

# Critical Metals PLC: Molulu Project Update & £600,000 Premium Placing

written by Raj Shah | May 31, 2023

May 31, 2023 ([Source](#)) – Critical Metals plc, a mining investment company established to acquire mining opportunities in the critical and strategic metals sector, is pleased to provide an update on recent progress at the Company's Molulu copper/cobalt asset ("Molulu" or the "Molulu Project") in the Democratic Republic of Congo ("DRC").

In addition, Critical Metals is pleased to announce it has raised £600,000 at 25 pence per share, the proceeds of which will be used to assess acquisition opportunities in line with the Company's stated goal to expand its asset base.

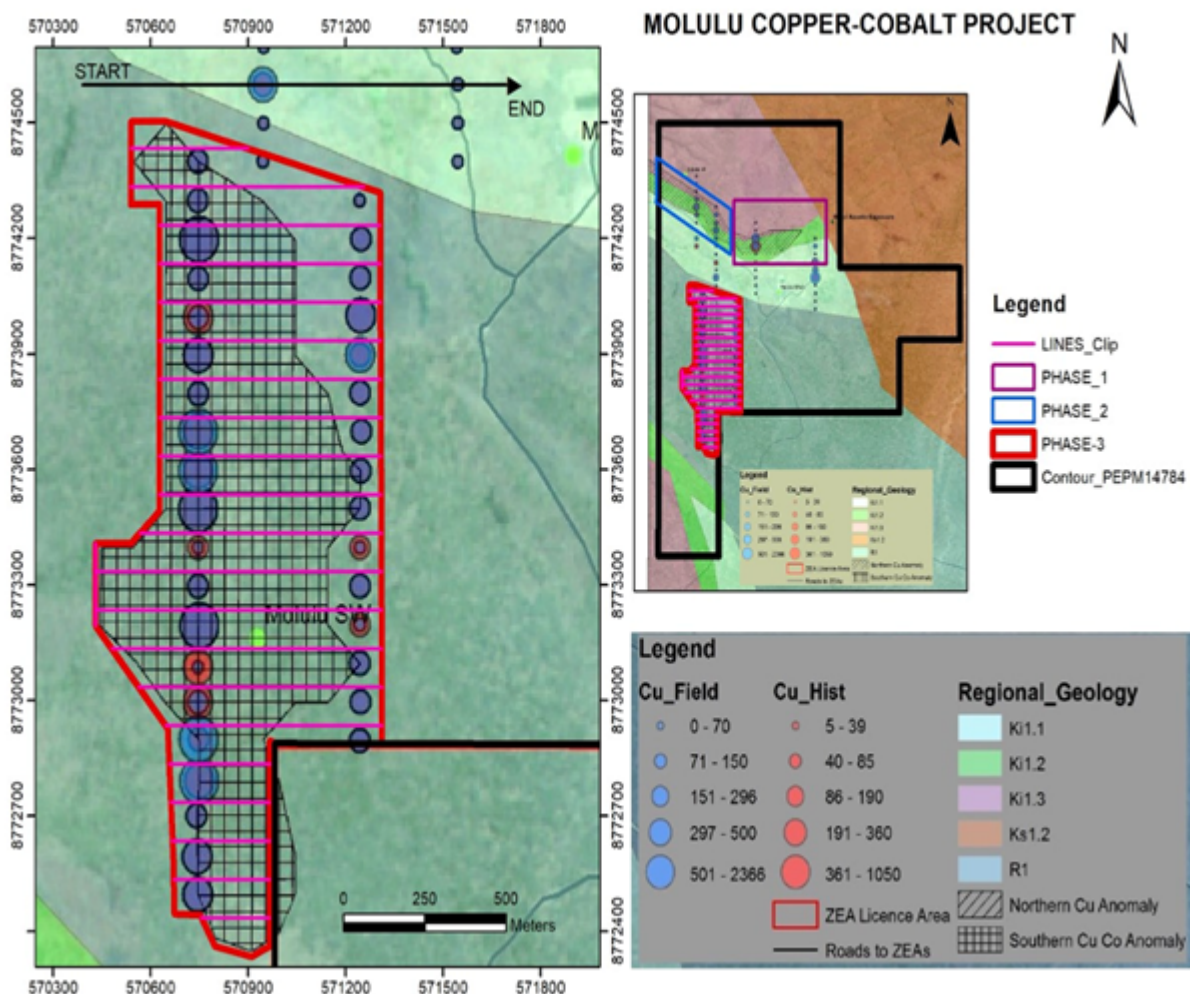
## Highlights:

- Two new anomalies identified by the geophysics analysis on Molulu project
- Road rehabilitation is complete and bridge building has begun
- High grade sulphide open pits begin draining
- Drilling to begin in mid-June
- Additional geologist hired for the creation of the Molulu JORC report
- Raised £600,000 at 25p per share, a 4.2% premium to the share price closing price yesterday
- Funds to advance M&A due diligence on potential new acquisition opportunities

## Molulu Project Groundwork Update

Further to the announcement of 15 May 2023, the Molulu Project has three areas where mapping and geophysics analysis has been completed, with the Induced Polarisation (IP) beginning this week. Figure 1 below shows the three areas, labeled Phase 1, Phase 2, and Phase 3.

Figure 1



During the mapping and geophysics surveys, two new copper anomalies were discovered directly south of the Phase 1 area. These new areas, known as Phase 1a and Phase 1b, will be included in the current IP programme. The Company believes that this will further increase the tonnage to the already known

copper resource base.

