

Critical Metals Enters into Offtake Agreement with OM Metal & Resources S.A.R.L.

written by Tracy Hughes | October 9, 2023

October 09, 2023 (Source: [Click Here](#)) – Critical Metals plc (or the “Seller”), a mining investment company established to acquire mining opportunities in the critical and strategic metals sector, is pleased to announce that it has entered into an offtake agreement (the “Agreement”) with OM Metal & Resources S.A.R.L (“OM Metal” or the “Buyer”) for the sale of a minimum of 20,000 tonnes of copper oxide ore from the Company’s flagship Project – the Molulu copper/cobalt project (“Molulu”) in the Democratic Republic of Congo (“DRC”).

The Agreement is valid from 4 October 2023 to 31 December 2023 and can be renewed on mutual agreement from both parties.

During the contract, and where possible, Critical Metals will provide the Buyer with copper ore with an average minimum acid soluble copper grade of 1.5%.

As a general guidance for the ore sales price, using an LME copper price of US\$8000 and an acid soluble copper grade of 3%, the gross price received for the sale of copper ore would be US\$91.20 per tonne.

The Buyer has already taken delivery of the first load of copper ore last week and has a fleet of ten trucks, each with the capacity to transport 40 tonnes of ore.

Russell Fryer, CEO of Critical Metals commented:

“In the last few months, we have experienced significant interest from seven different buyers of our product. We are

delighted to announce our offtake agreement with OM Metal & Resources, making Critical Metals the first western and London Stock Exchange listed company to produce and sell copper ore in the DRC since Glencore and Ivanhoe. This momentous achievement will provide us with short term cashflow and allows us to fast track our progress at Molulu.

“We are sticking to our first phase production target of producing 10,000 tonnes of oxide ore per month and this partnership allows for the production at Molulu to be monetised quickly. Furthermore, with the current diamond drilling programmes that are underway at the Molulu oxide and sulphide zones, our confidence in the large potential of Molulu continues to grow.”

Analysis, pricing, and payment of copper oxide ore

Weighing, moisture determination, sampling, and analysis shall be carried out after the delivery of five trucks of ore to OM Metal's factory. Critical Metals will send a designated representative to supervise this process to ensure accuracy.

The sales price used will be based on the closing daily LME copper price on the delivery date of the 5th truck. Once the invoice is sent to the Buyer, the Buyer will make the payment of all the invoices received for current week, in the following week, minus a transportation cost.

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For further information on the Company please visit www.criticalmetals.co.uk or contact:

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About Critical Metals

Critical Metals PLC (LSE: CRTM) has acquired a controlling 100% stake in Madini Occidental Limited, which holds an indirect 70% interest in the Molulu copper/cobalt project, a producing asset in the Katangan Copperbelt in the Democratic Republic of Congo.

The Company will continue to identify future assets that are in line with its stated acquisition objective of low CAPEX and OPEX brown-field projects with near-term production and cash-flow, whilst concentrating on minerals that have strategic importance to future economic growth thereby generating significant value for shareholders.