QUARTERLY REPORT

December 2024

COPPER SEARCH

22 January 2025

Copper Search Limited

(ASX: CUS) (Copper Search or the Company)

Quarterly Activities Report, 31 December 2024

SUMMARY

During the final quarter of 2024, the Copper Search team focused on uncovering new opportunities for the Company conducting both desktop and field based due diligence. This work included identifying and assessing the potential of over 20 opportunities mainly in copper, gold and uranium in Australia and North America.

New project assessments activities are ongoing, and we aim to onboard at least one new high-quality project in early 2025.

Exploration

Review of the Peake Project continues. This review commenced after the final drilling results from the Douglas Creek IOCG Prospect were released in October.

The new drilling assays from the Douglas Creek IOCG Prospect confirmed the presence of a large-scale, copper-mineralised classic IOCG-style coincident "magnetics and gravity" prospect. Drilling also confirmed the presence of brecciated and significantly altered mafic and metasedimentary rocks, which were highly magnetised and dense and matched our geophysical modelling. Copper mineralisation was nearly continuous over hundreds of metres throughout both holes, with grades of up to 0.2% recorded. The Company intends to retain this promising target and seek partners or alternative funding options to advance the exploration at the mineralised Douglas Creek IOCG Prospect.

Corporate

As of 31 December 2024, the Company maintained a cash position of $1.85 million, ensuring the financial flexibility to pursue future opportunities. The Company has begun to rationalise some of the less prospective ground at the +5,000km^2 Peake Project to reduce tenement rents and administration by $100k per year, whilst retaining all the most valuable prospects.

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While this quarter may have been quiet in terms of news flow, it has been an intensely productive period for the Copper Search team. We have been fully focused on uncovering new opportunities to drive the Company’s growth.

Since our listing in 2021, Copper Search has diligently pursued our mission to discover the next large-scale copper deposit in the Gawler Craton, home to globally significant mines such as BHP’s Olympic Dam, Prominent Hill, and Carrapateena. Our meticulous approach enabled us to design and execute targeted drilling programs across the 5,035km^2 Peake Project, testing the most promising large-scale targets with significant economic potential. Whilst we have successfully drilled into promising zones, we have not yet drilled through a major copper deposit. This has led us to put a pause on further exploration at the project while several independent consultants complete a detailed near-miss analysis and review of all our drilling.

It also means we believe the time is right for us to expand our horizons.

The true strength of Copper Search lies in our exceptional board and advisory panel. With extensive exploration experience across multiple commodities and a proven track record of world-class discovery success valued in the billions, our team is leveraging its networks and expertise to identify and assess promising opportunities mainly in copper, gold and uranium around the world. Already, we have uncovered several compelling prospects, and I am currently engaged in productive discussions with potential partners regarding the paths forward. I look forward to sharing more details with shareholders in the coming quarter.

- Managing Director Duncan Chessell

THE RIGHT TEAM FOR THE RIGHT PROJECTS

Figure 1. Inspecting core trays at the Paradise Dam Prospect (July 2024)

The key to identifying the right projects at the right stage and across a broad range of mineralisation styles is having the right team.

Since listing in 2021, Copper Search has assembled a team of highly credentialled geoscientists and consultants rarely seen in the junior space. This team provides the Company access to a wide range of commodity specialists and subject-matter experts, enabling thorough evaluations of opportunities across various mineralisation styles, commodities, and jurisdictions.

A cornerstone of this capability was the establishment of the highly qualified Technical Review Committee. This committee includes industry veteran John Main, who was previously Exploration Manager Americas for Rio Tinto, as chairman. Dr Tony Belperio, the former head of the South Australian Geological Survey, discovered the IOCG mine at Prominent Hill, owned and operated by BHP. This Technical Review Committee oversees all new projects proposed by the exploration team and reports directly to the board.

As a Company, we employ a target-focused approach to identifying exploration opportunities. This means thoroughly understanding the scale and economic potential of targets within projects before committing funds to exploration programs. To achieve this, we apply rigorous geoscience technical reviews and machine learning to rank targets against known deposits of significant scale, ensuring balanced risk-reward-return outcomes. We don't simply drill "the best target". Instead, we drill only high-value targets demonstrating the potential to deliver significant scale, grade and capital growth for our shareholders.

