# **QUARTERLY REPORT**

**PERIOD ENDED 31 DECEMBER 2023** 



ASX/LSE: CCZ

**ASX ANNOUNCEMENT** 30 January 2024

**ASX Codes** 

ASX: CCZ ASX: CCZOA ASX: CCZOB

**Registered Office** 

45 Ventnor Avenue, West Perth, 6005

#### **Capital Structure**

1,299m shares 163.4m listed options 11.0m unlisted options 93.8m performance shares

# **Directors**Gerrard Hall

Chairman

Jack Sedgwick Non-Executive Director

David Drakeley Non-Executive Director

**Company Secretary**Dale Hanna

Castillo Copper ("Castillo" or "the Company") is pleased to present its latest quarterly report for the period 1 October 2023 to 31 December 2023.

#### HIGHLIGHTS

## **Strategic Asset Portfolio Review**

- A wholesale asset portfolio review was completed to support the definition of next steps and optimal pathways to create shareholder value.
- The review identified which assets remain core and highly prospective to prioritise exploration capital and leverage future opportunities with strategic development partners.

#### **NWQ Copper Project**

- The Board collectively endorsed the geology team's motion to earmark the NWQ Copper Project as a core asset.
- Growing geological understanding of the 20+ prospects is now a Board focus, in readiness of engaging potential strategic partners.
- Field trips commenced to map and fully assess future exploration targets across the asset.

## Corporate

- Former Managing Director Dr Dennis Jensen tendered his resignation during the Quarter.
- Mr Jack Sedgwick (BEng BCom MBA Distinction) GAICD transitioned from interim Executive Director to Non-Executive Director.
- o Cash on hand at the end of quarter totalled \$1,747,000.
- Rehabilitation Security Bonds which will convert to cash within 12 months totalled \$311,000 at quarter end.

## STRATEGIC ASSET PORTFOLIO REVIEW

#### **Identification of Core and Non-Core Assets**

During the Quarter, a strategic asset review was completed to assess the location, timing and sequence of planned exploration activities across Castillo's existing portfolio.

Assets deemed to be core will be developed, potentially with the support of a strategic partner, while assets deemed non-core will be divested.

## **NWQ COPPER PROJECT**

#### **Core Asset Identification**

During the quarter as part of the strategic asset portfolio review, the Company's NWQ Copper Project – situated in Mount Isa's copper-belt – was identified as a core asset.

This classification acknowledges the NWQ Copper Project (see Figure 1) as an asset that aligns with Castillo's future development plans.

## **Next Steps**

The Board will be embarking on a campaign to deepen its understanding of the 20+ prospects across the tenure (excluding the Big One Deposit) ahead of engaging with potential strategic partners.

As part of the review process, members of the geology team visited the Boomerang and Josephine Prospects to assess their exploration potential. Both have been interpreted as prospective for structurally controlled copper mineralisation.

## **Historical Highlights**

The historical highlights of these prospects are as follows:

## Boomerang Prospect<sup>(1-4)</sup>

Mineralisation is hosted in the Surprise Creek Formation and is through to be associated with secondary faulting related to the Mt Gordon Fault, a regional NE trending structure.

In 1975, Dampier Mining conducted an exploration campaign that included geological mapping, rock sampling and drilling of nine RAB holes, to delineate a sandstone hosted copper oxide mineralisation over an 800m strike length. Secondary copper staining was observed along the strike length.

## Josephine Prospect(1-4)

Occurs within a fault-bounded block of middle-lower Surprise Creek Formation. The host rock consists of buff, brown and grey thin bedded fine feldspathic and labile sandstone, ferruginous sandstone and micaceous siltstone.



<sup>&</sup>lt;sup>1</sup> CCZ London Listing Prospectus - 28 July 2020

<sup>&</sup>lt;sup>2</sup> CCZ ASX Announcement - 17 October 2023

<sup>&</sup>lt;sup>3</sup> CCZ ASZ Announcement - 23 January 2023

<sup>&</sup>lt;sup>4</sup> Nowland, M. L. (2020-22). EPM 26462 Big Oxide North Annual Report for period 29th August 2021 to 28th August 2022. Prepared by ROM Resources for Castillo Copper Limited.

