

NWQ COPPER PROJECT EARMARKED CORE ASSET

HIGHLIGHTS

- The Board has endorsed the geology team's recommendation to classify the NWQ Copper Project in Mt Isa's copper-belt (Appendix A) as a core asset. The status of Cangai Copper Mine, BHA Project and Zambia is still under review
- With over 20 prospects across the tenure, a key focal point has been to deepen the Board's understanding of their prospectivity (excluding the Big One Deposit which has been drilled) in readiness of engaging potential strategic partners
- As part of this process, the geology team recently conducted field trips to the Boomerang and Josephine Prospects (structurally controlled copper mineralisation potential)¹⁻⁴ to identify future exploration targets:
 - Assayed rock chip samples returned anomalous surface readings up to 0.46% Cu at the Boomerang Prospect (Appendix B)

CASTILLO COPPER'S CHAIRMAN GED HALL COMMENTED: *"With over 20 prospects across the NWQ Copper Project, which is now earmarked as a core asset, the geology team has considerable work ahead to fully assess the collective exploration potential. This is critical information to have mapped out as the Board channels its efforts into aligning with a strategic development partner".*

NWQ COPPER PROJECT – CORE ASSET

Castillo Copper Limited's ("CCZ") Board is pleased to announce that NWQ Copper Project, which is located in Mount Isa's copper-belt (Appendix A), has been classified as a core asset. As such, 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 this process, members of the geology team recently visited the Boomerang and Josephine Prospects to assess the exploration potential, as both are interpreted to be prospective for structurally controlled copper mineralisation.

To recap, the key historical highlights of these two prospects are as follows:

Boomerang Prospect¹⁻⁴

- Mineralisation is hosted in the Surprise Creek Formation and is thought 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 nine RAB holes, delineating a sandstone hosted copper oxide mineralisation over an 800m strike length. Secondary copper staining has been observed along the strike length.

Josephine Prospect¹⁻⁴

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

Field trip and rock chip sampling

The field trip included a small program of rock chip sampling (refer Figure 1 & 2) 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.

From the Boomerang Prospect 21 rock-chip samples were taken from the exposed sections of the Surprise Creek Formation. In addition, 13 rock-chip samples were obtained from the outcrops of the Gunpowder Formation, Paradise Creek Formation, and Surprise Creek Formation at the Josephine Prospect.

The rock-chip samples were sent to ALS Brisbane for multi-element analysis, with assay results identifying elevated levels of copper up to 0.46% Cu at the Boomerang Prospect (refer Appendix B).

FIGURE 1: SAMPLE CCZ05985 (E.339397 N.7864042)



Source: CCZ Geology Team

FIGURE 2: SAMPLE CCZ05986 (E. 339321 N. 7864037)



Source: CCZ Geology Team

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

– ENDS –



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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 and platinoids.
- Cangai Copper Mine in northern New South Wales, which is one of Australia's highest grading historic copper mines.