EXPLORATION ACTIVITIES

Background

Since 2022, Copper Search has been refining our targeting process to identify and drill test the very best, large-scale targets from an original list of over 40 geophysical anomalies. This process has led the Copper Search team to focus its efforts on the Karari Shear Zone, and the emergence of Douglas Creek IOCG Prospect as a priority target on our list.

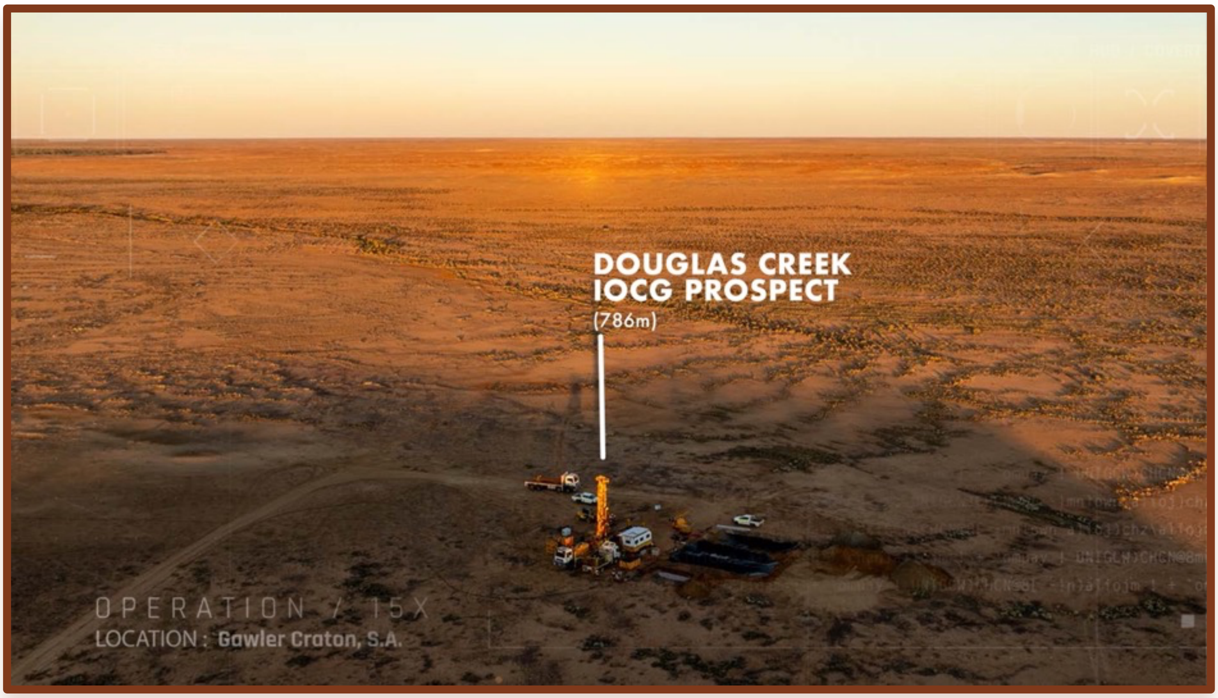

Figure 2. Drilling at the Douglas Creek Prospect (July 2024).

The Douglas Creek Prospect

The Douglas Creek IOCG Prospect is a large-scale shallow classic IOCG style coincident magnetic and gravity anomaly of 1400nT (mag) and 1.9mGal (gravity) only recently cleared for drilling after two years of careful consultation with the Arabana, the traditional owners of the land on which the Peake Project is located.

The depth to the basement at Douglas Creek is 129m, with an original target depth ranging from 300m to 750m. The prospect covers a 1,400m x 800m footprint (surface projection) and is positioned on the Karari Shear Zone, which has known IOCG mineralisation with a similar geophysical signature to the east. The prospect is also adjacent to a near-miss drill hole, 23PK01, which reported maximum assays of 0.45% Cu and 5.35 g/t Au (over narrow intervals) in Company drilling during 2023.

In July 2024, Copper Search commenced drilling a vertical diamond core drill hole (24PK14) at this target. The hole was extended from the planned 600m to an eventual depth of 786m based on inspecting the drill core. Following the encouraging interpretation of the drill core in the field, an unplanned third hole, drill hole 24PK14-B, was completed in August. This was done using directional drilling from the same drill pad as drill hole 24PK14. The hole was drilled to the northeast to test the prospective coincident gravity and magnetic anomaly modelled at 300m to 800m depth. This directional drilling technique saved time and avoided additional redrilling of cover sequences and casing costs.

