

Critical Metals PLC joins the exclusive club of copper producers with its Molulu Project in the DRC

written by InvestorNews | January 30, 2023

Copper is often said to be the ultimate green energy transition metal, essential for transmitting electricity for use in almost all modern day devices. Solar systems, wind turbines and electric vehicles all rely heavily on copper components.

The [International Energy Agency \(“IEA”\) forecasts](#) copper demand to increase 2-3x from 2020 to 2040, similar to [Trend Investing’s forecast](#) of 2.3x from 2020 to 2037. As we move towards a world of lower emissions, copper’s importance grows significantly.

The [top 4 copper producing countries](#) in order are Chile, Peru, China, and the Democratic Republic of the Congo (“DRC”).

While the DRC has its risks, the country is known for its exceptionally high grades of both copper and cobalt. Today’s company has invested into the DRC copper/cobalt mining sector and has a new producing mine.

[Critical Metals PLC](#) (LSE: CRTM) is now a new copper producer

As [announced](#) by Critical Metals on January 26, 2023: “Copper oxide production commenced at the Molulu Project, an ex-producing copper-cobalt mine in the Democratic Republic of the Congo.” Critical Metals owns [100%](#) of Madini Occidental Limited, which holds an indirect 70% interest in the Molulu copper-cobalt project in the DRC. The project is forecast to produce an initial 120,000 tonnes pa of copper oxide ore. Critical Metals

[states](#): “The copper ore produced in January 2023 will be stockpiled for sale into the market in February 2023. All copper material extracted from the mine will be sent to local processing plants, of which there are four in the Likasi and Lubumbashi areas expressing interest in purchasing Molulu copper ore.”

The Molulu Project is an ex-producing, medium scale copper-cobalt project in the Katangan Copperbelt, adjacent to producing mines previously mined by artisanal miners. Molulu has very high grades. According to the [company](#): “Molulu’s copper grades range between 15% & 40% (sulphides) and 2% and 15% (oxides). Cobalt areas have been identified and will be drilled for confirmation”, and [comments](#): “The Project’s fundamentals provide the potential for a long lived, low capital cost and high operating margin copper and cobalt mine in the DRC.”

Critical Metals development plan

Critical Metals plans to carry out additional exploration work at the Molulu Project. A \$200,000 drill program will be designed and initiated to further delineate the copper strike length and depth and to create a JORC compliant resource. There are numerous anomalies that have been discovered and are considered worthy of further investigation in order to potentially grow the resource and ultimately production (see image below).

Heat Map of Minière Molulu Copper/Cobalt showing numerous copper and cobalt anomalies yet to be investigated further

Figure 3-2: Soil Geochemistry **Copper (Cu)** Anomalies

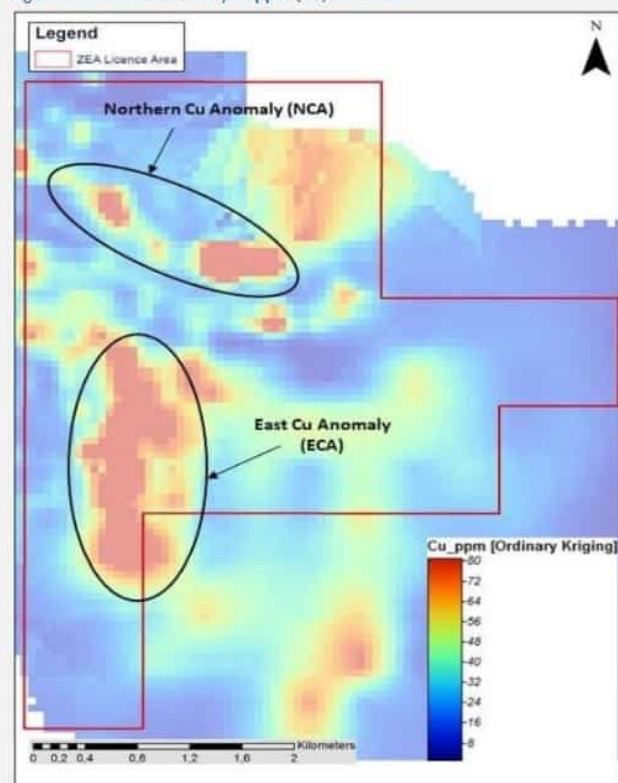
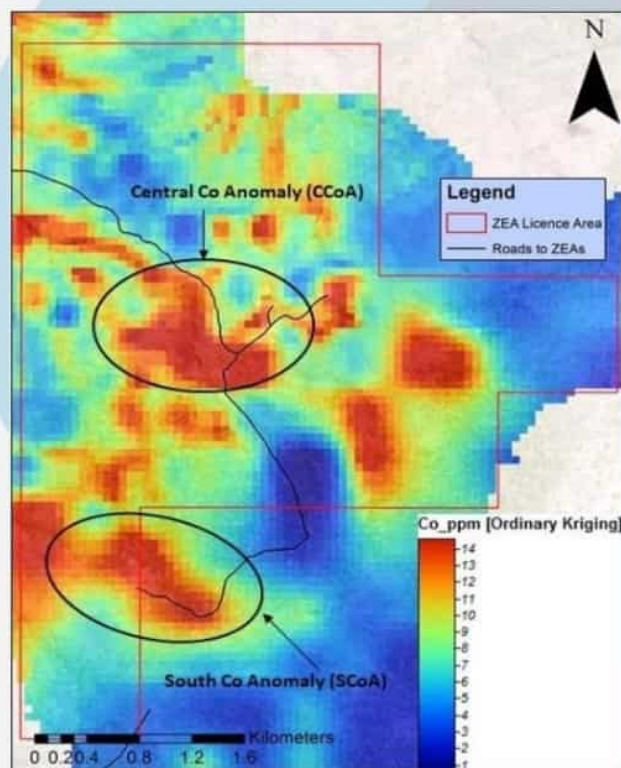


Figure 3-3: Soil Geochemistry of **Cobalt (Co)** Anomalies



Source: [Company presentation](#)

The Company also intends to seek further potential investment opportunities in the DRC.

Closing remarks

High grade copper and cobalt producing mines are rare but are commonly found in Katangan copper belt of the DRC. The country is not without significant sovereign risks, but if these can be managed the rewards can flow from the high grade copper and cobalt mining in the region.

Critical Metals PLC trades on a market cap of only [~C\\$15 million](#).