QUARTERLY REPORT

PERIOD ENDED 30 SEPTEMBER 2024

CASTILLO COPPER

ASX/LSE: CCZ

ASX ANNOUNCEMENT
29 OCTOBER 2024

ASX Codes
ASX/ LSE: CCZ

Registered Office
45 Ventnor Avenue
West Perth, 6005

Capital Structure
1,454.5m shares
8.0m unlisted options
93.8m performance shares

Directors
Gerrard Hall
Chairman

Eduardo Robaina
Non-Executive Director

Joel Logan
Non-Executive Director

Dale Hanna
Company Secretary

Castillo Copper ("Castillo" or "the Company" or "CCZ") is pleased to present its latest quarterly report for the period 1 July 2024 to 30 September 2024.

HIGHLIGHTS

Consultant Appointed and Works Imminent at Big One Deposit, NWQ Project[1]

- Global Ore Discovery was appointed to carry out the Company's previously devised three-day surface sampling campaign, concentrating on eight areas across the Big One Deposit with historical anomalous surface copper/high conductivity zones.
- Campaign was developed with reference to an Induced Polarisation (IP) survey undertaken by Castillo Copper in 2020, which evidenced:
  - Significant incremental copper mineralisation along north-trending fault structures, rather than within the trachyte dyke, and
  - Significant untested bedrock conductor north of the line of lode, materially larger than the high-grade anomaly drilled in 2020.
- Works were carried out in August 2024, results released subsequent to quarter end.

Unlocking Value from Non-Core Assets

- CCZ previously announced its intent to align with partners to develop all remaining assets in NSW and Zambia, which had been designated as non-core assets.
- This resulted in the successful sale of Castillo's Broken Hill West Assets[2], completed in the previous quarter.
- In the Company's Annual Report[3] (noted as an event subsequent to the reporting period) Castillo Copper announced it was in advanced discussions with third parties regarding a possible transaction of another non-core asset. Subsequent to the Quarter, Castillo announced the Sale of Cangai Copper Mine to Infinity Mining Ltd.

Cash and Liquid Investments

- Cash on hand at end of quarter totalled $1.041 million.
- Rehabilitation Security Bonds totalled $314,361, of which $158,500 is expected to be converted to cash on completion of the sale of the Cangai Copper Mine tenements to ASX: IMI.
- CCZ held 13,440,861 Rimfire Pacific Mining Ltd (ASX: RIM) shares which as at 30 September 2024 had a market value of ~$632,000 and were sold subsequent to period end.

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[1]CCZ ASX Release 12 August 2024 – Consultant Appointed, Works Imminent at the NWQ Copper Project

[2]CCZ ASX Release 21 March 2024 – Completion of Broken Hill Acquisition

[3]CCZ ASX Release 26 September 2024 – Annual Report to Shareholders

Non-executive Director, Eduardo Robaina commented,

"The Board is pleased with the progress made this quarter with regards to the divestment of non-core assets, and development efforts at our NWQ Copper Project.

Encouragingly, following the successful sale of the BHA West Project, we have received interest in several of our other non-core assets; and the Board maintains optimism that similar value can be achieved across our portfolio."

Surface Sampling Campaign at the Big One Deposit, NWQ Copper Project

In mid-August 2024, Castillo Copper announced that a geological consultant – Global Ore Discovery – had been appointed to carry out imminent development activities at the Big One Deposit, situated within the Company's NWQ Copper Project in Mt Isa's copper belt.

The premise of scheduled works was in alignment with Castillo Copper's previously announced surface sampling campaign strategy[4].

CAMPAIGN OBJECTIVES

- Having previously delivered a JORC 2012 compliant inferred MRE at the Big One Deposit (2.1Mt @ 1.1% Cu for 21,886t contained copper metal)[5] – leveraging results from prior drilling campaigns in 2020-21 – a key objective was to reconcile geochemical and geophysical data to identify targets to drill-test.
- Subsequent drill-test works would bear potential for the Company to identify extended mineralisation beyond the identified orebody, effectively paving the way to grow the known resource.
- The 2020 IP survey comprised six lines, ranging from 500-700m long, and spaced 200m apart over the 1,200m line of lode (Figure 1).