Results

In September, the Company released the first results (24PK14), which showed that drilling intersected brecciated and significantly altered mafic and metasedimentary rocks, which were highly magnetised and of sufficient density to account for the co-incident “gravity-magnetics” anomaly. **Assays from the second hole 24PK14B were released on 17 October** and showed similar geology and results.

Copper mineralisation was nearly continuous throughout both holes for over 500m, with grades up to 0.2% Cu recorded. Mineralisation was observed as native copper (Cu), chalcopyrite ($CuFeS_2$) and bornite (Cu_5FeS_4).

The overall prospectivity of the Douglas Creek Prospect remains open due to the extent of copper mineralisation and IOCG pathfinder elements found in both holes (24PK14 and 24PK14B). We further note that through the two drill holes, we have only tested one third of the rock volume of the footprint of this target. As demonstrated in many other IOCG deposits (Carrapateena, Oak Dam, Prominent Hill), this type of orebody can be strongly zoned, with distinctly barren or very low-grade zones juxtaposed within 50m of high-grade ore.

The Company intends to retain this promising target and seek partners or alternative funding options to advance the exploration at the mineralised Douglas Creek IOCG Prospect.

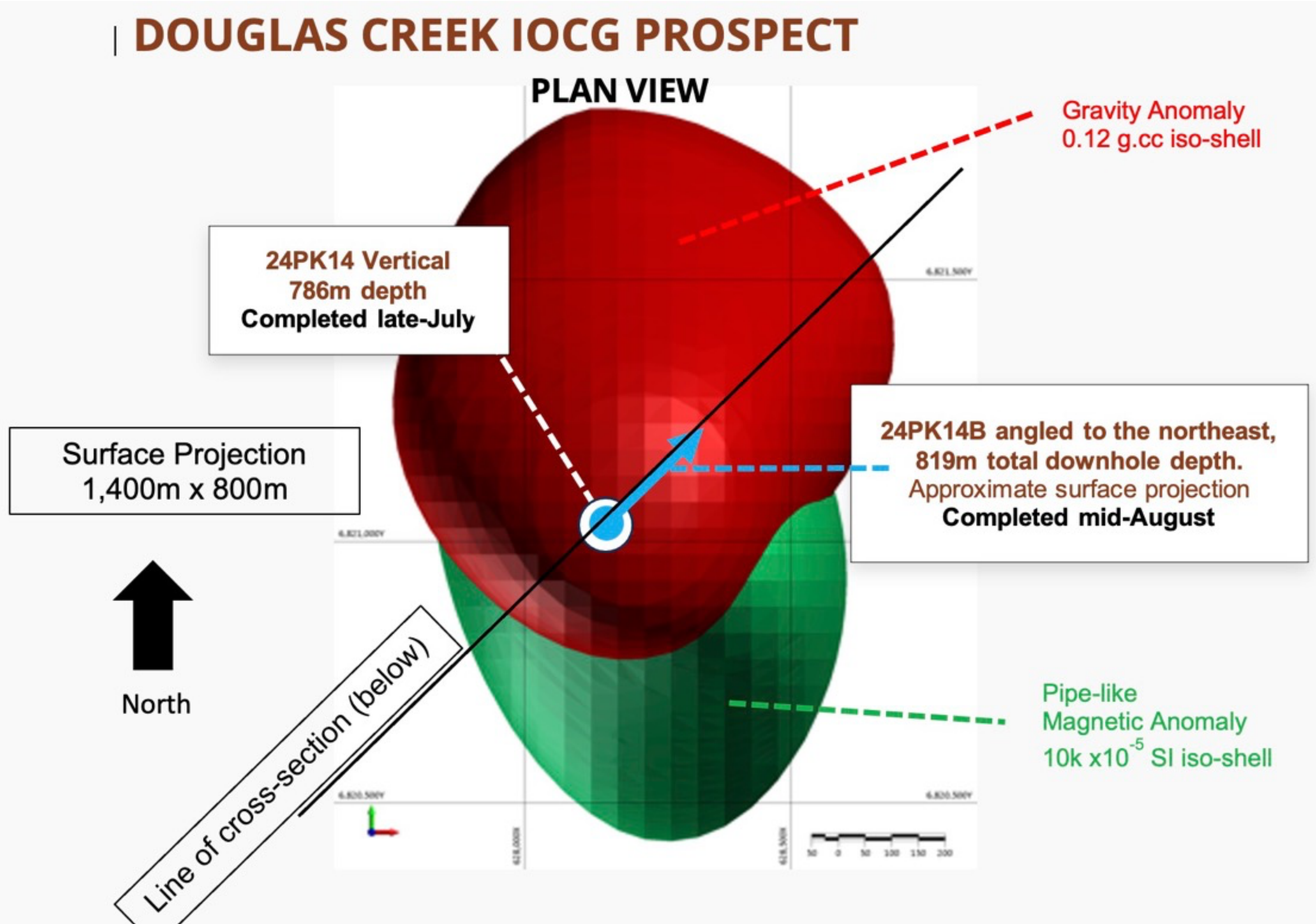

Figure 3. Plan view Douglas Creek IOCG Prospect

Douglas Creek IOCG Prospect

- Classic IOCG co-incident “Gravity & Magnetics”
- Depth to basement 129m
- **Strong pipe-like magnetic anomaly 1,400nT** (10k to 20k x 10^{-5} SI) with **overlapping 1.9 mGal gravity anomaly with a 1400m x 800m footprint (surface projection)**
- Positioned on the Karari Shear Zone, which has known IOCG mineralisation with a similar geophysical signature to the east
- The significant magnetic susceptibility (modelled UBC-style inversion) in a vertical pipe-like shape supports the intersected magnetite breccia body typical of IOCG-style deposits
- Nearby to near miss drill hole 23PK01 with maximum assays
    - 0.45% Cu and 5.35 g/t Au reported in 2023 drilling
- Distinct low grade gold zone associated with elevated copper, potassium and iron.

