



CASTILE RESOURCES LIMITED

QUARTERLY ACTIVITIES REPORT

For the Period Ending 31 March 2024

Highlights

MAJOR PROJECT STATUS AWARDED TO CASTILE RESOURCES

In a significant announcement for Castile Resources post the March quarter, the Rover 1 Project has been awarded Major Project Status (MPS) by the Northern Territory Government in April 2024.

Major Project Status provides numerous advantages for Castile including:

- aligning Castile and the Northern Territory Government's vision of establishing the NT as a hub for downstream processing of critical minerals and subsequent widespread economic and social benefits
- the strong financial economics of the Project will make Castile a significant contributor to the economic development of the Barkly Region and the Northern Territory by creating direct employment and business opportunities for service providers.
- NT government assistance in facilitating Castile's Final Investment Decision regarding the Project.

During the quarter Castile completed its first field program at the highly prospective 100% owned Milgun Lithium Niobium Project in Western Australia:

- 771 soil samples were collected with assays expected in May 2024.

Castile continued to promote strong corporate and government relationships:

- with attendance at the PDAC Conference in Toronto as part of the Geoscience Australia delegation
- meeting with The Hon Madeleine King, Federal Minister for Resources and Northern Australia to discuss the Rover 1 Project.
- with strong gains in key metals prices - gold and copper - during the quarter.

Castile ended the quarter with a cash position of \$3.106M on 31 March 2024.

CASTILE RESOURCES LIMITED



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ROVER 1 – ADVANCING THE DEFINITIVE FEASIBILITY STUDY

Major Project Status Awarded to Rover 1

Castile's Rover 1 Project in the prolific gold-copper mining province of Tennant Creek in the Northern Territory has now advanced in status to be rewarded with Major Project Status. The Project will produce 99% copper, gold, 99% cobalt and a high-grade (96.5%) magnetite concentrate. The downstream processing capability of the plant means the 99% copper and 99% cobalt will be available for direct sale to EV and battery manufacturers.

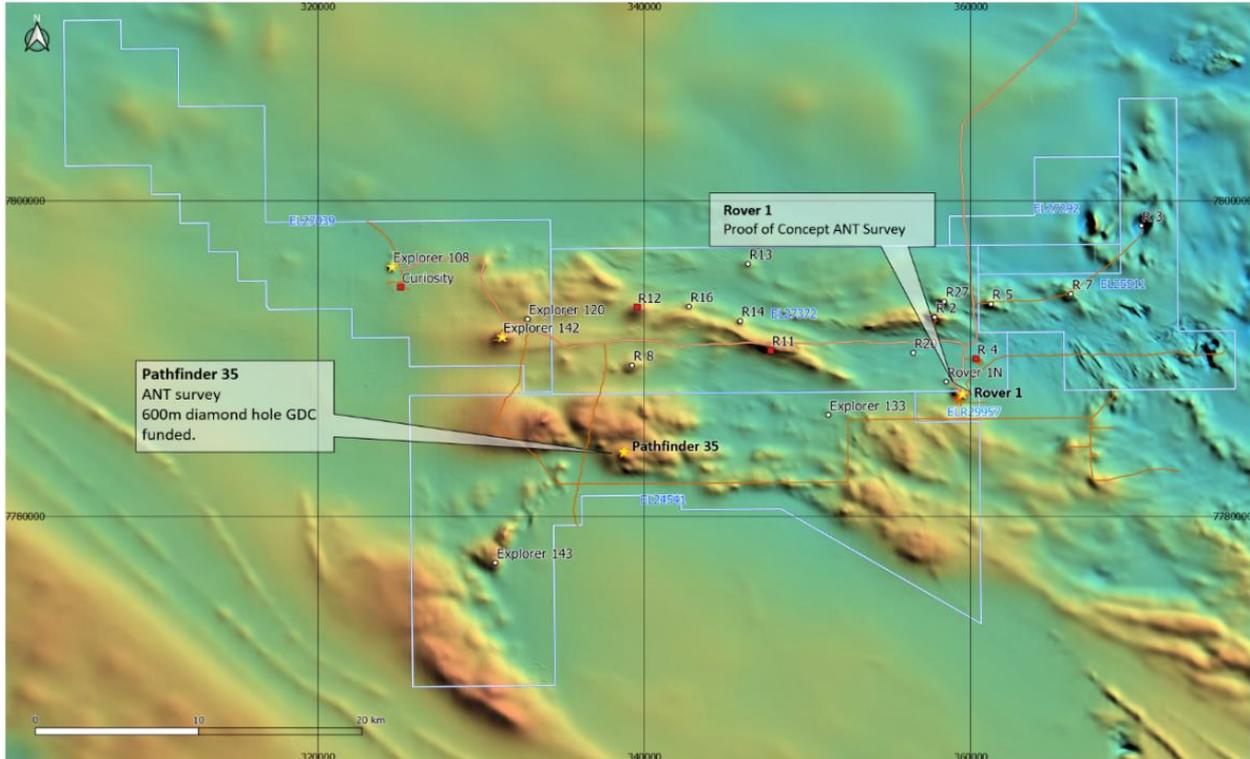
Castile's strategy of producing downstream critical minerals in the NT is strongly aligned with the Northern Territory Government's MPS program goal of becoming a major hub for mining, processing, and refining of critical minerals for the 2050 net-zero transition. Castile aims to develop a sustainable mining and processing operation that benefits all our stakeholders and shareholders. The development of the Rover 1 Project will provide significant opportunities in employment and economic prosperity for the local Barkly Region and the entire Northern Territory.

