



# JUNE 2023 QUARTERLY ACTIVITIES REPORT



## Highlights

- EAST ZONE, BHA PROJECT, NSW
  - ❖ Specialist consultant, ANSTO, performed metallurgical test-work on six samples from the Fence Gossan, Reefs, and Tors Tanks Prospects<sup>1</sup>
  - ❖ The Total Rare Earth Element plus Yttrium (TREY) grades for the six samples ranged from 227 to 1,632 ppm TREY<sup>1</sup>

## ACTIVITIES REPORT

Castillo Copper Limited's ("CCZ") Board is pleased to present shareholders its latest quarterly report for the period 1 April to 30 June 2023.

An overview of key events follows:

### DEVELOPMENT WORK

CCZ has four properties comprising the NWQ Copper Project in Mt Isa's copper-belt, the BHA Project near Broken Hill's world class silver-zinc-lead deposit in NSW, the historic Cangai Copper Mine and four assets across Zambia's copper-belt.

#### East Zone, BHA Project, NSW

On 13 April 2023, specialist consultant, ANSTO, was appointed to undertake comprehensive metallurgical test-work on six samples from Fence Gossan, Reefs and Tors Tanks Prospects to understand the potential to extract rare earth elements (REE) from shallow clay zones.

The scope of work will focus on characterising REE leachability from the six samples which comprise fresh pegmatite to highly weathered clay, especially with Magnetic Rare Earth Oxide (MREO) grades ranging from 362-603ppm.

This is an important step towards advancing the viability of the BHA Project's East Zone REE potential and securing interest from prospective development partners, especially given the extent of high-value MREO (Nd+Pr+Dy+Tb) within the system<sup>1</sup>.

On 14 June 2023, specialist consultant, ANSTO, performed metallurgical test-work on six samples from the Fence Gossan, Reefs, and Tors Tanks Prospects which produced the following preliminary findings:

- ❖ The Total Rare Earth Element plus Yttrium (TREY) grades for the six samples ranged from 227 to 1,632 ppm TREY;
- ❖ The proportion of high-value Magnetic Rare Earth Oxides (MREO; Nd+Pr+Dy+Tb) to Total REO (TREO) across the six samples ranged from 22% to 27%; and
- ❖ The best TREY extraction, using a direct leach process at pH 1, was 30%

The Board is reviewing next steps, including trialing alternate leach tests proposed by ANSTO to improve extraction results<sup>1</sup>.

### PAYMENTS TO, OR TO AN ASSOCIATE OF, A RELATED PARTY OF THE ENTITY DURING QUARTER DURING THE QUARTER

\$202,000 was paid to related parties of CCZ relating to executive director salary, non-executive director fees and exploration expenditure paid to Field Crew, a related entity of director David Drakeley.

## SUMMARY OF THE EXPLORATION EXPENDITURE INCURRED DURING THE QUARTER

	<b>Consulting fees</b>	<b>Rates and mines departments fees</b>
Cangai	\$96,000	-
Broken Hill Alliance	\$28,000	\$1,000
Mt Isa	\$77,000	\$38,000
Zambia	\$27,000	\$1,000
<b>Total</b>	<b>\$228,000</b>	<b>\$40,000</b>

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

**Dr Dennis Jensen**

**Managing Director**

1) Note – All information referenced is from CCZ ASX Releases, as dated in text, from 1 January 2022 to 28 April 2022 inclusive

# About Castillo Copper

Castillo Copper Limited is an Australian-based explorer primarily focused on copper across Australia and Zambia. The group is embarking on a strategic transformation to morph into a mid-tier copper group underpinned by its core projects:

- A large footprint in the in the Mt Isa copper-belt district, north-west Queensland, which delivers significant exploration upside through having several high-grade targets and a sizeable untested anomaly within its boundaries in a copper rich region.
- Four high-quality prospective assets across Zambia's copper-belt which is the second largest copper producer in Africa.
- A large tenure footprint proximal to Broken Hill's world-class deposit that is prospective for cobalt-zinc-silver-lead-copper-gold and platinoids.
- Cangai Copper Mine in northern New South Wales, which is one of Australia's highest grading historic copper mines.

The group is listed on the LSE and ASX under the ticker "CCZ."