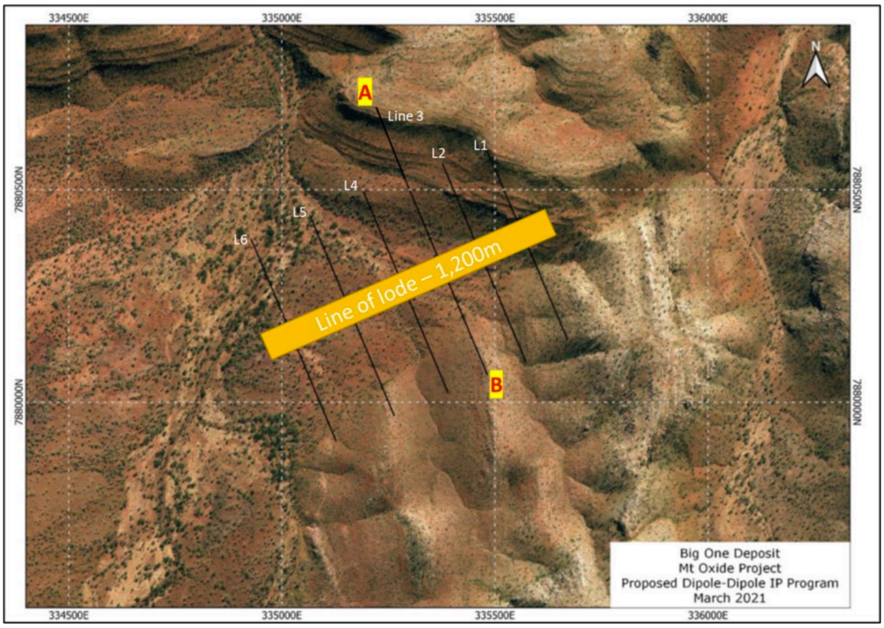

Figure 1: Line Locations Transversing Big One Deposit

[4]CCZ ASX Release 27 May 2024 – Plans for Big One Cu Deposit Surface Sampling Campaign

[5]CCZ ASX Release 1 June 2022 – Maiden Mineral Resource Estimate 21,556t Contained Cobalt at Broken Hill

Interpretations of the IP survey from CCZ's then geophysicist suggested there is a significant untested bedrock conductor north of the line of lode that is materially larger than the high-grade anomaly drilled in 20206 (Figure 2).

