

PLANS UNDERWAY TO FULLY DEVELOP THE BIG ONE DEPOSIT IN THE WORLD-CLASS MT ISA COPPER BELT

Castillo Copper Ltd (ASX: CCZ) ('Castillo Copper' or the 'Company') is pleased to announce that it will be undertaking a comprehensive soil sampling campaign at its Big One deposit – situated within the NWQ Project in Mt Isa – following reconciliation of highly prospective historical exploration findings, a recent revival of the copper market and bullish forecasts from leading investment banks.

HIGHLIGHTS:

Copper Market Update¹

- Copper price in midst of a significant upcycle.
- Investment Bank Goldman Sachs has revised previous forecasting of commodity price, now estimated to reach US\$12,000/t in 2024, up from US\$10,000.

Big One Deposit a Focus for Development

- CCZ's new Board will channel resources into developing the Big One Deposit in the world-class Mt Isa copper belt.
- Located within CCZ's prime NWQ Copper Project, the Big One Deposit has a JORC 2012 compliant **Mineral Resource Estimate (MRE) of 2.1Mt @ 1.1% Cu for 21,886t** contained metal², which includes the following high-grade drilling results:
 - 40m @ 1.64% from surface incl: 11m @ 4.40% from 24m, 5m @ 7.34% from 28m & 1m @ 16.65% from 29m (BO_303RC)³
 - 44m @ 1.19% Cu from surface incl: 14m @ 3.55% from 27m, 3m @ 10.88% from 37m & 1m @ 12.6% from 37m (BO_301RC)³
- Once approvals are secured, CCZ's geology team will undertake soil and rock chip sampling at an area north of the known orebody where there is a sizeable, untested, bedrock conductor²:
 - Previous work confirmed the known orebody commences from surface though is not fully defined as it is open to the north, east and down dip².
- Upon receipt of surface sampling campaign assay results, the geology team believes there will be sufficient data to formulate a drilling campaign to test key targets and extend known mineralisation.

Strategic Asset Portfolio Review – Additional Resolutions

- The Board is committed to advancing the NWQ Copper Project, which has >20 known copper prospects⁴.
- CCZ is actively looking to align with partners to develop the remaining assets in NSW and Zambia.

¹ Bloomberg News (7 May 2024: "Copper Touches \$10,000 as Goldman Sees 'Stockout' Risk" Available at: <https://www.bloomberg.com/news/articles/2024-05-07/copper-advances-on-goldman-forecast-and-fed-rate-cut-optimism?embedded-checkout=true>

² CCZ ASX Release – 28 February 2022

³ CCZ ASX Release – 14 January 2020, 11 January 2021 & 10 February 2021

⁴ CCZ ASX Release – 24 October 2023

CASTILLO COPPER CHAIRMAN, GED HALL COMMENTED:

“Following our strategic asset review in 2023, the new Board plans to fully develop the Big One Deposit, commencing with a comprehensive surface sampling campaign north of the known orebody.

Further, with the current upcycle rekindling significant interest in the world-class Mt Isa copper belt, the Board has decided to prioritise the advancement of the NWQ Copper Project and seek development partners for the remaining assets in NSW and Zambia.”

Big One Deposit Development – Mt Isa Copper Belt

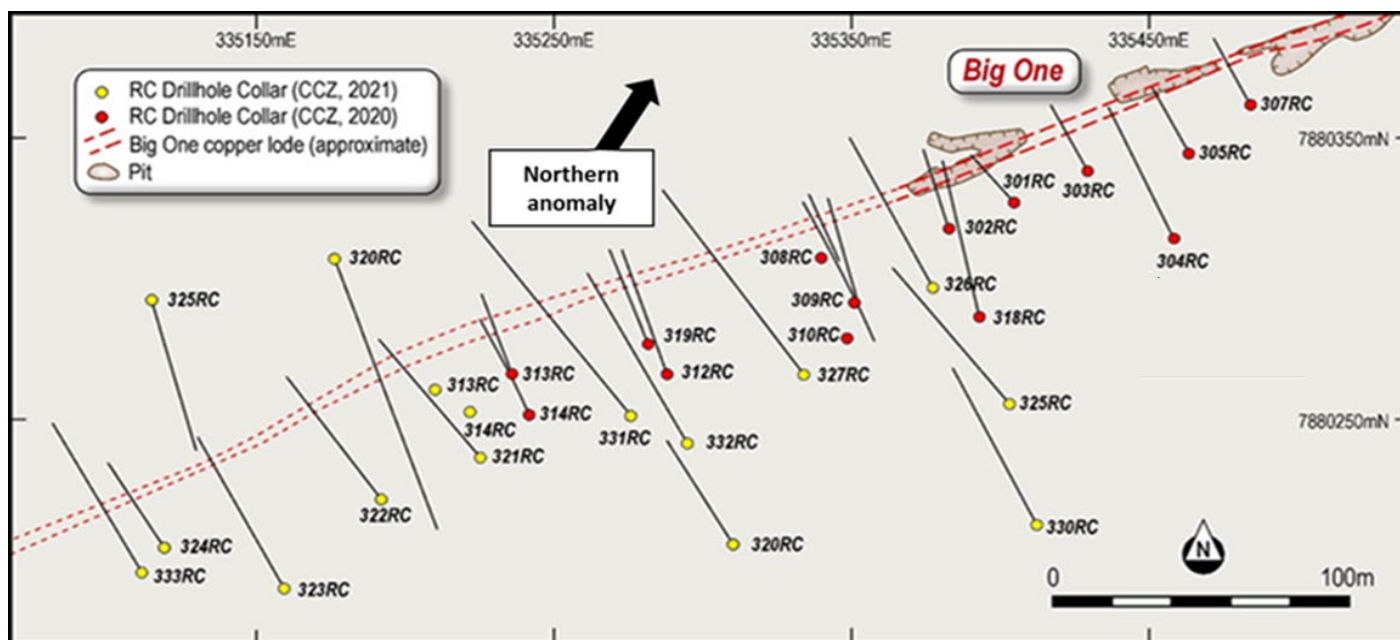
Located within CCZ's prime NWQ Copper Project, which is proximal to ground owned by global blue chips including Anglo American, the Big One Deposit has a JORC 2012 compliant MRE of **2.1Mt @ 1.1% Cu for 21,886t** contained metal².

