reviewed by Snowden in 2010.
Discussion of relative accuracy/confidence	
Where appropriate a statement of the relative accuracy and confidence level in the Mineral Resource estimate using an approach or procedure deemed appropriate by the Competent Person. For example, the application of statistical or geostatistical procedures to quantify the relative accuracy of the resource within stated confidence limits, or, if such an approach is not deemed appropriate, a qualitative discussion of the factors that could affect the relative accuracy and confidence of the estimate. *The statement should specify whether it relates to global or local estimates, and, if local, state the relevant tonnages, which should be relevant to technical and economic evaluation. Documentation should include assumptions made and the procedures used.* *These statements of relative accuracy and confidence of the estimate should be compared with production data, where available.*	The following description is part of the last resource update performed by Golder: No studies of relative confidence have been carried out for Swagman or McLeod Hill. For Lady Annie, Mt Kelly and Anthill no statistical or geostatistical method was used to quantify the relative accuracy of the estimate within confidence limits. The accuracy of the estimate is strongly dependent on: accuracy of the drill hole data (location and values); accuracy of the interpretation and geological domaining; orientation of anisotropy and grade estimation parameters. There is moderate to high confidence in the location of the drill hole samples. There were no major issues or bias detected with sampling and assaying. Copper mineralisation shows good continuity between drill holes along strike and down-dip. 70% to 90% of spatial grade variability is within the range of the average drill spacing. Grades can be correlated up to a range of four times the average drill spacing (two times for Anthill). Where the drill spacing is <30 m the grade continuity is sufficient to define either Measured or Indicated. The orientation of anisotropy is defined locally therefore estimated grade better reflects the local continuity. Swath plots show good reproduction of grade trends. A simulation and test estimate exercise for the Lady Annie deposit was used to select estimation parameters, showed estimated grade is insensitive to changes in estimation parameters. Historic workings exist within Lady Annie, the extent is unknown. Golder has not accounted for the historic workings in the mineral resource estimate. The impact assumed to be insignificant.

Section 4 Estimation and Reporting of Ore Reserves

JORC Code explanation	Commentary
Mineral Resource estimate for conversion to Ore Reserves	
Description of the Mineral Resource estimate used as a basis for the conversion to an Ore Reserve. *Clear statement as to whether the Mineral Resources are reported additional to, or inclusive of, the Ore Reserves.*	Ore Reserves were only estimated for Lady Annie, AND Lady Brenda deposits. Mineral Resource estimates were prepared by Golder, CST and Snowden and reported at a cut-off grade of 0.3% Cu. Only Measured and Indicated Mineral Resources were considered for conversion to Ore Reserves. The Mineral Resources were reported inclusive of the Ore Reserves.
Site visits	
Comment on any site visits undertaken by the Competent Person and the outcome of those visits. *If no site visits have been undertaken indicate why this is the case.*	Ross Bertinshaw (FAusIMM), a Principal Mining Engineer at Golder carried out a site visit to the Lady Annie Project during the period 2 to 4 July 2013. Vicki Woodward (MAusIMM) a Senior Mining Engineer at Golder carried out a site visit to the Lady Annie Project during the period 17 to 19 March 2015. Limited mining has been carried out subsequent to Ms Woodward's visit and a further site visit has not been undertaken.
Study status	
The type and level of study undertaken to enable Mineral Resources to be converted to Ore Reserves. *The Code requires that a study to at least Pre-Feasibility Study level has been undertaken to convert Mineral Resources to Ore Reserves. Such studies will have been carried out and will have determined a mine plan that is technically achievable and economically viable, and that material Modifying Factors have been considered.*	The Lady Annie project is currently an operating mine with copper production (leaching and SXEW) continuing during 2016. Mining operations are presently suspended pending a CST decision on resumption. The majority of the Ore Reserves are part of the four presently available pits (Lady Annie, Lady Brenda, Mt Clarke and Flying Horse). There are also some additional Reserves available from high grade stockpiles at Lady Annie and Mt Kelly.
Cut-off parameters	
The basis of the cut-off grade(s) or quality parameters applied.	The cut-off grades were estimated based on processing and heap leach recoveries based on CST experience at the site. The cut-off grade varied by calcium content due to additional acid required and the recovery varied by copper grade with cut-off grades varying by pit. For Lady Annie the cut-off is estimated by: $\mathrm{Cu}_{\mathrm{cutoff}=} \begin{cases} 0.38\% + 0.06\% * \mathrm{Ca}, & \mathrm{Ca} \le 2\%; \\ 0.45\% + 0.06\% * \mathrm{Ca}, & \mathrm{Ca} > 2\%. \end{cases}$ For the Mt Kelly area the cut-off is estimated by: $\mathrm{Cu}_{\mathrm{cutoff}=} \begin{cases} 0.33\% + 0.06\% * \mathrm{Ca}, & \mathrm{Ca} \le 2\%; \\ 0.40\% + 0.06\% * \mathrm{Ca}, & \mathrm{Ca} > 2\%. \end{cases}$

