

“Operational Update: Copper and Lithium Assets”

Comment from Castillo Copper’s MD Simon Paull: “Castillo’s Board would like to sincerely thank the team on site at the Arya Prospect for all their diligent hard work over the past few weeks progressing our pioneering drilling campaign forward. Conditions have been challenging with sweltering heat, brush fires and intermittent thunderstorms resulting in a number of down days. Moving ahead, the Board intends to release a full progress report on drilling at the Arya Prospect, which is anticipated to be within the next week.”

OPERATIONAL OVERVIEW

Since the start of Financial Year 2022, Castillo Copper (“**CCZ**” or “**the Company**”) has seen significant advances on several fronts in progressing its copper operations in Queensland and Zambia. Concurrently, our geology team are conducting due diligence on the Litchfield and Picasso Lithium Projects, located in the Northern Territory and Western Australia, respectively.

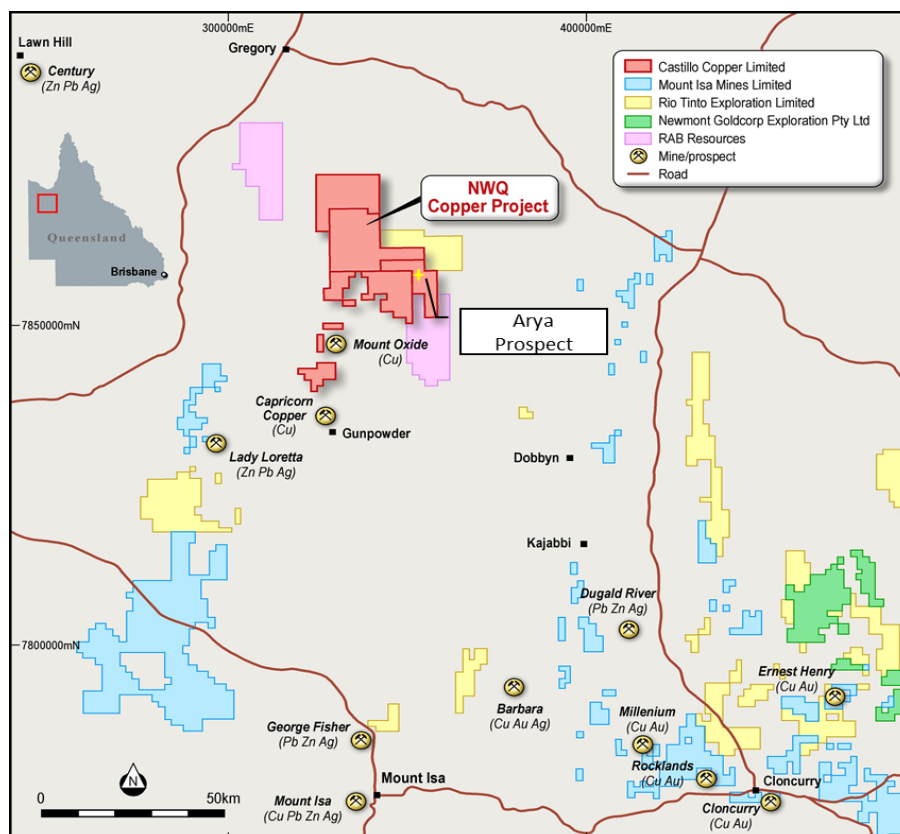
Arya Prospect, North-West Queensland Copper Project

Due to the diligent efforts of the team, pioneering drilling has progressed at the Arya Prospect, overcoming challenging operational conditions.

A more detailed update will be released within the next week.

Encouragingly, interest in the Mt Isa copper-belt continues to grow, with Rio Tinto recently acquiring contiguous ground¹ on the eastern boundary of the NWQ Copper Project which is proximal to the Arya Prospect (Figure 1).

