

Critical Metals PLC: Molulu Copper/Cobalt Project Update

written by Raj Shah | December 30, 2022

2022 – A Transformational Year

December 30, 2022 ([Source](#)) – Critical Metals plc, a mining company established to acquire mining opportunities in the critical and strategic metals sector, and currently developing the Molulu Project (“Molulu” or the “Project”), an ex-producing copper and cobalt mine in the Democratic Republic of Congo (“DRC”), provides a market update on the Project and the Company’s milestones since its readmission trading on the London Stock Exchange on 12 September 2022 (“Readmission”).

Ahead of Readmission, management raised GBP1,800,000 at 20 pence per share for the re-start of the now indirectly owned 70% of the Molulu project, following the recent acquisition of the remaining 43% of Madini Occidental Ltd.

Soon after Readmission, geological mapping of Molulu began with data entered into geological mapping software. The software allows an electronic map to be drawn with a resolution scale of 1/10,000, thereby allowing deeper understanding of the known copper ore body, with the expectation of unknown copper ore body extensions to be found. So far, one new copper ore extension has been found in the southern part of the lease area using this software, and three existing oxide copper targets have been identified close to surface with average copper grades of 3%.

In addition, the Company focused on further understanding the existing copper ore bodies, two cobalt areas of which one was previously artisanally mined, potential drilling areas for input into the JORC report, and other requirements for production, as

the lease area is 17km² with less than 10% of the property understood.

During the third week of September 2022, the Board of Directors flew to the DRC to meet in person with our local partners that hold the remaining 30% of the Project. The Board also visited Molulu to meet with our mine engineer and geologists on the ground while visiting the copper outcrops.

In late September 2022, camp accommodation for thirty employees was ordered from South Africa and after a customs clearance period, finally arrived at Molulu in November.

In early November 2022, the Company strengthened its team on the ground with the appointment of two seasoned mining veterans, a Project Manager and a Mine Manager , each with over 30 years' experience. These professionals built the Molulu camp to best industry practices, while overseeing the development of the mining plan. Also in November, a heavy equipment rental contract was signed to lease the necessary mining machinery to commence mining. The decision to lease the equipment was made to keep the up-front capital costs to a minimum while copper production ramped-up.

Unfortunately, due to consistent operational failures and unmet deadlines by the mining equipment supplier, the Company has decided to change its equipment supplier. A new supplier has been appointed and the replacement mining equipment is expected to be on site by the end of next week.

The delay in the delivery of the equipment has had a knock-on effect on our timetable with copper ore production now anticipated in January 2023. The Board of Critical Metals would like to reassure investors that this is a short-term minor delay relating to supply chain challenges in the delivery of equipment

and does not change our twelve-month copper ore production or earnings forecasts.

Finally, in December, the minority shareholders holding 43% of Madini Occidental Ltd (MO) agreed to sell its shareholding in MO to Critical Metals for GBP1,300,000. This capital was raised at 25 pence per share via five investors, including Ian Hannam, now a 10.1% shareholder in the Company, and Russell Fryer, the Company's CEO. This buyout of MO minorities by the Company sees its indirect beneficial ownership in Molulu increase from 40% to 70%. This transaction and streamlining of the corporate structure is highly value accretive to shareholders, which will be evident once steady state production levels are reached.

In conclusion, after an extremely lengthy and complex readmission process, 2022 has been a most positive and uniquely transformational year. The Company is extremely thankful to its shareholders that believe in our vision of creating a fully integrated, multi-jurisdictional critical metals production company. The Company looks forward to updating shareholders and the market again next month.

****ENDS****

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