JORC Code explanation	Commentary
Mining factors or assumptions	
The method and assumptions used as reported in the Pre-Feasibility or Feasibility Study to convert the Mineral Resource to an Ore Reserve (i.e. either by application of appropriate factors by optimisation or by preliminary or detailed design). *The choice, nature and appropriateness of the selected mining method(s) and other mining parameters including associated design issues such as pre-strip, access, etc.* *The assumptions made regarding geotechnical parameters (e.g. pit slopes, stope sizes, etc.), grade control and pre-production drilling.* *The major assumptions made and Mineral Resource model used for pit and stope optimisation (if appropriate).* ■ *The mining dilution factors used.* ■ *The mining recovery factors used.* ■ *Any minimum mining widths used.* ■ *The manner in which Inferred Mineral Resources are utilised in mining studies and the sensitivity of the outcome to their inclusion.* ■ *The infrastructure requirements of the selected mining methods.*	During 2012 open pit optimisations were completed for the three operating pits within the two areas as well as the undeveloped Lady Brenda deposit. For each optimisation a pit was selected that gave maximum value at USD3.24/lb copper price. All designs have been carried out within the ultimate pit shell as per industry standard. The optimisations were based on the Mineral Resource estimates prepared by Golder (2012), CST (2010) and Snowden (2010) and reported at a cut-off grade of 0.3% Cu. The overall haul road width is 25 m based on current mine design. The road width is three trucks wide allowing for dual lane access. Additional allowances to the road width have been made for drainage and windrowing purposes. For single lane traffic roads 15 m wide are permitted including access to the final two benches. The maximum haul road gradient is designed to be 11% based on current mining practices. Pit designs were completed for each pit based on the optimised pit shells. Pit slope angles used in the design were based on geotechnical reports and reviews by a number of previous geotechnical engineering companies and site experience. An overall slope angle of 40° was used for all pit walls. This assumption is based on the current pit CST mine development practise. A dilution of 5% at an assumed average grade of 0.2% Cu and mining recovery of 97.5% were considered for pit optimisation. Mining is by conventional open pit methods using 6.7 m3 backhoes and 80 t trucks. The benches are 10 m high and mined in three flitches of 3 to 3.5 m. The equipment is suitable for the size of operation and selectivity required. Inferred Resources were considered as waste for pit optimisation and there are insignificant tonnages of Inferred Resource contained within the current designed pits. This is an operating mine with no new infrastructure required for the oxide operation.
Metallurgical factors or assumptions	
The metallurgical process proposed and the appropriateness of that process to the style of mineralisation. *Whether the metallurgical process is well-tested technology or novel in nature.*	The ore process is by heap leaching followed by Solvent Extraction and Electrowinning (SX-EW) to produce LME grade A cathode copper. The SX-EW plant has been running successfully since restarting in late 2010 producing around 17.9 kt of copper in the last full year of production (2014).