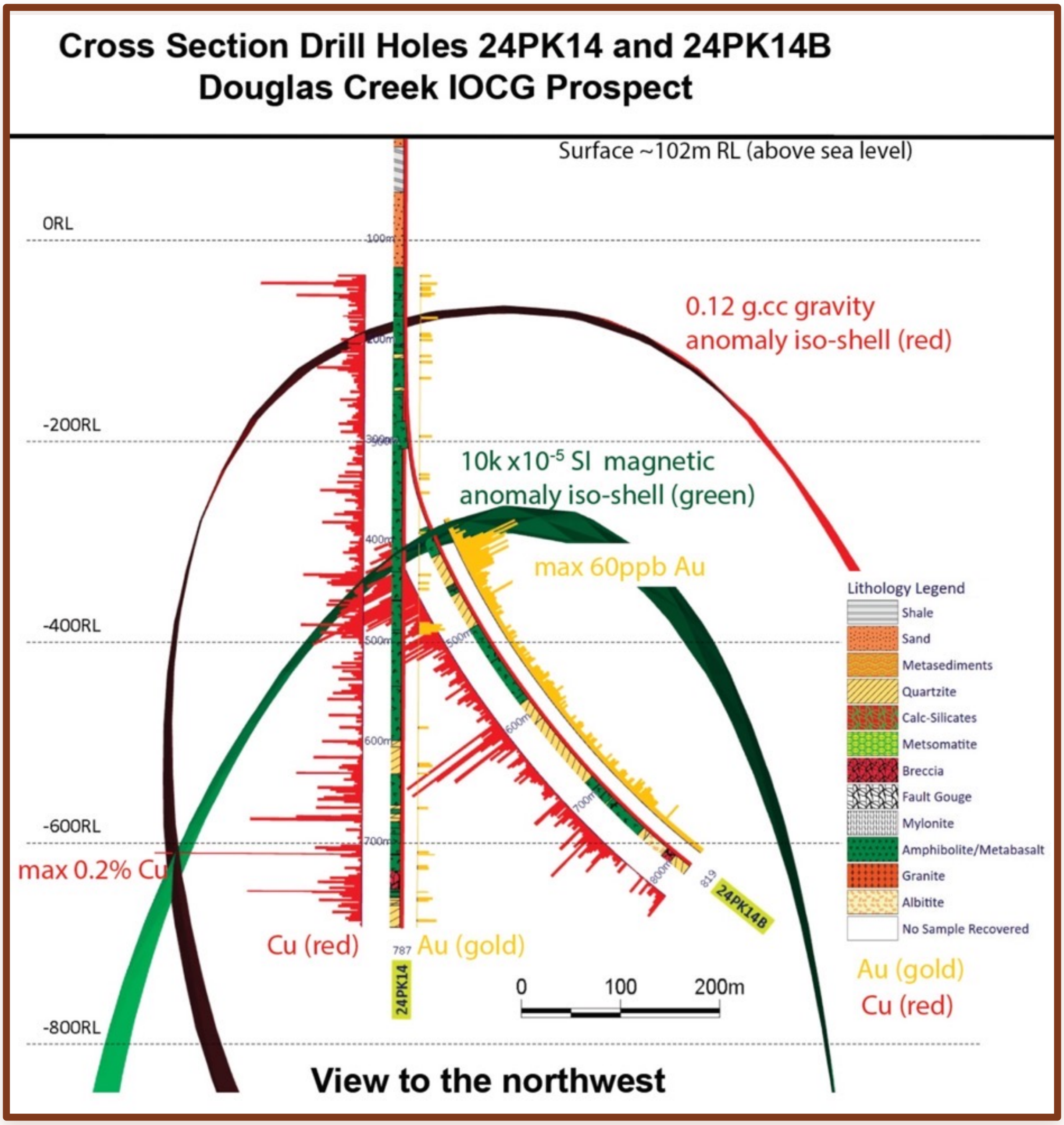

Figure 4. Cross section view to the northwest of the Douglas Creek IOCG Prospect - Peake Project, South Australia. Note navigation drilling 24PK14B achieved a 300m separation to the northeast from the vertical parent hole 24PK14 at EOH, targeting the core of the gravity anomaly.