This was modelled from historic data and three drilling campaigns across 2020-21 which produced high-grade results:

- 40m @ 1.64% from surface incl: 11m @ 4.40% from 24m, 5m @ 7.34% from 28m & 1m @ 16.65% from 29m (BO_303RC)³.
- 44m @ 1.19% Cu from surface incl: 14m @ 3.55% from 27m, 3m @ 10.88% from 37m & 1m @ 12.6% from 37m (BO_301RC)³.

The focus of the planned soil and rock chip sampling campaign will be north of the known orebody (*Figure 1*), where there is a sizeable, untested bedrock conductor.

FIGURE 1: BIG ONE DEPOSIT – LINE OF LODE & HISTORICAL DRILL-HOLES



Source: CCZ geology team

Importantly, previous work confirmed the known orebody, which starts from surface and not fully defined, is open to the north, east and down dip.

Once the surface results have been assayed, the geology team believe there should be adequate data to formulate a drilling campaign to potentially extend known mineralisation at the Big One Deposit.



CASTILLO COPPER NON-EXECUTIVE DIRECTOR AND CHIEF GEOLOGIST, JOEL LOGAN, COMMENTED:

“The ground north of the Big One Deposit’s line of lode, which contains a sizeable anomaly, is highly prospective.

Indeed, drill-hole designs can be inferred via the nearby orientation of multiple extensions from confirmed highly mineralised lodes. Moreover, structural, petrographic and GIS analysis suggest the potential for shear hosted and IOCG style mineralisation in the current areas of interest.

With the presence of malachite, azurite, and cuprite on the surface above potential targets, adjacent tenement holdings owned by majors, and the relative proximity to established and historic mine sites underpin the Big One Deposit’s exploration potential.”

Copper Market Update

The copper market has been making steady growth over the course of 2024, with the price having increased by 17% since the beginning of the calendar year (January)⁵.

Strong gains, particularly in late April, saw the commodity price momentarily climb to USD\$10,000/tonne¹. Since, it has remained quite comfortably in a range upwards of USD\$9,700.

In addition, probable and intensified supply stress has prompted Investment Bank Goldman Sachs to raise its end of year price target from USD\$10,000 per tonne, up to \$12,000¹.

The Board of Castillo Copper Limited authorised the release of this announcement to the ASX.

– ENDS –

⁵ Bloomberg News (10 May 2024: “Copper Above \$10,000 as Supply Worries Counter Faltering Demand” Available at: <https://www.bloomberg.com/news/articles/2024-05-10/copper-near-10-000-as-supply-worries-counter-faltering-demand>



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COMPETENT PERSON'S STATEMENT

The information in this report that relates to Exploration Results and Mineral Resource Estimates for "Plans Underway to Fully Develop the Big One Deposit in the World-Class Mt Isa Copper Belt" is based on information compiled or reviewed by Mr Mark Biggs. Mr Biggs is a director of ROM Resources, a company which is a shareholder of Castillo Copper Limited. ROM Resources provides ad-hoc geological consultancy services to Castillo Copper Limited. Mr Biggs is a member of the Australian Institute of Mining and Metallurgy (member #107188) and has sufficient experience of relevance to the styles of mineralisation and types of deposits under consideration, and to the activities undertaken, to qualify as a Competent Person as defined in the 2012 Edition of the Joint Ore Reserves Committee (JORC) Australasian Code for Reporting of Exploration Results, and Mineral Resources. Mr Biggs holds an AusIMM Online Course Certificate in 2012 JORC Code Reporting. Mr Biggs also consents to the inclusion in this report of the matters based on information in the form and context in which it appears.

The Australian Securities Exchange has not reviewed and does not accept responsibility for the accuracy or adequacy of this release.

ABOUT CASTILLO COPPER

Castillo Copper Limited is an Australian-based, Australian-focussed copper exploration Company with a strategy to develop multi-commodity assets that demonstrate future potential as an economic mining operation.