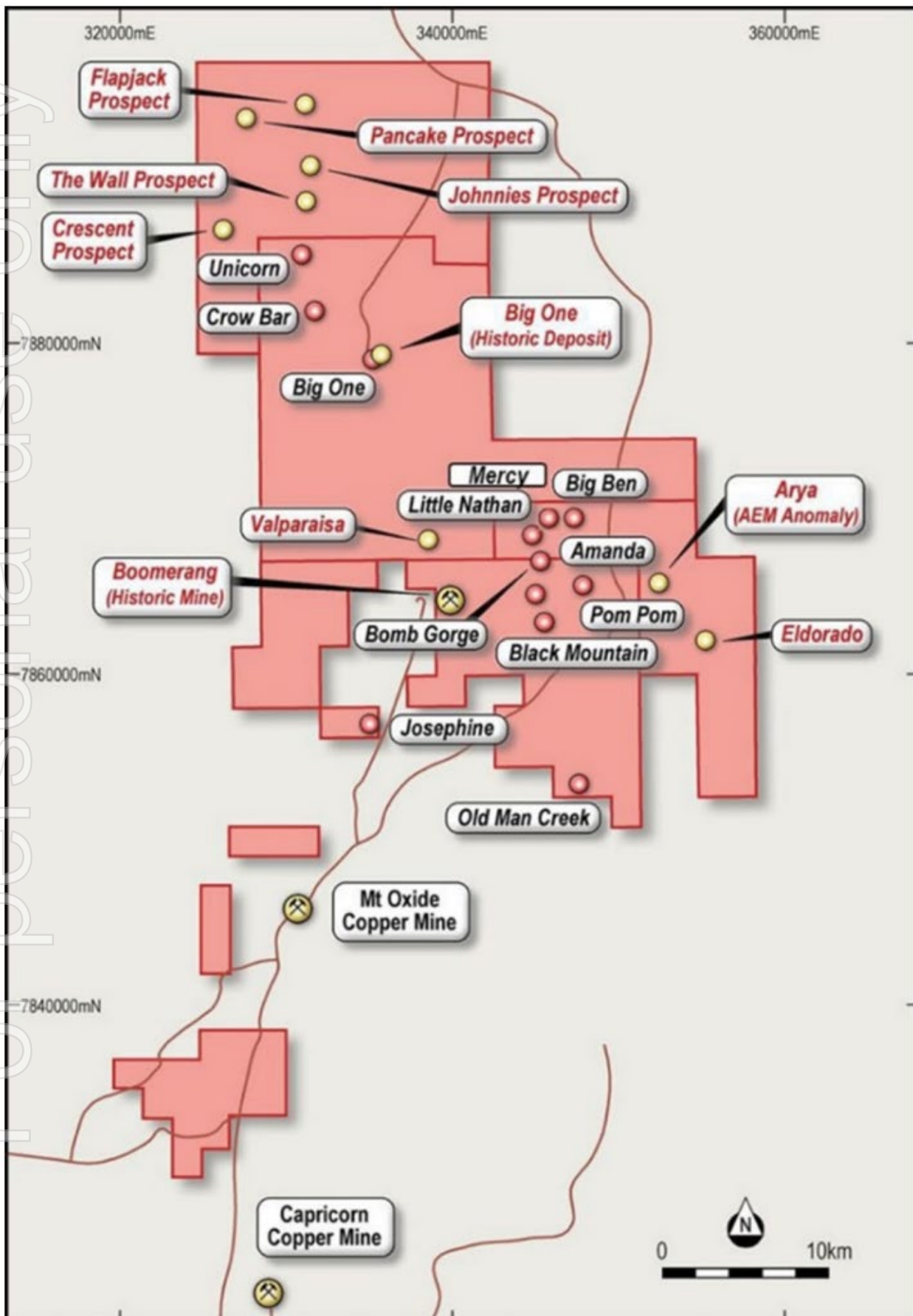
COMPETENT PERSON STATEMENT

The information in this announcement that relates to exploration results is based on and fairly represents information compiled by Jeremy Clark, a competent person who is a member of the AusIMM. Jeremy Clark is the sole director of Lily Valley International Pty Ltd. Jeremy Clark has sufficient experience that is relevant to the style of mineralisation and type of deposits under consideration and to the activity being undertaken to qualify as a Competent Person as defined in the 2012 edition of the Australasian Code of Report of Exploration Results, Mineral Resources and Ore Reserves. Jeremy Clark consents to the inclusion in this announcement of the matters based on his work in the form and context in which is appears.

REFERENCES

- (1) CCZ London Listing Prospectus – 28 July 2020
- (2) CCZ ASX Announcement – 17 October 2023
- (3) CCZ ASZ Announcement – 23 January 2023
- (4) 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

APPENDIX A: PROSPECTS WITHIN THE NORTH-WEST QUEENSLAND COPPER PROJECT



Source: CCZ geology team



APPENDIX B: ROCK CHIP ASSAY RESULTS

Sample ID	Site_ID	Easting (GDA94/z54)	Northing (GDA94/z54)	Cu (ppm)
CCZ05981	BMG_SM_03	339386	7864168	21.6
CCZ05982	BMG_SM_04	339452	7864076	580
CCZ05983	BMG_SM_05	339408	7864044	117
CCZ05984	BMG_SM_06	339399	7864048	2360
CCZ05985	BMG_SM_07	339397	7864042	641
CCZ05986	BMG_SM_08	339321	7864037	4590
CCZ05987	BMG_SM_09	339507	7863970	4000
CCZ05988	BMG_SM_10	339588	7863946	1170
CCZ05989	BMG_SM_11	339604	7863943	3390
CCZ05990	BMG_SM_12	339668	7863919	746
CCZ05991	BMG_SM_13	339729	7863877	1445
CCZ05992	BMG_SM_14	339770	7863757	1575
CCZ05993	BMG_SM_15	339763	7863704	1060
CCZ05994	BMG_SM_16	339731	7863620	94.2
CCZ05995	BMG_SM_17	339375	7864108	536
CCZ05996	BMG_SM_18	339354	7864237	11.3
CCZ05997	BMG_SM_19	339263	7864192	28.2
CCZ05998	BMG_SM_20	339130	7864191	15.6
CCZ05999	BMG_SM_21	338986	7864124	28.9
CCZ06000	BMG_SM_22	338197	7861004	41.5
CCZ06001	BMG_SM_23	338235	7860956	50.6