JORC Code explanation	Commentary
The nature, amount and representativeness of metallurgical test work undertaken, the nature of the metallurgical domaining applied and the corresponding metallurgical recovery factors applied. *Any assumptions or allowances made for deleterious elements.* *The existence of any bulk sample or pilot scale test work and the degree to which such samples are considered representative of the orebody as a whole.* *For minerals that are defined by a specification, has the ore reserve estimation been based on the appropriate mineralogy to meet the specifications?*	As the pits get deeper, and oxide material changes to transitional material, there is an increase in calcium. This requires extra acid leaching which therefore requires careful monitoring for best process control and to maintain appropriate cut-off grades. Blending or parallel processing of ore types is required to balance the acid consumption rate. A variable heap leach recovery has been applied for the cut-off depending on copper and calcium grades.
Environmental	
The status of studies of potential environmental impacts of the mining and processing operation. Details of waste rock characterisation and the consideration of potential sites, status of design options considered and, where applicable, the status of approvals for process residue storage and waste dumps should be reported.	Environmental management has been addressed from operational and environmental perspectives and external stakeholder input has occurred. Baseline studies were prepared prior to production. A water balance for the final voids was undertaken in 2013. This will need to be refined as the mining areas change. Final water quality of the pit lakes has not yet been assessed. The nearest receptors of any dust emissions from the Lady Annie and Mount Clarke mining operations are 30 km away and therefore ongoing dust monitoring has been stopped. Baseline air and dust data and information have been collected to demonstrate the low risk of impact to the receptors. The greatest use of electrical power is consumed in the electro-winning tank house. Lady Annie registered for an energy efficiency assessment plan for December 2013. National Greenhouse and Energy Report (NGER) parts A and B have been submitted to the government along with NPI reports. A chemical storage and handling risk assessment was completed by CSM Safety Services in 2010 and Lady Annie has responded with actions to reduce high risk areas identified. Waste characterisation has been performed on the various waste rock lithologies, topsoil and the heap leach pad material. CST is currently in the planning stages of an extensive waste rock dump characterisation study. Expert consultation has occurred on the scope and once completed the scope will be sent for government approval before going to tender.

JORC Code explanation	Commentary
	All licences and permits are in place for existing operations and exploration programs. CST will renegotiate contaminant and trigger levels for the Inca/Saga creek system (incl. Groundwater) to increased levels to take into account the current state of system. Specifically, by not requiring further action on the EPOs (they are now closed), 2013 values have effectively been accepted by EHP even though they are not in compliance with EPO requirements. By formalising new contaminant and trigger limits, this will protect the company from any compliance action related to the 2009 discharge incident.
Infrastructure	
The existence of appropriate infrastructure: availability of land for plant development, power, water, transportation (particularly for bulk commodities), labour, accommodation; or the ease with which the infrastructure can be provided, or accessed.	The existing operating mine has the required infrastructure in place to process oxide and ore type currently in the mine plan. Additional infrastructure would be required if sulfide ore were to be processed on site; however this is not in the current mine development plan.
Costs	
The derivation of, or assumptions made, regarding projected capital costs in the study. *The methodology used to estimate operating costs.* *Allowances made for the content of deleterious elements.* *The source of exchange rates used in the study.* *Derivation of transportation charges.* *The basis for forecasting or source of treatment and refining charges, penalties for failure to meet specification, etc.* *The allowances made for royalties payable, both Government and private.*	Capital costs are those planned for exploration and on-going sustaining capital purposes. The operating mine physicals and costs used are derived from actual reports or budgetary estimates. The calcium content is monitored carefully as it affects the metal recovery and processing costs. There are no significant deleterious elements in the copper cathode. The pricing and Forex assumptions are provided by CST. Royalties are payable to the Queensland government based on a sliding scale dependent on copper price when sold. As an example at a price of AUD6960/t copper the royalty is 4%.
Revenue factors	
The derivation of, or assumptions made regarding revenue factors including head grade, metal or commodity price(s) exchange rates, transportation and treatment charges, penalties, net smelter returns, etc. *The derivation of assumptions made of metal or commodity price(s), for the principal metals, minerals and co-products.*	The basic economic parameters as provided by CST have been revised following the continued downturn in the copper price and are: a copper price of US$2.38/lb, an exchange rate of AUD1:00 to USD0.700 and selling costs of AU$436/t Cu (including shipping, royalty etc.)
Market assessment	
The demand, supply and stock situation for the particular commodity, consumption trends and factors likely to affect supply and demand into the future.	Golder is not an expert in metal pricing and forex projections and estimates are based on CST corporate forecasts. They assume that the copper is sold to Marubeni and MMK at spot prices.