## Directors

**Gerrard Hall**

**Dr Dennis Jensen**

**David Drakeley**

**Jack Sedgwick**

## ASX/LSE Symbol

**CCZ**

## Contact

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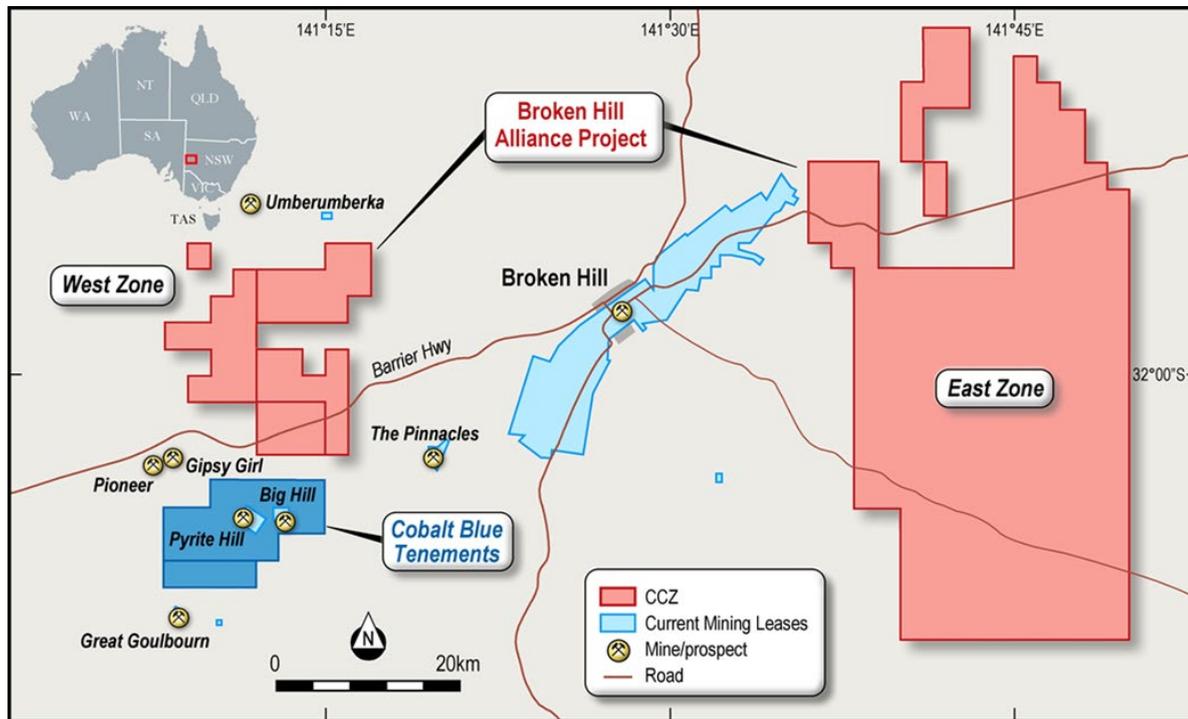
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**FOR THE LATEST NEWS** [www.castillocopper.com](http://www.castillocopper.com)