Source: ALS Brisbane

Sample_ID	Site_ID	Easting (GDA94/z54)	Northing (GDA94/z54)	Cu (ppm)
CCZ06002	JSP_SM_01	335611	7857091	5.3
CCZ06003	JSP_SM_02	335594	7857095	25
CCZ06004	JSP_SM_03	335365	7857061	18
CCZ06005	JSP_SM_04	335343	7857067	80.9
CCZ06006	JSP_SM_05	335321	7857067	4
CCZ06007	JSP_SM_06	335275	7857130	110.5
CCZ06008	JSP_SM_07	335276	7857130	48.9
CCZ06009	JSP_SM_08	335220	7857212	8.2
CCZ06010	JSP_SM_09	335161	7857197	6.8
CCZ06011	JSP_SM_10	335139	7857193	283
CCZ06012	JSP_SM_11	334940	7856936	26
CCZ06013	JSP_SM_12	334857	7856937	5.6
CCZ06014	JSP_SM_13	334587	7857031	40.9

Source: ALS Brisbane



APPENDIX C: JORC TABLE

JORC Code, 2012 Edition – Table 1 Reporting – Rock Chip Program

Section 1 – Sampling Techniques and Data

(Criteria in this section apply to all succeeding sections).

Criteria	Commentary
<i>Sampling techniques</i>	<ul style="list-style-type: none"> Thirty four (34) rock chip samples were collected from prospective outcropping lithologies in the field using a steel geological hammer. Samples were collected by experienced geologists and samples collected were based on geological observations and availability of material. Samples are not representative of the deposits. Further exploration is required. Sample weights ranged between 0.09kg and 0.49kg. The sample size is considered representative of the material sampled. Samples were placed in individually numbered calico bags. Samples were submitted to the independent, international accredited Australian Laboratory Services (ALS) Brisbane facility for assay. The sampling technique used is deemed appropriate for the style of mineralization and exploration undertaken.
<i>Drilling techniques</i>	<ul style="list-style-type: none"> Drilling results are not included in this announcement.
<i>Drill sample recovery</i>	<ul style="list-style-type: none"> Drilling results are not included in this announcement.
<i>Logging</i>	<ul style="list-style-type: none"> A description of the sample site, including GPS co-ordinates (GDA94/z54), the rock-type sampled, and the date and time samples were collected were recorded at time of sampling. Logging is qualitative in data. Sample sites and rock specimens were photographed.
<i>Sub-sampling techniques and sample preparation</i>	<ul style="list-style-type: none"> Samples were prepared and analysed at ALS Brisbane's facilities. ALS have internal QA/QC procedures to ensure a representative sample is assayed. Samples were crushed so that each sample has a nominal 85% passing <75um. Based on information provided, sample sizes and the sampling preparation technique is considered appropriate for rock chip sampling and to correctly represent interpreted mineralisation given the status of the projects and allow an assessment of exploration potential. Industry standard QAQC was utilised included standards and blanks.
<i>Quality of assay data and laboratory tests</i>	<ul style="list-style-type: none"> The assay techniques employed included mixed acid digestion with ICP-OES, ICP-AES, ICP-MS and AAS finishes. These methods are considered appropriate for the targeted mineralisation and regarded as a 'near total' digestion technique with resistive phases not expected to affect copper analysis using the ME-MS61R method. ALS provided their own routine quality controls within their own practices as per international ISO Standards, including the insertion of standard and blanks. The company has not included QAQC given the type of sampling. No QAQC issues were noted. No geophysical surveys were undertaken at this time.
<i>Verification of sampling and assay</i>	<ul style="list-style-type: none"> No independent sampling was commissioned by CCZ. An experienced geologist reviewed the digital assay data. No adjustments have been made to the digital assay data. CCZ finds no reason to question the veracity of the digital assay data provided and reported in this announcement. ALS provided their own routine quality controls within their own practices as per international ISO Standards. No QAQC issues were noted.
<i>Location of data points</i>	<ul style="list-style-type: none"> The co-ordinates of the sample sites were recorded using a handheld Garmin GPS. The grid-system used is GDA94 UTM Zone 54. Topographic control is considered adequate.