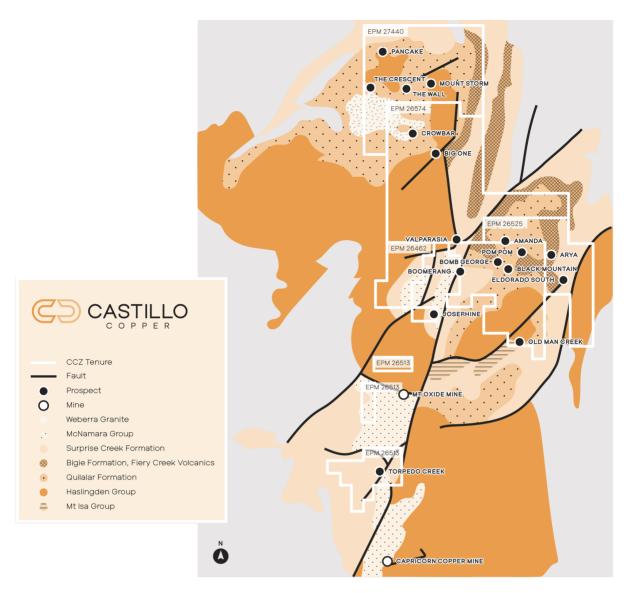


Figure 1: NWQ Project Prospect Map

## Field Trip and Rock Chip Sampling

The field trip was undertaken to complete a small program of rock chip sampling (refer ASX Announcement dated 24 October 2023) taken across various geological formations.

This preliminary work was undertaken to determine the prospectivity for copper mineralisation and facilitate the next phase of a more systematic exploration campaign if suitable targets are determined.

## **CORPORATE**

## **Board Changes**

On 10<sup>th</sup> October 2023 Managing Director Dr Dennis Jensen resigned from the Castillo Copper Board.



## **Rehabilitation Security Bonds**

Rehabilitation Security and Bonds which will convert to cash within 12 months totalled \$311,000 at quarter end.

## Information required under ASX listing rules

## 1. ASX LR 5.3.5

During the quarter \$225,000 was paid to related parties of the Company relating to executive and non-executive director fees and exploration consulting fees paid to an entity controlled by a related party.

## 2. ASX LR 5.3.1

A summary of the exploration expenditure incurred during the quarter is set out below:

Table 1: Summary of Exploration Expenditure

Asset	Consulting fees	Rates and mines departments fees	Other
Cangai	\$37,000	-	-
Broken Hill	\$58,000	-	-
Mt Isa	\$56,000	-	-
Zambia	\$17,000	\$6,000	-
Total	\$168,000	\$6,000	-

## 3. ASX LR 5.3.3

In accordance with ASX Listing Rule 5.3.3 a schedule of Company's tenements as at 31 December 2023 can be found at Appendix B.

This announcement has been authorised for release to the ASX by the Castillo Copper Limited Board.

- ENDS -



#### For further information please contact:

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## **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 A: KEY PROJECTS**