The IP will move to the Phase 3 and Phase 2 locations respectively which will allow geologists to identify the approximate depth and image of the subsurface minerals, notably copper and cobalt. The drilling targets will then be based on the results of the IP imaging which will be released when complete.

In addition, a drilling contractor has been appointed and recently visited Molulu to begin preparation for mobilisation on site. Initial drill target areas have been discussed and final decisions on the location of the first drill pads will happen once the Phase 1 IP imagery is received, which is expected in June 2023. Once the first drill results are received, the Company believes there will be sufficient data to obtain a JORC Resource for the project.

In early May 2023, the Company's management decided to use the hired dozer and excavator that were already located at Molulu to rehabilitate the road that connects the property to a number of ore buyers' processing plants. This decision saved shareholders over \$50,000 in external contractor costs. The dozer has now rehabilitated the entire road and now all that remains to allow large tipper trucks to use the road to supply ore to the selected buyers is the construction of a bridge that can accept the weight of 40-50 tonne tipper trucks. Management has decided to use 40-50 tonne trucks instead of 25 tonne trucks in order to move larger volumes of copper ore more efficiently, thereby reducing the wear on both the bridge and road, while reducing variable unit costs. The water-direction piping, steel reinforcement, cement, and other bridge building requirements are on site and the building of the bridge has begun. The Company expects that the bridge will be complete in June 2023.

A water pump has been purchased and installed in the high-grade copper sulphide open pit. Water decanting has begun, and the open pit is expected to be empty in the middle of June 2023. This pit is the new focus of mining due to the Company's belief that that the in-situ sulphide ore is higher-grade and extends past 100 meters in depth.

It is anticipated drilling will begin in the second half of June 2023 once the first results of the Phase 1 IP programme are received. Last month, the Company hired an exploration geologist working on her PhD in geology to capture and collate all the geotechnical, geophysics, IP, and borehole drilling data for insertion into the creation of the maiden JORC report for Molulu.

### **£600,000 Placing**

As part of the Company's stated strategy to identify future assets that are in line with its acquisition objective of low CAPEX and OPEX projects with near-term production, concentrating on minerals that are perceived to have strategic importance to future economic growth and generate significant value for shareholders, the Company is pleased to have raised £600,000 (the "Placing"), the proceeds of which will be used for geological due diligence on potential acquisition opportunities, one of which has been identified outside of the DRC. Consulting geologists have already visited this potential opportunity and feedback is expected shortly.

The Placing has been completed at a premium price of 25 pence per Ordinary Share, a 4.2% premium to the closing price on 30 May 2023. In addition, warrants to subscribe for Ordinary Shares in the Company are being granted in the ratio of one warrant for every 1 new Ordinary Share ("Warrants"). The Warrants are exercisable at a price of 40 pence per Ordinary

Share for 18 months from the date of issue.

Participants in the Placing include Ian Hannam, and five other long-term supporters. Russell Fryer, a director of the Company, is also subscribing for Ordinary Shares in the Placing at a price of 25p per Ordinary Share.

The Placing coincides with Molulu generating its first ore sales which are expected late June, making the Molulu Project a self-sustaining operation.

### **Admission of Ordinary Shares**

Application has been made for the admission to the Official List and the Main Market of 2,400,000 Ordinary Shares in respect of the Placing, which are expected to admit on 1 June 2023. On Admission of the Ordinary Shares the total number of Ordinary Shares in issue will be 62,312,235 with each Ordinary Share carrying the right to one vote.

The figure which may be used by shareholders as the denominator for the calculations by which they will determine if they are required to notify their interest in, or a change to their interest in the Company under the Transparency (Directive 2004/109/EC) Regulations 2007 and the Transparency Rules is, therefore, 62,312,235.

**CEO of Critical Metals, Russell Fryer commented, “I am pleased to be able to report on our continued progress at Molulu. With the road rehabilitation now complete, and with the construction of the bridge underway, we look forward to selling copper ore from Molulu in June.**

*“The discovery of two further anomalies is encouraging, with IP surveys expected to take place. These survey results will be used to help plan the upcoming drill programme. What is becoming*

*apparent is the size of Molulu deposit is increasing.*

*“Further, I am encouraged by the premium fundraise of £600,000. The Company is continuing to assess further assets of interest in line with our acquisition strategy, and we will provide an update to shareholders when possible.*

*“As ever, I would like to thank our team at Molulu for their work getting us to this point, as well as all shareholders for their continued support for the management team. I look forward to providing an update to shareholders and the market in the near future.”*

**\*\*ENDS\*\***

**For further information on the Company please visit [www.criticalmetals.co.uk](http://www.criticalmetals.co.uk) or contact:**

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### **About Critical Metals**

Critical Metals PLC has acquired a controlling 100% stake in Madini Occidental Limited, which holds an indirect 70% interest in the Molulu copper/cobalt project, an ex-producing medium-scale asset in the Katangan Copperbelt in the Democratic Republic of Congo. In line with its investment strategy of focusing primarily on known deposits, targeting projects with low entry costs and the potential to generate short-term cash

flow; the Company intends to produce 120,000t/per annum of Copper Oxide Ore.

The Company will continue to identify future acquisition opportunities which are low CAPEX and OPEX projects with near-term production, concentrating on minerals that are perceived to have strategic importance to future economic growth and generate significant value for shareholders.

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