

Critical Metals PLC: Molulu Operational Update

written by Raj Shah | May 15, 2023

May 15, 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 a comprehensive operational update on activities at the Company's Molulu copper/cobalt asset ('Molulu') in the Democratic Republic of Congo ('DRC').

Highlights:

- 6,500 tonnes of oxide ore at an average grade of 3% mined to date, as measured by our geologist using a handheld XRF
- Mining focus accelerating to the high-grade sulphide zones – high grade ore samples above 8.3% copper
- Latest mapping and geophysics programmes re-emphasis copper and cobalt potential
- Dewatering process of pits underway
- Potential buyers of ore visiting Molulu, first sales to be completed once transport infrastructure is complete
- Mobilisation for road rehabilitation and bridge building has started and is expected to be finished in by the end of May
- ESG programmes expanding, including providing support for the growing local economy

Focusing on higher grade sulphide zones

The Company has mined over 6,500 tonnes of oxide ore at an

average grade of 3%, as measured by our geologist using a handheld XRF, which is now available for sale. After surveying the Molulu copper grades and market, the technical team have decided to focus mining on the high-grade sulphide copper ore. This high-grade sulphide copper ore body will be exposed in the pits that have begun the dewatering process.

To illustrate why the Company is focusing on the sulphide zones, a grab sample was taken from the big pit that is currently being dewatered. This sample was analysed using a handheld x-ray fluorescent (XRF) and the copper result was 8.36%. For comparison purposes, copper head grades in mines in Chile, Peru, and Arizona are below 1% contained copper.

Due to the much higher-grade sulphide copper ore, mining the sulphide zones has the potential to increase profitability by orders of magnitude above the oxide only mining. When the drilling programme begins, which we expect will be in June, the team will drill through the oxide zones in the sulphide areas to expand the resource, and to create a JORC report. Details on the mining of the sulphide zones will be released during and after the drilling programme. Oxide mining will continue but will no longer be the focus of production.

Latest mapping and geophysics programmes reconfirm large copper and cobalt potential

There are several identified areas where the host geology is favourable to find large copper and cobalt zones. The mapping data exercise was completed last week and will be used in conjunction with the findings from the geophysics and IP data collection that is underway.

Geophysics analysis is processing images of the copper and cobalt anomalies by injecting electric currents into the ground. We plan on continuing the geophysics analysis until the end of

May as the Company has identified several exciting areas and anomalies from our geophysics programme.

The mapping, geophysics, and IP (induced-polarisation) programmes are expected to be completed by the end of May, and the drilling programme will begin in June. Early results from the drill programme will be released when they become available. These drilling results will be used to form the basis of a JORC report.

Dewatering process of pits underway

The dewatering of both sulphide and copper pits has begun. First, a trench has been dug from the smaller pit so the water could decant naturally to a local stream. In addition to the trench, a large watering pump was purchased two weeks ago and is en route to Molulu. The Company expects to begin dewatering the big pit with the pump this week and anticipate both pits will be dewatered within thirty days.

Buyers of copper ore visited the Molulu mine

A number of potential buyers of copper ore have recently visited Molulu and took samples for testing in their plants. First sales of oxide ore could commence as soon as the bridge is installed, and the road rehabilitation completed. We expect these tasks to be complete by the end of the month (see further comment below).

The rehabilitation of the road has begun and is expected to be completed by the end of May

The longer than usual seasonal heavy rain season began in early January and finished at the end of April. These heavy rains delayed the rehabilitation of the road and the building of the bridge that is required to cross the river close to our lease area. The rehabilitation of the road and bridge has now begun,

and the current expectation is that the water culverts will be installed next week and the bridge to be completed by the end of this month.

Environmental, Social and Governance (ESG) Programme

When the Company acquired the Molulu asset in September 2022, there were no DRC based employees. Due to the rapid expansion of the mine activities, there are now thirty employees, and, with the exception of two, are DRC citizens. The Company estimates that once drilling commences during the summer, and the mining tonnage increased, the Company expects to have over forty full time employees and approximately twenty casual labours.

Most of the food consumed at Molulu is sourced and purchased from local villagers. This has created a small but growing economy in the area. The Company is committed to its continued support to help grow the local economy and enterprises.

In the DRC, most of the population lives on \$2 per day and struggles to put food on their table. Critical Metals via the Molulu mine, pays its workers a significantly higher rate than the average rate in the DRC. In addition, the Company provides two or three meals per day to its employees, both permanent and casual. In total, we currently feed about almost fifty people daily and expect this to increase.

All employees, either full time or casual labour, are provided with standard PPE equipment to maintain health and safety. A daily Health Safety & Environment (HSE) meeting is held at 6:30am before workers deploy to their areas to ensure compliance. The Company remains committed to setting high health & safety standards, as part of this effort, the Company has appointed a full-time health & safety coordinator who is based on site to ensure that these high standards are always kept too.

Russell Fryer, CEO of Critical Metals Commented: *"I am delighted to be able to provide this operational update on the ongoing activities at Molulu. Since we announced that Molulu would be commencing production in January 2023, the team on the ground has been working tirelessly to ensure the Company achieves our operational goals in a timely manner. I am encouraged by the latest grade samples above 8.3%, confirming the potential high profitability of the project.*

"I am particularly proud of our ESG efforts at Molulu, where we are committed to the local community. I have seen first-hand the role we are playing in supporting the local area and the economy. We have seen in recent months disappointing news about the mining industry in the DRC, this is a trend that the whole Critical Metals team is committed to challenge.

"Overall, in recent months, I have been encouraged by the results and progress that is coming out of Molulu, and I am looking forward to being able to provide the market with further positive developments in coming weeks and months."

****ENDS****

For further information on the Company please visit 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 assets that are in line with its stated 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.

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