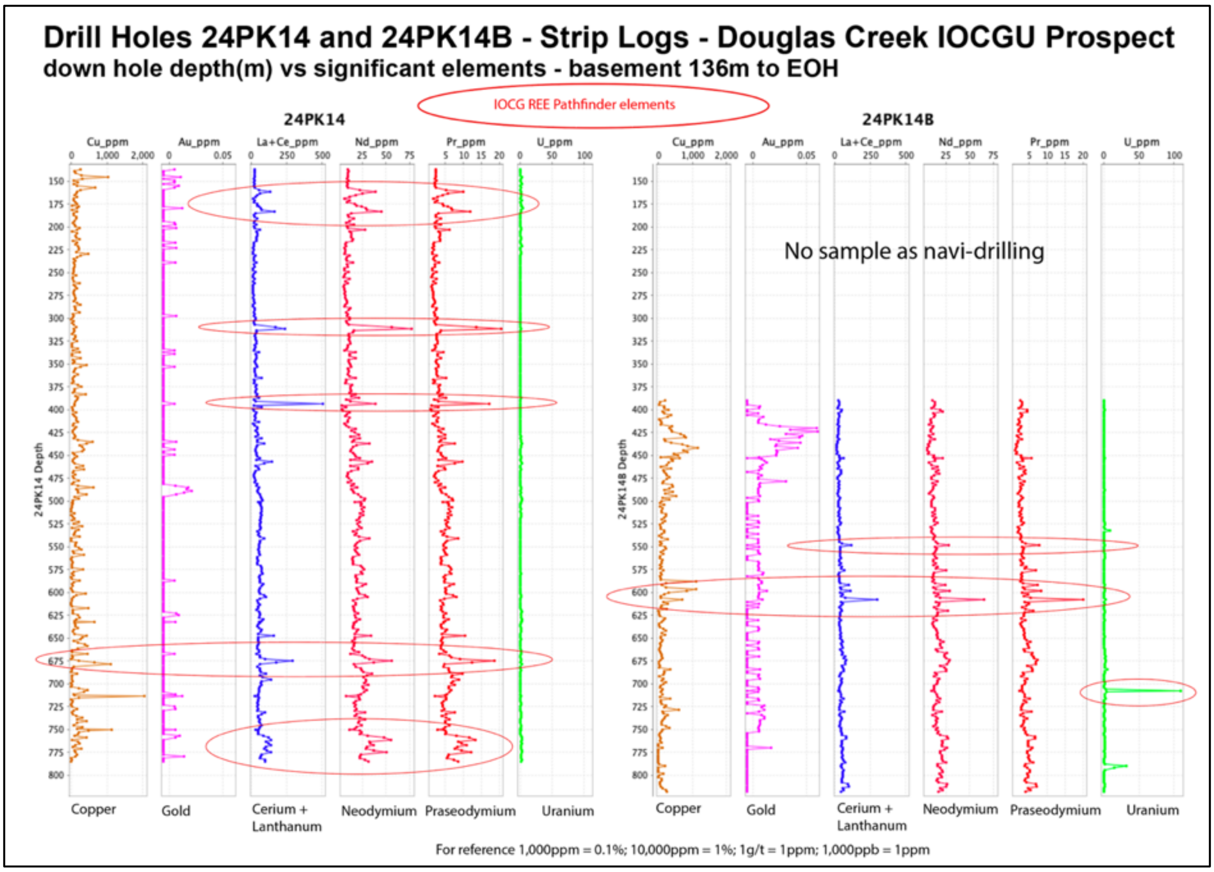

Figure 5. Copper mineralisation from the top of the basement (136m) to the end of the hole (EOH). The strip-log of drill holes 24PK14 and 24PK14B both demonstrate element association of rare earth elements (REEs) Ce, La, Nd, Pr, which are typical pathfinder elements of an IOCG-style mineral system.

Share Capital Changes

During the quarter, performance rights were exercised and lapsed by employees. Details of these changes are as follows:

Copper Search Limited	Quoted	Unquoted			
Class of Security	**Ordinary shares (ASX: CUS)**	**Options ($0.70 9 May-25) (CUSAE)**	**Options ($0.26 18 Dec-26) (CUSAI)**	**Options ($0.15 31 Jul-27) (CUSAJ)**	**Performance Rights (CUSAF)**
On issue at start of the Quarter	**113,585,407**	**1,200,000**	**7,938,756**	**13,650,000**	**4,145,775**
Exercise performance rights	242,250	-	-		(242,250)
Lapse of performance rights	-	-	-		(393,900)
Total securities on issue at the date of this report	**113,827,657**	**1,200,000**	**7,938,756**	**13,650,000**	**3,509,625**

Cash Balance

As of 31 December 2024, Copper Search maintained a cash balance of $1.85 million. This strong financial position ensures the Company is well-funded to continue its exploration activities across its tenements.

Related Party Payments

Payments to related parties of the Company and their associates during the quarter totalled $124,000. These payments were related to Executive and Non-Executive Director fees, paid as salaries and to entities nominated by relevant Directors.

SIGNIFICANT DECEMBER 2024 QUARTER ASX ANNOUNCEMENTS

The following significant announcements and exploration results were lodged with ASX during the December Quarter and thereafter.