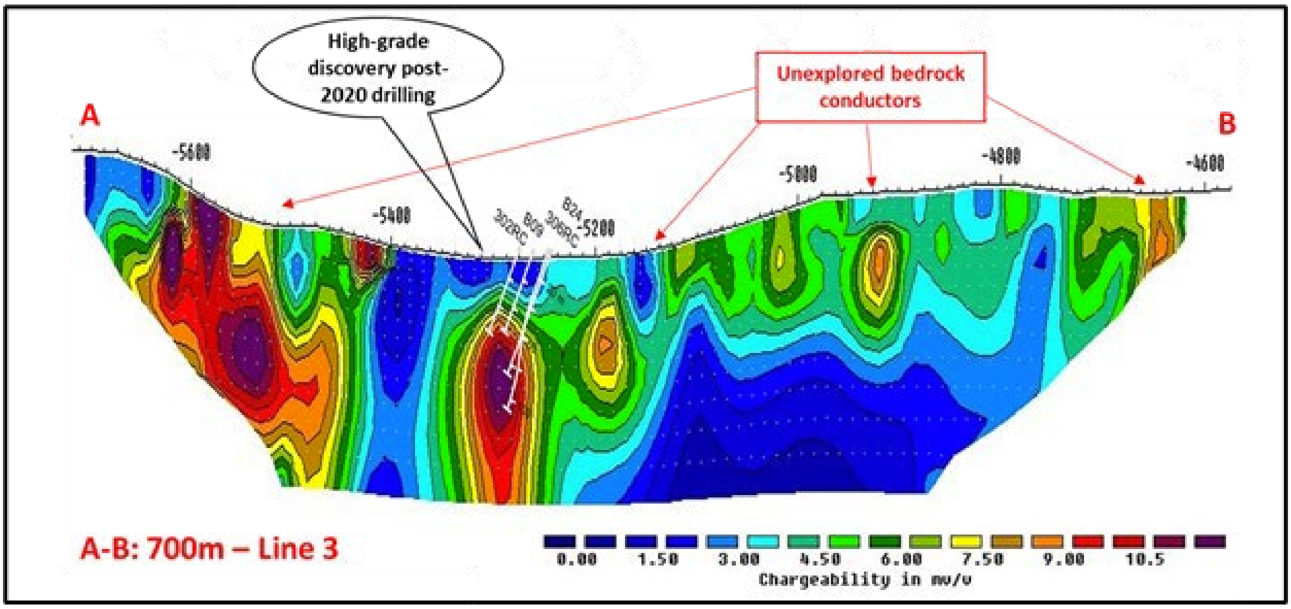

Figure 2: Line 3 – Newly Identified Bedrock Conductors

- Further, the geophysicist implied there is incremental copper mineralisation along the north-trending fault structures rather than constrained within the trachyte dyke.
- In addition, based on historical surface observations, circa 200m north of the line of lode is a sizeable, potentially mineralised gossan that needs to be thoroughly assessed for its copper potential.
- All samples from the current surface sampling campaign will be sent to the laboratory for assaying. Once the full suite of geochemical results are returned and reconciled with historical surface observations / IP survey, then high conviction test-drill targets can finalised to potentially extend known mineralisation.

Schedule of Works (Stage 1 – August 2024)

The schedule of works completed by Global Ore Discovery included:

- pXRF rock chip sample readings undertaken concurrently with the mapping of 8 x target areas.
- Assessment of drill sites (pegging and photographing pre-disturbance records).
- Limited soil sampling orientation survey over a number of the key areas.

Unlocking Value from Non-Core Assets

The Board's strategy to partner with Companies and unlock value through Joint Ventures (JV) or the sale of non-core assets was catalysed earlier in the year via a transaction with Rimfire Pacific Mining Ltd; (ASX: RIM) whereby Castillo Copper divested itself of two tenements composing a portion of the greater Broken Hill Project (Broken Hill West).

Notably, the 13.4m ASX: RIM shares CCZ received as consideration for the BHA West tenements grew significantly and were valued at $670,000 as at 30 September 2024, and which were sold subsequent to period end.

Increasingly, with a level of consolidation now apparent across the copper sector, the Board stated their optimism that a similar arrangement could be replicated with the remaining non-core assets, once the right partners are secured.

At the date of the release of Castillo's Annual Report the Company provided an update on their divestment efforts, stating that the Company was in advanced discussions with third parties regarding a possible transaction in relation to its non-core assets; but signed agreements or binding terms were still outstanding, and subsequent to period end Castillo announced the Sale of Cangai Copper Mine to Infinity Mining Ltd (ASX: IMI).

Cash and Liquid Investments

Cash on Hand

Cash on hand at end of quarter totalled $1.041 million.

Rehabilitation Security Bonds

Rehabilitation Security Bonds totalled $314,361, of which $158,500 is expected to be converted on completion of the sale of the Cangai Copper Mine tenements to ASX: IMI.

Listed Investments

CCZ held 13,440,861 Rimfire Pacific Mining Ltd (ASX: RIM) shares which as at 30 September 2024 had a market value of ~$632,000, which were sold subsequent to period end.

R&D Tax Incentive

An income tax refund of $182,756 due to the R&D Tax Incentive claim by CCZ is expected to be received within 2 months.

Information Required Under ASX Listing Rules

1. ASX LR 5.3.5

During the Quarter $47,000 was paid to related parties of the Company relating to 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 Department Fees
Cangai	$11,000	$8,000
Broken Hill	$6,000	$14,000
NWQ (Mt Isa)	$36,000	$1,000
Zambia	-	-
Totals	**$53,000**	**$23,000**

3. ASX LR 5.3.3

In accordance with ASX Listing Rule 5.3.3, a schedule of Company's tenements as at 30 September 2024 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".

COMPETENT PERSON'S STATEMENT

The information in this report that relates to Exploration Results for "BHA Project" is based on information compiled or reviewed by Mr Mark Biggs. Mr Biggs is a director of ROM Resources, a company which is a shareholder of Castillo Copper Limited. ROM Resources provides ad hoc geological consultancy services to Castillo Copper Limited. Mr Biggs is a member of the Australian Institute of Mining and Metallurgy (member #107188) 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 Biggs holds an AusIMM Online Course Certificate in 2012 JORC Code Reporting. Further, Mr Biggs consents to the inclusion in this report of the matters based on information in the form and context in which it appears.

