



ASX Release

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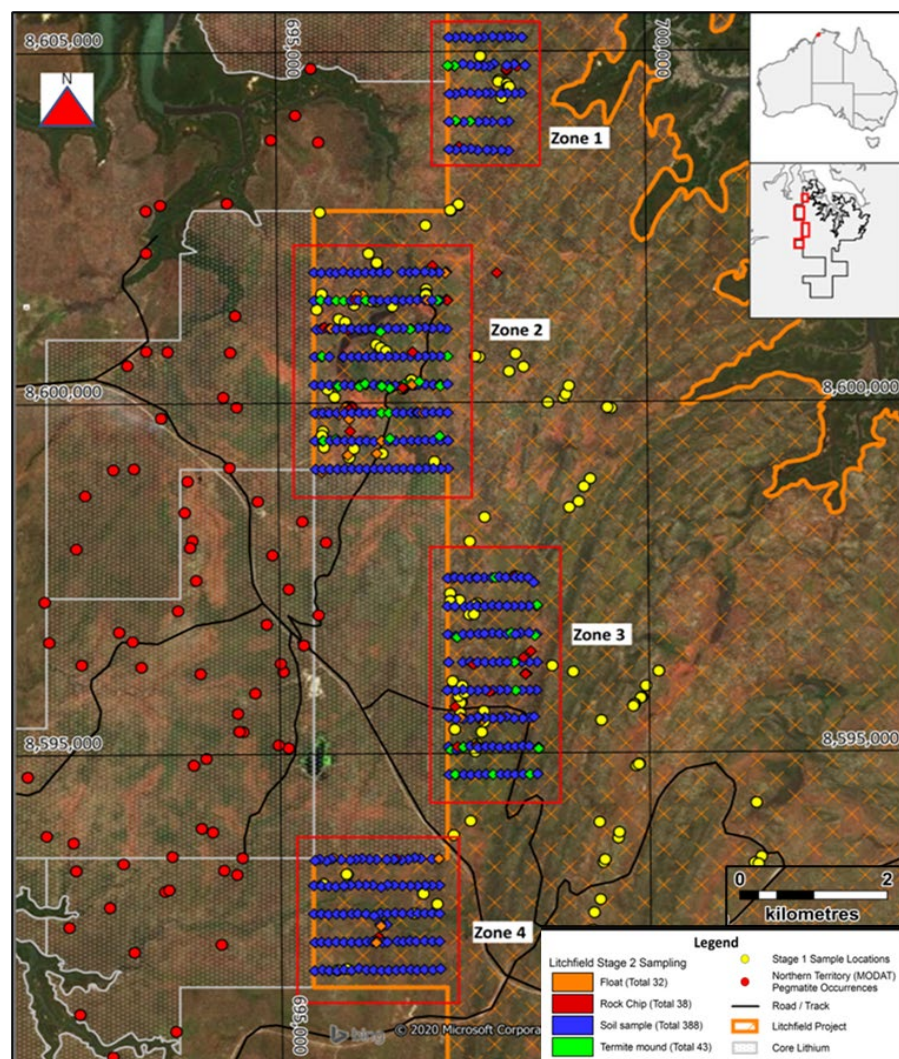
ASX/ LSE Symbol:
CCZ

Option to acquire Litchfield and Picasso Lithium Projects extended

CCZ's Managing Director, Simon Paull, commented: "The Board has advised the Vendor Group that it is extending the option period to acquire the Litchfield & Picasso Lithium Projects due to ongoing delays in receiving key assay results for both projects. Encouragingly, however, the Board is pleased with the due process undertaken to date and believes both assets have considerable potential to host lithium mineralisation. The Board looks forward to receiving these assays and concluding due diligence shortly thereafter."

- **CCZ's Board has advised the Vendor Group it is extending the 90-day option period to acquire the Litchfield and Picasso Lithium Projects¹:**
 - ❖ **Notably, over 650 surface assays for the Litchfield Lithium Project (Figure 1; NT)¹, which is contiguous to Core Lithium's (ASX: CXO) strategic Finniss Lithium Project (JORC compliant ore reserves: 7.4Mt @ 1.3% Li₂O)², remain in process queues at the laboratory**
 - ❖ **Analysing and interpreting these assay results should potentially enable CCZ's geology team to determine if lithium mineralisation is contiguous between the Litchfield and Finniss Lithium Projects¹**

FIGURE 1: SURFACE SAMPLING – LITCHFIELD LITHIUM PROJECT



Source: CCZ geology team

Castillo Copper Limited's ("CCZ") Board has advised the Vendor Group that it is extending the 90-day option to acquire the Picasso and Litchfield Lithium Projects in prime regions in Western Australia (WA) and the Northern Territory (NT) respectively. The main reason is processing delays at the laboratories, due to huge demand to process samples, which is extending timelines significantly.

OPTION EXTENDED

Ongoing delays to process surface samples from the Picasso and Litchfield Lithium Projects have resulted in CCZ's Board advising the Vendor Group that it is extending the 90-day option¹ to acquire the assets. Under the terms of the option agreement, the extension remains effective until 30 days after the receipt of the full suite of assay results.

Whilst reviewing available information for both projects has been positive, enhancing their potential to host lithium mineralisation, the assays are critical to enable due diligence to be finalised. This is especially the case for the Litchfield Lithium Project as it is contiguous to CXO's Finniss Lithium Project which has JORC compliant ore reserves of 7.4Mt @ 1.3% Li₂O².

As shown in Figure 1 above, there are over 650 surface samples from four zones on the boundary with the Finniss Lithium Project. Analysing and interpreting these assay results should enable CCZ's geology team to potentially determine if there is contiguous lithium mineralisation apparent and finalise due diligence.

Due to unprecedented demand, the timelines to process samples at laboratories have been extended significantly. CCZ's geology team are in regular contact with the laboratories and hope to have clarity on when the assays will be received shortly.

Next steps

For the lithium projects:

- Receipt of assays to enable due diligence to be closed for the Litchfield and Picasso Lithium Projects.

For the NWQ Copper Project:

- Update on Arya Prospect drilling campaign and assay results.

For Zambia operations:

- Update on IP survey at the Mkushi Project; and
- Commence work on the inaugural drilling campaign for the Luanshya Project.

For and on behalf of Castillo Copper

Simon Paull

Managing Director

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 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 zinc-silver-lead-copper-gold.
- 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."

References

- 1) CCZ ASX Release – 29 September & 20 October 2021
- 2) CXO ASX Release – 21 September 2021 (Annual Report)

Competent Person Statement

The information in this report that relates to Exploration Results for "Litchfield" and "Picasso" is based on information compiled or reviewed by Mr Geoffrey Reed, a Non- Executive Director of CCZ. Mr Reed is both a shareholder and director of Bluespoint Mining Services, a company which is a shareholder of Castillo Copper Limited. Bluespoint Mining Services provides ad hoc geological consultancy services to Castillo Copper Limited. Mr Reed is a member of the Australian Institute of Mining and Metallurgy (CP) (member #250422) 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 Reed is a member of the Australian Institute of Geoscientists. Further, Mr Reed consents to the inclusion in this report of the matters based on information in the form and context in which it appears.

Mr Reed has not verified any of the information regarding any of the properties or projects referred to herein other than the "Litchfield" and "Picasso" Properties.

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