Criteria	Commentary
	<ul style="list-style-type: none"> Location accuracy is +/-10m. The approach is considered acceptable for the nature of the sampling program.
<i>Data spacing and distribution</i>	<ul style="list-style-type: none"> Sampling was of a reconnaissance nature. The spacing and location of the sample sites, by the nature of early exploration are variable. The spacing and location of data is currently only being considered for exploration purposes and is not sufficient to determine geological and grade continuity. Due to the early stage of exploration, the spacing and location of sample sites is not material to the type of reporting No sampling compositing was used.
<i>Orientation of data in relation to geological structure</i>	<ul style="list-style-type: none"> The twenty one (21) rock chip samples collected at Boomerang were taken from exposed sections of the Surprise Creek Formation. The thirteen (13) rock chip samples collected at Josephine were taken from exposed sections of the Gunpowder Creek Formation, Paradise Formation and Surprise Creek Formation. By its nature, the rock chip data is insufficient to confirm optimal drilling orientation of a possible future drilling campaign.
<i>Sample security</i>	<ul style="list-style-type: none"> CCZ staff and contractors ensured a strict chain of custody procedures that were adhered to for all thirty four (34) rock chip samples. All sample bags were pre-numbered and securely closed, ensuring no material could spill out during transport.
<i>Audits or reviews</i>	<ul style="list-style-type: none"> No formal audit has been conducted on the data being reported.

Section 2 – Reporting of Exploration Results

(Criteria listed in the preceding section also apply to this section).

Criteria	Commentary
<i>Mineral tenure and land tenure status</i>	<ul style="list-style-type: none"> The North-West Queensland (NWQ) Copper Project consists of five (5) tenures. Boomerang and Josephine Prospect Areas are located within the same tenure (EPM26462) and on Chidna Station. No joint ventures of royalties are understood to impact the tenements. No known impediments are understood to occur to allow for further exploration.
<i>Exploration done by other parties</i>	<ul style="list-style-type: none"> Several generations of drilling and exploration have been conducted at Boomerang and Josephine Prospect Areas, including geological mapping, geochemical surveys and the drilling of nine (9) rotary air blast (RAB) holes, drilled at Boomerang during the early 1970s. Exploration is considered to be at an early stage across EPM26462.
<i>Geology</i>	<ul style="list-style-type: none"> The NWQ Copper Project is located within the Mt Isa Inlier of western Queensland, a large, exposed section of Proterozoic (2.5 billion- to 540-million-year-old) crustal rocks. The inlier records a long history of tectonic evolution, now thought to be like that of the Broken Hill Block in western New South Wales. The NWQ Copper Project lies within the Mt Oxide Domain, straddling the Lawn Hill Platform and Leichhardt River Fault Trough. The geology of the tenement is principally comprised of rocks of the Surprise Creek and Quilalar Formations which include feldspathic quartzites, conglomerates, arkosic grits, shales, siltstones and minor dolomites and limestones. The NWQ Copper Project area is cut by a major fault zone, trending north-north east to south-southwest across the permits. This fault is associated with major folding, forming several tight syncline and anticline structures along its length. Almost without exception known copper mineralisation around Boomerang and Josephine Prospect Areas is hosted within the upper rock units of the Paradise Creek and Surprise Creek Formation. Major copper orebodies in the area such as Mt. Oxide and Mt Gordon/Capricorn Copper are manifested as a breccia and replacement zones associated with interconnecting faults, especially associated with the Mt Gordon Fault Zone (MGFZ). The MGFZ bisects the Boomerang and Josephine targets. Mineralisation associated with MGFZ is primarily chalcopyrite-pyrite-chalcocite, typically as massive sulphide within breccias.
<i>Drill hole information</i>	<ul style="list-style-type: none"> Drilling results are not included in this announcement.

Criteria	Commentary
<i>Data aggregation methods</i>	<ul style="list-style-type: none"> No weighted averaging techniques of minimum/maximum grade truncations (cut off/top cut) have been applied.
<i>Relationship between mineralisation widths and intercept widths</i>	<ul style="list-style-type: none"> This announcement is for surface samples only. Surface samples do not inform the geometry of mineralisation.
<i>Diagrams</i>	<ul style="list-style-type: none"> Suitable figures have been included in the body of this announcement.
<i>Balanced reporting</i>	<ul style="list-style-type: none"> Key results have been included in the body of this announcement.
<i>Other substantive exploration data</i>	<ul style="list-style-type: none"> Historical exploration data mentioned in this announcement can be found in previous announcements. CCZ notes that historical exploration data is available in the public domain via the GSQ Open Data Portal.
<i>Further work</i>	<ul style="list-style-type: none"> As part of the Company's strategic review, assay results will be used in conjunction with historic exploration data to define priority exploration targets within the NWQ Copper Project. Follow up field work is planned, potentially including a more extensive rock chip sampling program.