JORC Code explanation	Commentary
A customer and competitor analysis along with the identification of likely market windows for the product. *Price and volume forecasts and the basis for these forecasts.* *For industrial minerals the customer specification, testing and acceptance requirements prior to a supply contract.*	
Economic	
The inputs to the economic analysis to produce the net present value (NPV) in the study, the source and confidence of these economic inputs including estimated inflation, discount rate, etc. *NPV ranges and sensitivity to variations in the significant assumptions and inputs.*	Economic inputs are described above. The economics of the CST operation have been tested and shown to be sound. CST is an operating entity, economic analysis is not required to be furnished.
Social	
The status of agreements with key stakeholders and matters leading to social licence to operate.	This is an operating mine with all its mining titles, licenses and approvals in place.
Other	
To the extent relevant, the impact of the following on the project and/or on the estimation and classification of the Ore Reserves: *Any identified material naturally occurring risks.* *The status of material legal agreements and marketing arrangements.* *The status of governmental agreements and approvals critical to the viability of the project, such as mineral tenement status, and government and statutory approvals. There must be reasonable grounds to expect that all necessary Government approvals will be received within the timeframes anticipated in the Pre-Feasibility or Feasibility study. Highlight and discuss the materiality of any unresolved matter that is dependent on a third party on which extraction of the reserve is contingent.*	Other relevant factors for classification of the Ore Reserves include: ■ *The oxide Mineral Resources are nearing depletion and the proportion of higher calcium content transitional material is increasing. There is increasing requirement to schedule and blend all material carefully to realise all of the current Ore Reserves.* ■ *The base of the Lady Annie pit is at the top of the water table and water in the base of the operating pit will need additional control to ensure safe efficient operations*.
Classification	
The basis for the classification of the Ore Reserves into varying confidence categories. *Whether the result appropriately reflects the Competent Person's view of the deposit.* *The proportion of Probable Ore Reserves that have been derived from Measured Mineral Resources (if any).*	The Measured Resources have been converted to Proved Ore Reserves and the Indicated Resources to Probable Ore Reserves. No Measured material has been downgraded to Probable. Increased cut-off grades are required for the transitional material reducing the rate of conversion of the stated Mineral Resources to Ore Reserves. Sulfide material is not currently considered for Ore Reserves as it cannot be practically processed with the existing heap leach processing method.

JORC Code explanation	Commentary
Audits or reviews	
The results of any audits or reviews of Ore Reserve estimates.	The last overall review was Snowden (2010) as part of an Independent Technical Review of the project by CST prior to its acquisition from Cape Lambert.
Discussion of relative accuracy/confidence	
Where appropriate a statement of the relative accuracy and confidence level in the Ore Reserve estimate using an approach or procedure deemed appropriate by the Competent Person. For example, the application of statistical or geostatistical procedures to quantify the relative accuracy of the reserve within stated confidence limits, or, if such an approach is not deemed appropriate, a qualitative discussion of the factors which could affect the relative accuracy and confidence of the estimate. *The statement should specify whether it relates to global or local estimates, and, if local, state the relevant tonnages, which should be relevant to technical and economic evaluation. Documentation should include assumptions made and the procedures used.* *Accuracy and confidence discussions should extend to specific discussions of any applied Modifying Factors that may have a material impact on Ore Reserve viability, or for which there are remaining areas of uncertainty at the current study stage.* *It is recognised that this may not be possible or appropriate in all circumstances. These statements of relative accuracy and confidence of the estimate should be compared with production data, where available.*	The 2017 Mineral Resource and Reserve depletion was carried out using the mining summary provided by CST in the report file called “Monthly Report – January 2016: Mining – Operating Statistics Summary” (pdf file name is “img-313113349-0001.pdf”). Golder carried out the resource and reserve update by subtracting the material mined-out from the pits during 2016. The CST provided mining summary has only included the Copper grade mined. Therefore, Calcium and Magnesium grades have been assumed to remain at the average previously reported respective grades.

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