The information in this report that relates to Exploration Results and Mineral Resource Estimates for "Cangai Copper Mine" is based on information compiled or reviewed by Mr Mark Biggs. Mr Biggs is a director of ROM Resources, a company which is a shareholder of Castillo Copper Limited. ROM Resources provides ad hoc geological consultancy services to Castillo Copper Limited. Mr Biggs is a member of the Australian Institute of Mining and Metallurgy (member #107188) 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 Biggs holds an AusIMM Online Course Certificate in 2012 JORC Code Reporting. Mr Biggs also consents to the inclusion in this report of the matters based on information in the form and context in which it appears.

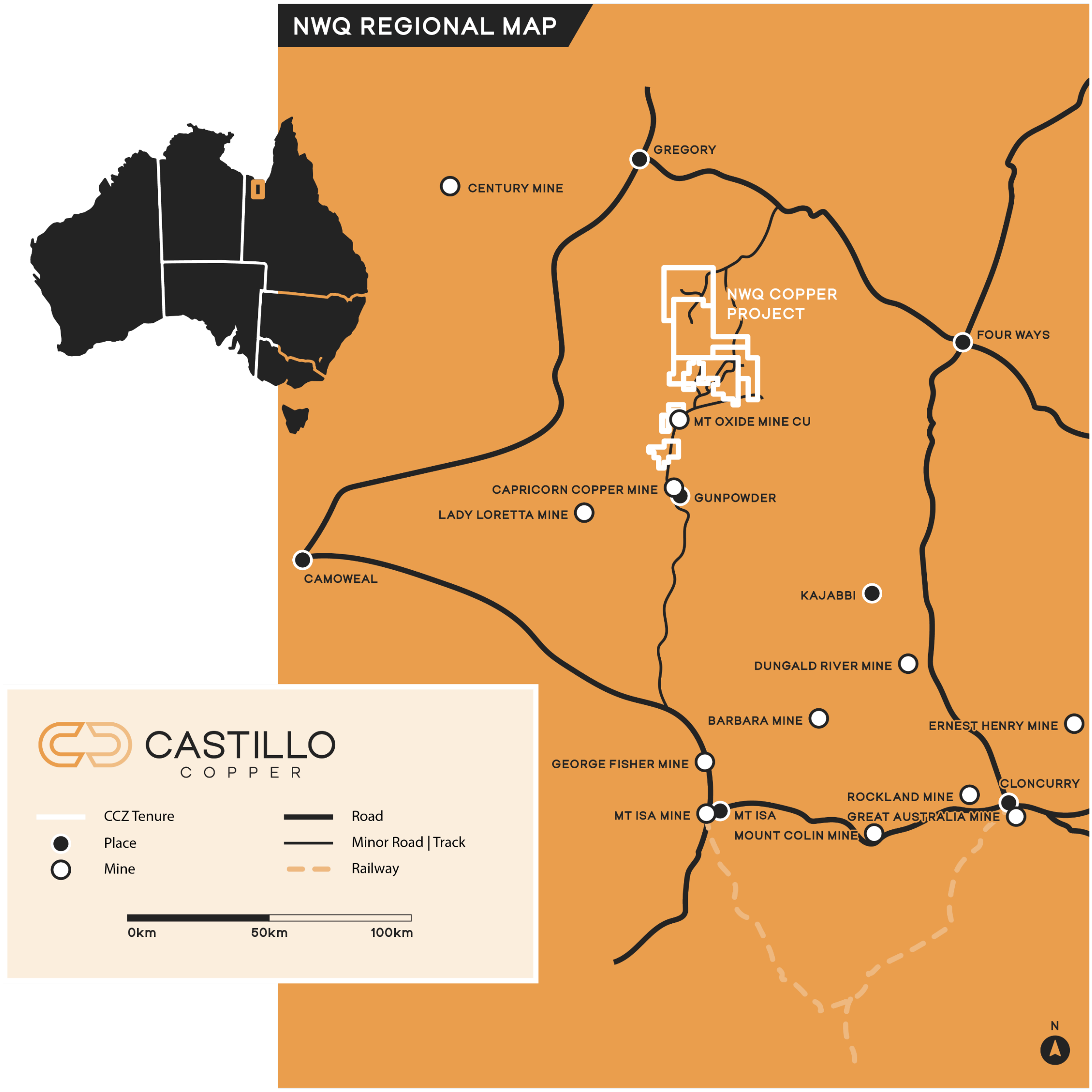
The information in this announcement that relates to exploration results is based on and fairly represents information reviewed or compiled by Mr Matt Bull, a Competent Person who is a member of the Australian Institute of Geoscientists. Mr Bull is a Consultant of Castillo Copper Limited. Mr Bull has sufficient experience that is relevant to the styles of mineralisation and types of deposit under consideration and to the activity being undertaken to qualify as a Competent Person as defined in the 2012 Edition of the "Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves". Mr Bull has provided his prior written consent to the inclusion in this announcement of the matters based on information in the form and context in which it appears.