2024	Title of Announcement
17 October	**Drilling Results Douglas Creek IOCG Prospect 2024**

JORC Information

This report includes regional data from the South Australian Government SARIG website sourced from public data, as well as the Company ASX Announcement listed below and/or cross-referenced in this announcement. References to neighbouring projects have been obtained from company websites, reports and/or ASX announcements.

The Company confirms that it is unaware of any new information or data that materially affects the information included in these announcement(s). The Company confirms that the form and context in which the Competent Person's findings are presented have not been materially modified from the original announcements.

Related ASX Announcements

- 17/10/2024 Drilling Results Douglas Creek IOCG Prospect 2024
- 1/7/2024 Drilling Update Paradise Dam Prospect, Peake Project
- 12/2/2024 New Drill Target Identified and Drilling Results
- 10/7/2023 Geophysics and Drilling Update
- 18/1/2023 (ASX: A1M/DRM) – Peake and Denison Drill Results
- 21/9/2021 Copper Search IPO Prospectus

<u>Abbreviations</u>

Cu = Copper
Ce = Cerium
La = Lanthanum
Au = Gold
U = Uranium
BHT = Broken Hill Type
ISCG = Iron Sulphide Copper Gold
IOCG = Iron Oxide Copper Gold

APPENDICES

Mining Exploration Activities

The Group incurred $0.2 million in relation to exploration activities during the quarter, as detailed above. The expenditure was incurred for work related to assays from exploration drilling activities carried out last quarter and costs relating to the rehabilitation of drill sites.