FIGURE 1: REGIONAL MAP – NWQ COPPER PROJECT



Source: CCZ geology team



ASX Release

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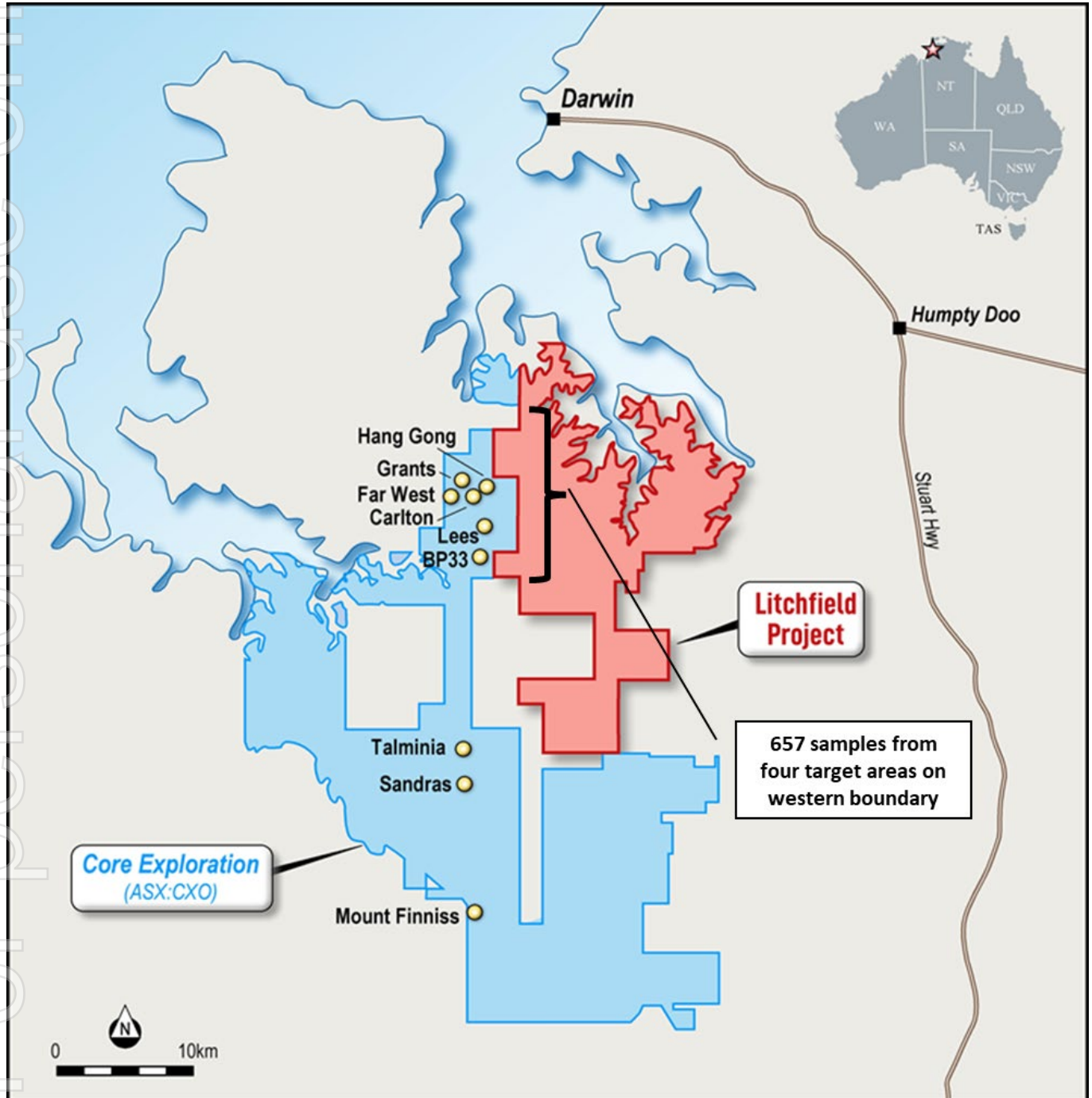
Rob Scott
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Litchfield Lithium Project, Northern Territory

With the completion of the desktop due diligence on the Litchfield Lithium Project, the geology team are now waiting for over 650 surface sample assays² to be returned from laboratories in Adelaide and Vancouver. Based on discussions with the laboratories, the results should be received imminently, which will enable CCZ's geology team to determine the potential for contiguous mineralisation with Core Lithium's (ASX: CXO) proximal Finnis Lithium Project².