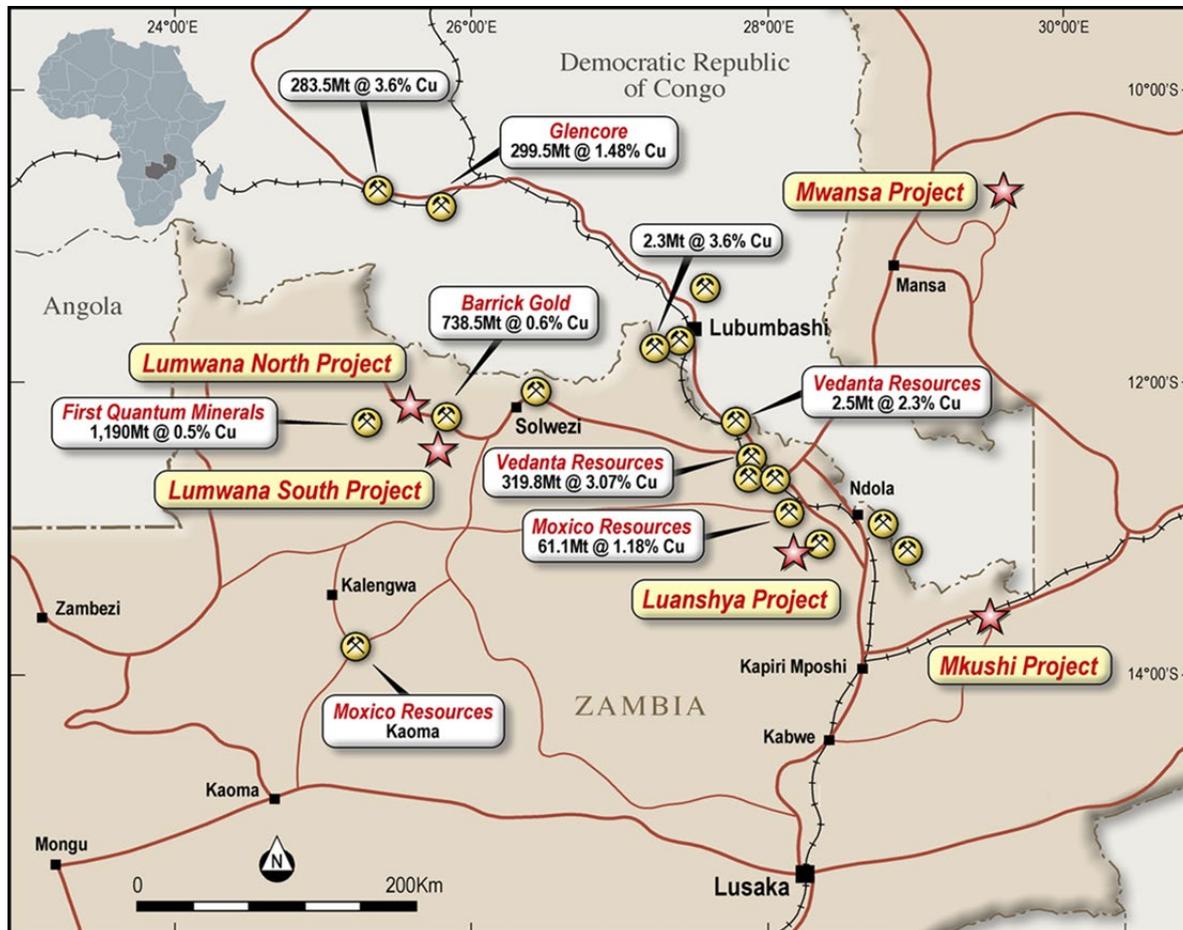
# APPENDIX A: KEY PROJECTS

**FIGURE A1: WEST AND EAST ZONE – BHA PROJECT, BROKEN HILL REGION**



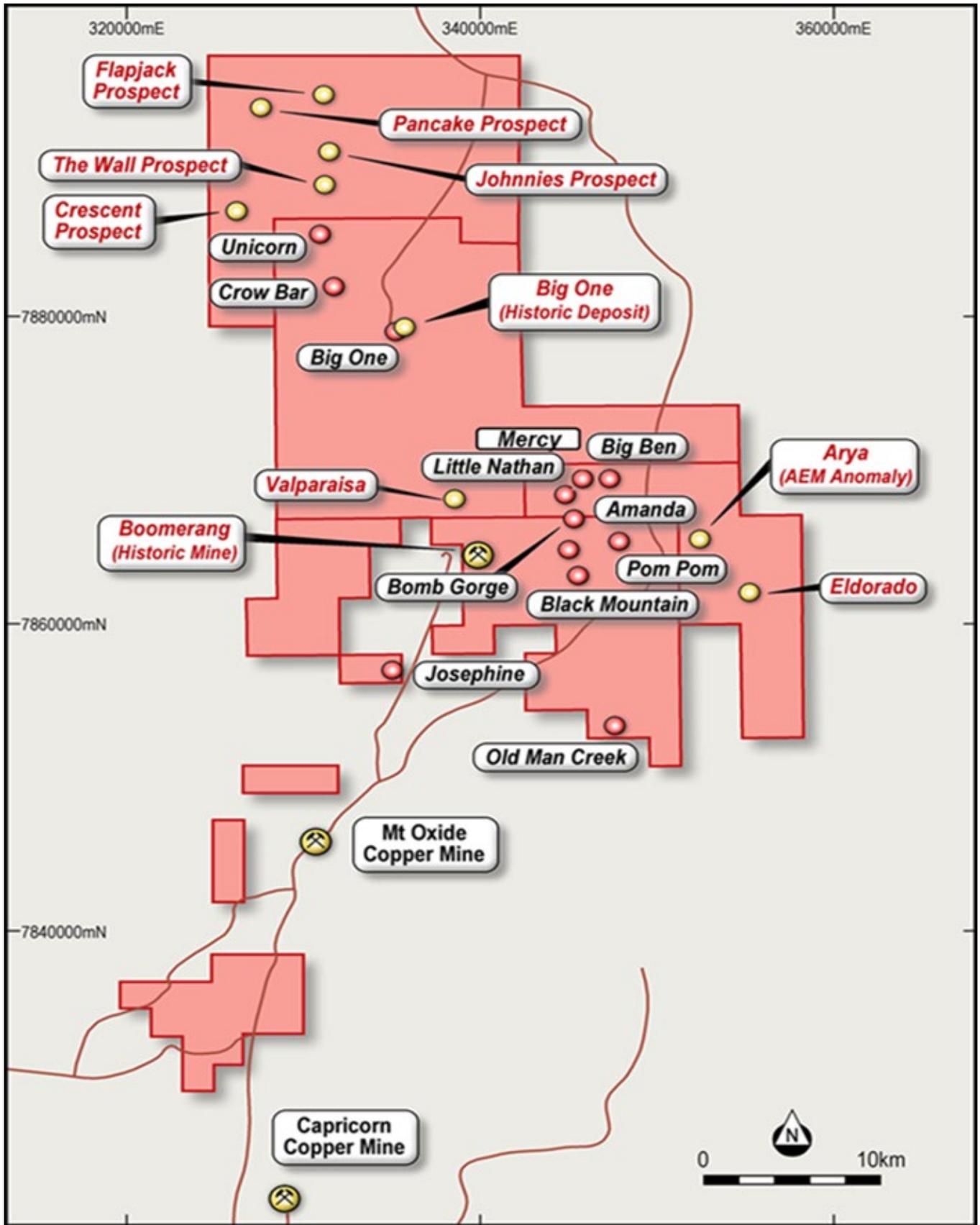
Source: CCZ geology team

**FIGURE A2: ZAMBIA COPPER-BELT PROJECTS**



Source: CCZ geology team

**FIGURE A3: NWQ COPPER PROJECT, MT ISA REGION**



Source: CCZ geology team

## APPENDIX B: INTEREST IN MINING TENEMENTS HELD

<b>JACKADERRY (CANGAI)</b>			
New England Orogen in NSW			
Tenement ID	Ownership at start of Quarter	Ownership at end of Quarter	Change during the Quarter
EL8635	100%	100%	-
EL8625	100%	100%	-
EL8601	100%	100%	-

<b>BROKEN HILL</b>			
located within a 20km radius of Broken Hill, NSW			
Tenement ID	Ownership at start of Quarter	Ownership at end of Quarter	Change during the Quarter
EL8599	100%	100%	-
EL8572	100%	100%	-
EL 8434	100%	100%	-
EL 8435	100%	100%	-

<b>MT OXIDE</b>			
Mt Isa region, northwest Queensland			