Tenement Table – 31 December 2024

Tenement number	Tenement name	Beneficial interest held at the of the Quarter	Changes during the Quarter to % beneficial interest	Comments
South Australia – Gawler Craton – held via 100% owned subsidiary				
6181	Curdimurka	100%	-	
6195	Anna Creek	100%	-	
6235	Allandale	100%	-	Intend to relinquish
6238	Stuart Creek	100%	-	
6314	Callanna	100%	-	
6315	Ruby Hill	100%	-	Intend to relinquish
6808	Spring Hill	100%	-	Intend to relinquish
6862	Mt Denison	100%	-	Intend to relinquish
6899	Blyth Creek	100%	-	Intend to relinquish

Authorised for release by the Board of Copper Search Limited.

For further information, please get in contact with Duncan Chessell.

Duncan Chessell

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Copper Search Limited
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Appendix 5B

Mining exploration entity or oil and gas exploration entity quarterly cash flow report

Name of entity

Copper Search Limited

ABN	Quarter ended ("current quarter")
78 650 673 500	31 December 2024

Consolidated statement of cash flows		Current quarter $A'000	Year to date (6 months) $A'000
1.	**Cash flows from operating activities**		
1.1	Receipts from customers	-	-
1.2	Payments for		
	(a) exploration & evaluation	(201)	(1,382)
	(b) development	-	-
	(c) production	-	-
	(d) staff costs	(232)	(447)
	(e) administration and corporate costs	(125)	(314)
1.3	Dividends received (see note 3)	-	-
1.4	Interest received	22	57
1.5	Interest and other costs of finance paid	-	-
1.6	Income taxes paid	-	-
1.7	Government grants and tax incentives	-	-
1.8	Other (provide details if material)	5	5
1.9	**Net cash from / (used in) operating activities**	**(531)**	**(2,081)**

2.	**Cash flows from investing activities**		
2.1	Payments to acquire or for:		
	(a) entities	-	-
	(b) tenements	-	-
	(c) property, plant and equipment	(4)	(9)
	(d) exploration & evaluation	-	-
	(e) investments	-	-
	(f) other non-current assets	-	-

Consolidated statement of cash flows		**Current quarter $A'000**	**Year to date (6 months) $A'000**
2.2	Proceeds from the disposal of:		
	(a) entities	-	-
	(b) tenements	-	-
	(c) property, plant and equipment	-	-
	(d) investments	-	-
	(e) other non-current assets	-	-
2.3	Cash flows from loans to other entities	-	-
2.4	Dividends received (see note 3)	-	-
2.5	Other (provide details if material)	-	-
2.6	**Net cash from / (used in) investing activities**	**(4)**	**(9)**

3.	**Cash flows from financing activities**		
3.1	Proceeds from issues of equity securities (excluding convertible debt securities)	-	130
3.2	Proceeds from issue of convertible debt securities	-	-
3.3	Proceeds from exercise of options	-	-
3.4	Transaction costs related to issues of equity securities or convertible debt securities	(1)	(24)
3.5	Proceeds from borrowings	-	-
3.6	Repayment of borrowings	-	-
3.7	Transaction costs related to loans and borrowings	-	-
3.8	Dividends paid	-	-
3.9	Other (provide details if material) - lease payments	(10)	(16)
3.10	**Net cash from / (used in) financing activities**	**(11)**	**90**

4.	**Net increase / (decrease) in cash and cash equivalents for the period**		
4.1	Cash and cash equivalents at beginning of period	2,393	3,847
4.2	Net cash from / (used in) operating activities (item 1.9 above)	(531)	(2,081)
4.3	Net cash from / (used in) investing activities (item 2.6 above)	(4)	(9)

Consolidated statement of cash flows		Current quarter $A'000	Year to date (6 months) $A'000
4.4	Net cash from / (used in) financing activities (item 3.10 above)	(11)	90
4.5	Effect of movement in exchange rates on cash held	-	-
4.6	**Cash and cash equivalents at end of period**	**1,847**	**1,847**

5.	**Reconciliation of cash and cash equivalents** at the end of the quarter (as shown in the consolidated statement of cash flows) to the related items in the accounts	**Current quarter $A'000**	**Previous quarter $A'000**
5.1	Bank balances	1,847	2,393
5.2	Call deposits	-	-
5.3	Bank overdrafts	-	-
5.4	Other (provide details)	-	-
5.5	**Cash and cash equivalents at end of quarter (should equal item 4.6 above)**	**1,847**	**2,393**

6.	**Payments to related parties of the entity and their associates**	**Current quarter $A'000**
6.1	Aggregate amount of payments to related parties and their associates included in item 1	124
6.2	Aggregate amount of payments to related parties and their associates included in item 2	-

Note: if any amounts are shown in items 6.1 or 6.2, your quarterly activity report must include a description of, and an explanation for, such payments.