Through the application of disciplined and structured exploration and analysis, Castillo Copper has identified assets deemed core to the Company's sustained growth and is actively progressing these interests up the value curve.

Current focus will be on advancing exploration activity at the Company's wholly owned NWQ Project, situated in the copper-belt district approximately 150km north of Mt Isa in north-west Queensland.

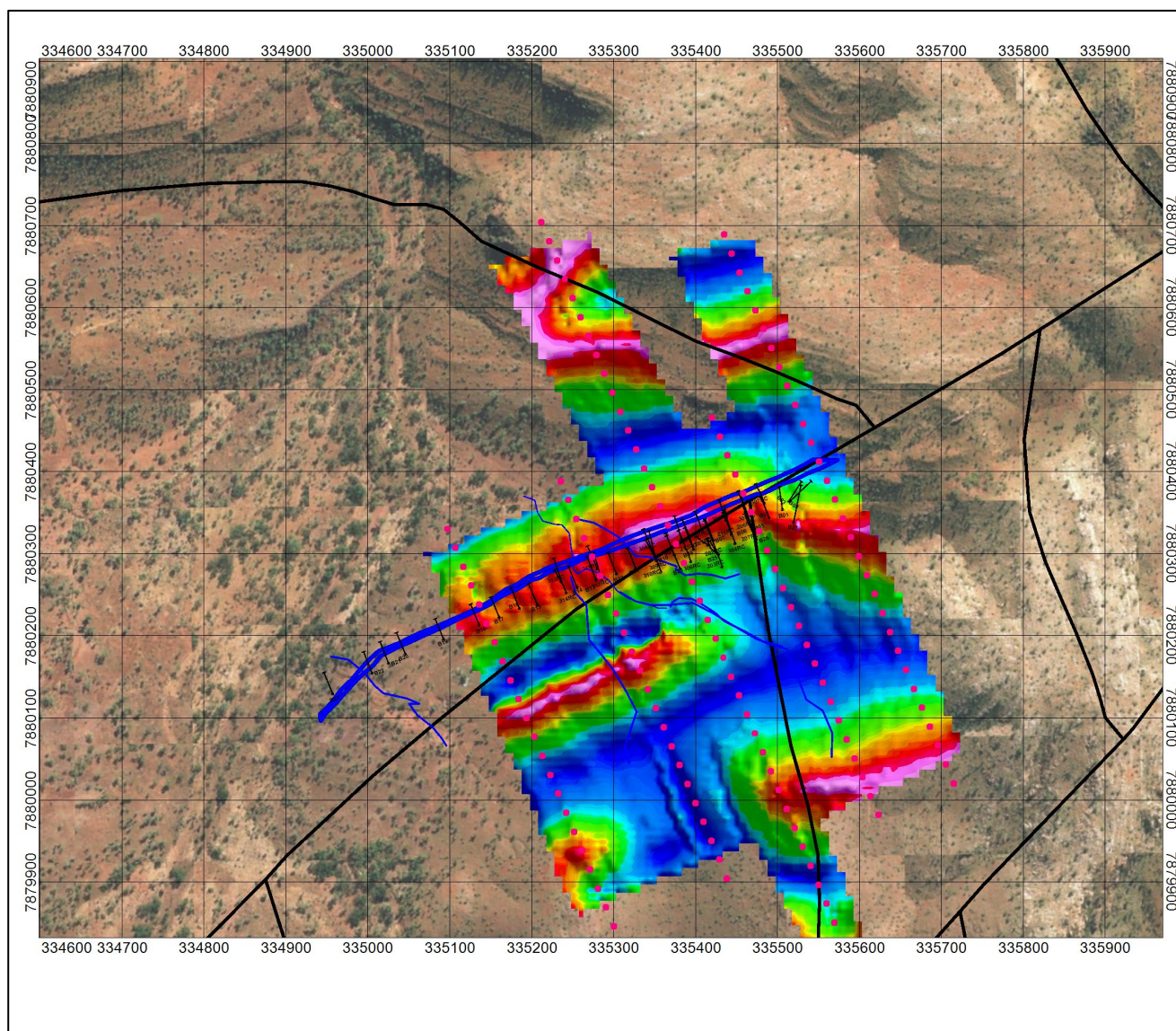
Other interests include the Broken Hill Project in western New South Wales and the Cangai Copper Mine in north-east New South Wales, as well as exploration targets in Zambia.

Castillo Copper is listed on the LSE and ASX under the ticker "CCZ".

APPENDIX 1

Please refer to the Figure A1 which shows the extent of the IP anomaly north and south of the current line-of-lode for copper mineralisation⁴.

Figure A1: IP Anomaly (Chargeability Trends) at 120m depth.



Notes:

1. Coordinate system is MGA94-Z54S.
2. Geological Formation boundaries shown in black.
3. Line of Lode shown in thick blue line.
4. For more detail see JORC Table 1 at:
 - a. CCZ ASX Release (1 June 2021) – Expanded drilling campaign set to commence at Big One Deposit