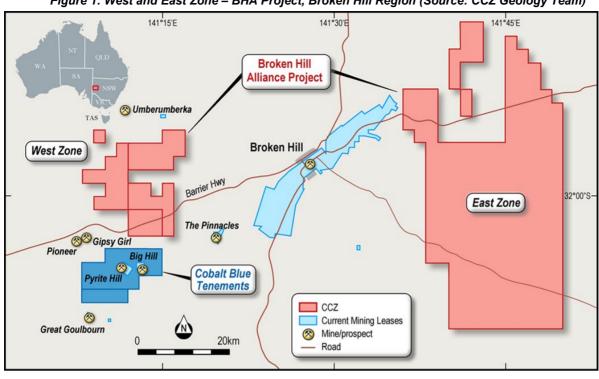
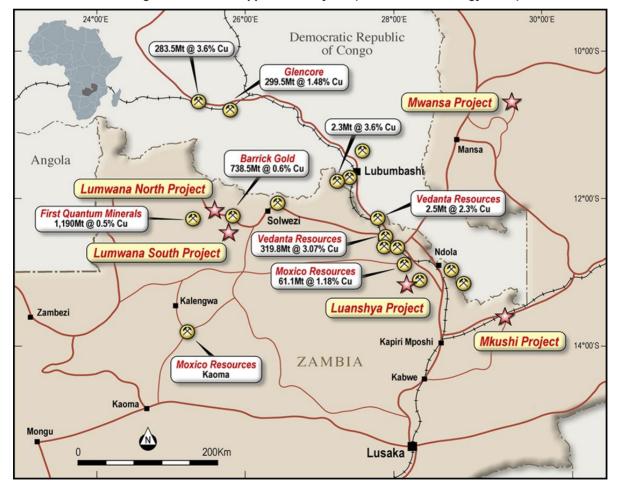
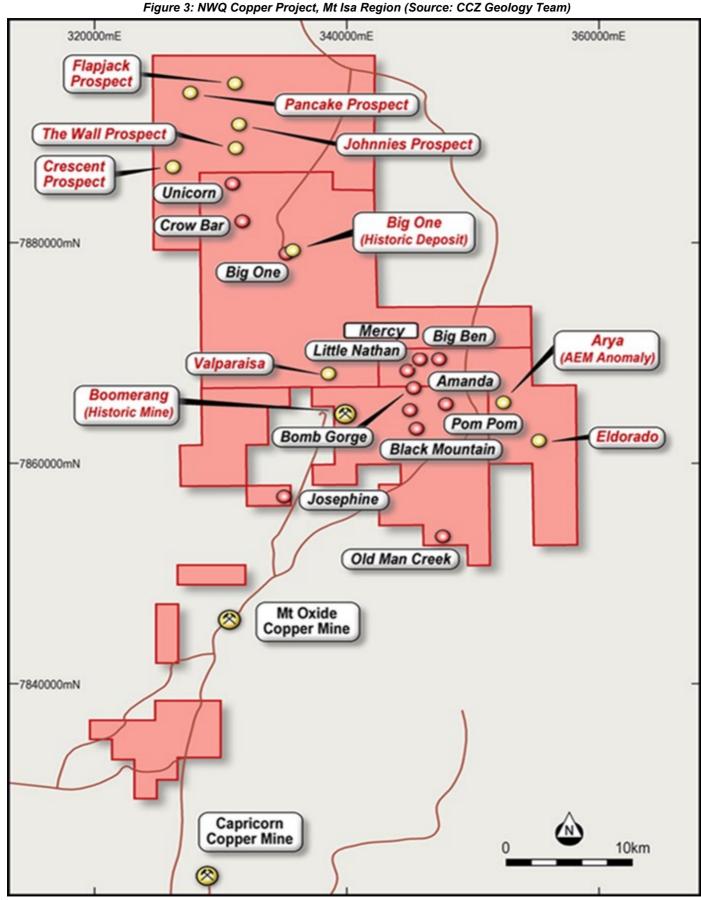


Figure 1: West and East Zone - BHA Project, Broken Hill Region (Source: CCZ Geology Team)











## **APPENDIX B: INTEREST IN MINING TENEMENTS HELD**

## Table 2: Jackaderry (Cangai), 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%	-

## Table 3: Broken Hill, located within a 20km radius of Broken Hill in 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%	-

## Table 4: Mt Oxide, Mt Isa region in North West 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%	-

## Table 5: Zambia

Tenement ID	Ownership at start of Quarter	Ownership at end of Quarter	Change during the Quarter
24659-HQ-LEL (Mkushi)	100%	100%	-
25195-HQ-LEL (Luanshya)	55%	55%	-
25273-HQ-LEL (Luanshya)	55%	55%	-
25261-HQ-LEL (Mwansa)	100%	100%	-