FIGURE 2: LITCHFIELD LITHIUM PROJECT

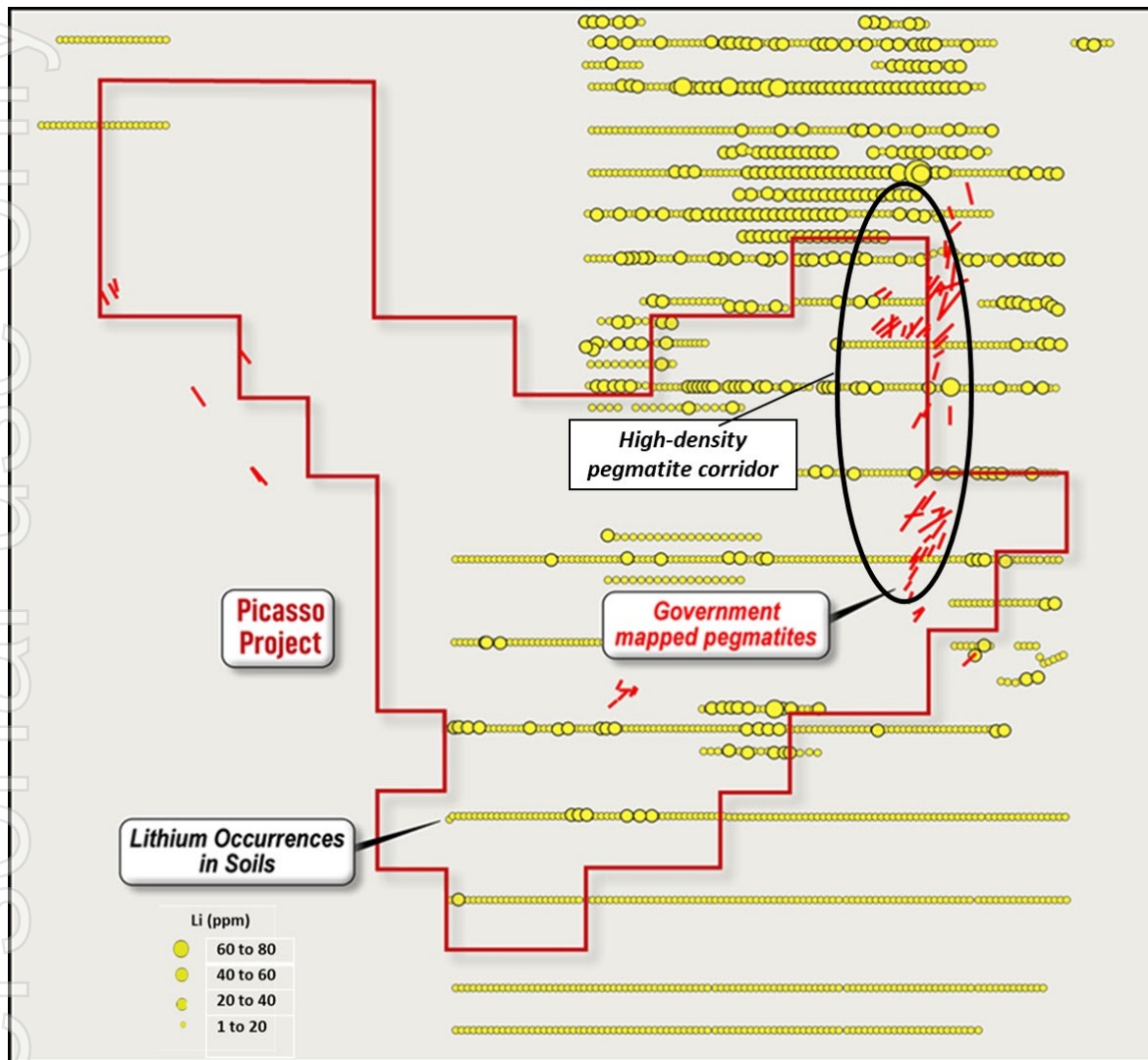


Source: CCZ geology team

Picasso Lithium project, Western Australia

Members of CCZ's geology team have completed a visit to the Picasso Lithium Project where they collected samples and assessed the extent of pegmatite outcropping along the eastern boundary³ (Figure 3). A full update with the team's findings will be published shortly.

FIGURE 3: SURFACE LITHIUM OCCURRENCES, PICASSO LITHIUM PROJECT



Source: CCZ geology team

Luanshya Project, Zambia

With the completion and interpretation of the recently completed Induced Polarisation (IP) survey at the Luanshya Project, where the Zambian geology team interpreted 14 potential targets, work is now focused on formulating the inaugural drilling campaign⁴.

Mkushi Project, Zambia

Work on the IP Survey at the Mkushi Project, which is focusing on known surface copper anomalies⁵, is now in progress. Upon completion, a geophysical interpretation report will be published which will determine the next course of action.

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) GSQ Open Data Portal. Available at:
<https://geoscience.data.qld.gov.au/dataset?type=report&q=%22EPM%2028093%22>, and
<https://geoscience.data.qld.gov.au/dataset?type=report&q=%22EPM%2026439%22>
- 2) CCZ ASX Release – 20 October 2021
- 3) CCZ ASX Release – 27 October 2021
- 4) CCZ ASX Release – 25 October 2021
- 5) CCZ ASX Release – 1 July 2021

Competent Person Statement

The information in this report that relates to Exploration Results 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.

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