Tenement ID	Ownership at start of Quarter	Ownership at end of Quarter	Change during the Quarter
EPM 26513	100%	100%	-
EPM 26525	100%	100%	-
EPM 26574	100%	100%	-
EPM 26462	100%	100%	-
EPM 27440	100%	100%	-

<b>ZAMBIA</b>				
Project	Tenement ID	Ownership at start of Quarter	Ownership at end of Quarter	Change during the Quarter
Lumwana North	23914-HQ-SEL	100%	nil	100%
Lumwana South	23913-HQ-SEL	100%	nil	100%
Mkushi	24659-HQ-LEL	100%	100%	-
Luanshya *	22448-HQ-LEL	-	-	-
Luanshya	25195-HQ-LEL	55%	55%	-
Luanshya	25273-HQ-LEL	55%	55%	-
Mwansa	25261-HQ-LEL	100%	100%	-

\* CCZ can earn up to 80% by meeting previously disclosed milestones

### The mining tenement interests relinquished during the quarter and their location

- Lumwana North 23914-HQ-SEL Zambia
- Lumwana South 23913-HQ-SEL Zambia
- Luanshya <sup>1</sup> 22448-HQ-LEL Zambia

<sup>1</sup> CCZs right to earn up to 80% by meeting previously disclosed milestones lapsed during the quarter.