7.	**Financing facilities** *Note: the term "facility' includes all forms of financing arrangements available to the entity.* *Add notes as necessary for an understanding of the sources of finance available to the entity.*	**Total facility amount at quarter end $A'000**	**Amount drawn at quarter end $A'000**
7.1	Loan facilities	-	-
7.2	Credit standby arrangements	-	-
7.3	Other (please specify)	-	-
7.4	**Total financing facilities**	-	-

7.5	**Unused financing facilities available at quarter end**	-

7.6 Include in the box below a description of each facility above, including the lender, interest rate, maturity date and whether it is secured or unsecured. If any additional financing facilities have been entered into or are proposed to be entered into after quarter end, include a note providing details of those facilities as well.

8.	**Estimated cash available for future operating activities**	**$A'000**
8.1	Net cash from / (used in) operating activities (item 1.9)	(531)
8.2	(Payments for exploration & evaluation classified as investing activities) (item 2.1(d))	-
8.3	Total relevant outgoings (item 8.1 + item 8.2)	(531)
8.4	Cash and cash equivalents at quarter end (item 4.6)	1,847
8.5	Unused finance facilities available at quarter end (item 7.5)	-
8.6	Total available funding (item 8.4 + item 8.5)	1,847
8.7	**Estimated quarters of funding available (item 8.6 divided by item 8.3)**	3.5

Note: if the entity has reported positive relevant outgoings (ie a net cash inflow) in item 8.3, answer item 8.7 as "N/A". Otherwise, a figure for the estimated quarters of funding available must be included in item 8.7.

8.8 If item 8.7 is less than 2 quarters, please provide answers to the following questions:

8.8.1 Does the entity expect that it will continue to have the current level of net operating cash flows for the time being and, if not, why not?

Answer: N/A

8.8.2 Has the entity taken any steps, or does it propose to take any steps, to raise further cash to fund its operations and, if so, what are those steps and how likely does it believe that they will be successful?

Answer: N/A

8.8.3	Does the entity expect to be able to continue its operations and to meet its business objectives and, if so, on what basis?
	Answer: N/A
	Note: where item 8.7 is less than 2 quarters, all of questions 8.8.1, 8.8.2 and 8.8.3 above must be answered.

Compliance statement

1 This statement has been prepared in accordance with accounting standards and policies which comply with Listing Rule 19.11A.

2 This statement gives a true and fair view of the matters disclosed.

Date: 22 January 2025.

Authorised by: the Board of the Company (Copper Search Limited)

(Name of body or officer authorising release – see note 4)

Notes

1. This quarterly cash flow report and the accompanying activity report provide a basis for informing the market about the entity's activities for the past quarter, how they have been financed and the effect this has had on its cash position. An entity that wishes to disclose additional information over and above the minimum required under the Listing Rules is encouraged to do so.
2. If this quarterly cash flow report has been prepared in accordance with Australian Accounting Standards, the definitions in, and provisions of, *AASB 6: Exploration for and Evaluation of Mineral Resources* and *AASB 107: Statement of Cash Flows* apply to this report. If this quarterly cash flow report has been prepared in accordance with other accounting standards agreed by ASX pursuant to Listing Rule 19.11A, the corresponding equivalent standards apply to this report.
3. Dividends received may be classified either as cash flows from operating activities or cash flows from investing activities, depending on the accounting policy of the entity.
4. If this report has been authorised for release to the market by your board of directors, you can insert here: "By the board". If it has been authorised for release to the market by a committee of your board of directors, you can insert here: "By the [*name of board committee – eg Audit and Risk Committee*]". If it has been authorised for release to the market by a disclosure committee, you can insert here: "By the Disclosure Committee".
5. If this report has been authorised for release to the market by your board of directors and you wish to hold yourself out as complying with recommendation 4.2 of the ASX Corporate Governance Council's *Corporate Governance Principles and Recommendations*, the board should have received a declaration from its CEO and CFO that, in their opinion, the financial records of the entity have been properly maintained, that this report complies with the appropriate accounting standards and gives a true and fair view of the cash flows of the entity, and that their opinion has been formed on the basis of a sound system of risk management and internal control which is operating effectively.