ASX LISTING RULE 5.23.2

Castillo Copper Ltd confirms that it is not aware of any new information or data that materially affects the information included in this market announcement and, in the case of estimates of mineral resources, that all material assumptions and technical parameters underpinning the estimates in this market announcement continue to apply and have not materially changed.

APPENDIX A: Key Projects

Figure 1: NWQ Copper Project, Mt Isa Region (Source: CCZ Geology Team)



APPENDIX B: Interest in mining tenements held

Table 1: 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 2: Broken Hill East, 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
EL8434	100%	100%	-
EL8435	100%	100%	-

Table 3: 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 4: Zambia

Tenement ID	Ownership at start of Quarter	Ownership at end of Quarter	Change during the Quarter
24659-HQ-LEL (Mkushi)	100%	50%	50%

APPENDIX C: RESOURCE TONNAGES – BIG ONE DEPOSIT

Resource Type	Ore Type	Inferred (Mt)	Indicated (Mt)	Measured (Mt)	Copper Grade (%)	Silver Grade (g/t)	Contained Copper (t)	Contained Silver (kg)
Mine Dumps	Oxidised	0	0.007	-	1.2	4.0	86	29
Mine Insitu	Oxidised	1.7	0	-	1.0	1.1	17,000	1,870
Mine Insitu	Fresh	0.4	0	0	1.2	1.4	4,800	560
Sub-Totals		**2.1**	**0.007**	**0**			**21,886**	**2,459**

Notes:
Cut-off grade 0.45% Cu. Source: CCZ geology team
Refer to ASX announcement dated 28 February 2022

APPENDIX D: RESOURCE TONNAGES – CANGAI

Category	Inferred Mass	Cu	Co	Zn	Au	Ag	Cu	Co	Zn	Au	Ag
	(Tonnes)	(%)	(%)	(%)	(g/t)	(g/t)	(Tonnes)	(Tonnes)	(Tonnes)	(Kg)	(Kg)
Oxide Insitu	634,000	2.65	0.01	0.65	0.15	16.1	16,801	63	4,121	95	10,207
Fresh	3,773,000	2.48	0.01	0.55	0.31	15.2	93,570	226	20,752	1,170	57,350
Ex-Mine Oxide Dumps	29,000	2.10	0.02	0.3	0.58	14.5	609	5	87	17	421
Total	**4,436,000**	**2.5**	**0.01**	**0.6**	**0.29**	**15.3**	**110,980**	**294**	**24,960**	**1,282**	**67,978**
Historic Stockpiles											
Category	**Indicated Mass**	**Cu**	**Co**	**Zn**	**Au**	**Ag**	**Cu**	**Co**	**Zn**	**Au**	**Ag**
	(Tonnes)	**(%)**	**(%)**	**(%)**	**(g/t)**	**(g/t)**	**(Tonnes)**	**(Tonnes)**	**(Tonnes)**	**(Kg)**	**(Kg)**
Smelter Slag and Ex-Mine Oxide Dumps	199,000	1.35	0.02	1.9	0.1	4.6	2,687	48	3,781	20	915
	199,000	**1.35**	**0.02**	**1.9**	**0.1**	**4.6**	**2,687**	**48**	**3,781**	**20**	**915**
	4,635,000	**2.45**	**0.01**	**0.6**	**0.28**	**14.9**	**113,667**	**342**	**28,741**	**1,301**	**68,893**

Notes:

1. All Resource tonnages rounded to nearest 1,000 tonnes.
2. Refer to JORC Table 1 for details on data and estimation.
3. Insitu tonnages calculated as a guide only, no recovery factor, loss or dilution considered.

Source: CCZ geology team
Refer to ASX announcement dated 25 July 2024