Major Project Status will significantly advance the Project by:

- The formation of a dedicated Project Control Group co-ordinating all relevant government departments' involvement in the project to facilitate co-ordinated interaction with Government.
- The commitment from Castile and the NT Government to proactively identify, and seek to address, mitigate, and manage key issues for each stage of the Project as appropriate, including approvals, land access, corridors access, water, power, telecommunications, other infrastructure including roads, export facilities, access to customers and markets and future service requirements.
- Alignment of Castile and the NT Government's vision of establishing the Northern Territory as a hub for downstream processing of critical minerals and provide widespread economic and social benefits.
- Assistance in facilitating Castile's Final Investment Decision regarding the Project
- Maximising outcomes for local industry participation in the Project through the negotiation of a Territory Benefit Plan ("TBP") which specifically addresses (but is not limited to) workforce development, local employment, local supply and service, Aboriginal business and workforce development and contribution to the shared value in the local community.
- Castile's commitment to supporting the rapid, efficient and effective development of the Project, and to the extent it is commercially reasonable, maximise the economic and community benefits arising from the Project for the Northern Territory.

EXPLORATION

Figure 1: Rover Mineral Field NT Govt Co-Funded Activities



ROVER MINERAL FIELD PASSIVE SEISMIC PROGRAM

Roll out of sensors continues for the passive seismic survey at Rover 1 with planning to have all sensors installed by April 2024.

ROVER MINERAL FIELD PATHFINDER 35 DRILLING

The 2023-2024 wet season has severely affected road and track access required for the program. Remediation measures to allow the drill rig to site will be delayed for at least a month due to ground conditions.

Gaining Major Project Status lays the foundation for Castile to capitalise on the other exploration opportunities within the Rover Mineral Field which is potentially an undercover repetition of the neighbouring Tennant Creek Mineral Fields that yielded approximately 5.5Moz of gold and 700kt of copper (nt.gov.au/ntgs) over the entirety of their operating period.

Castile has defined multiple coincident magnetic and gravity anomalies within the Rover Mineral Field pointing to mineralisation under west Wiso basin cover. This includes drilling of

6 targets and making 4 significant discoveries, Rover 1, Explorer 108, Explorer 142 and Rover 4 displaying the strong prospectivity of the tenements. Our focus on going downstream - rather than the typical concentrate production and shipping to overseas markets strategy - provides an infrastructure pathway for these opportunities to be explored and developed.

With Rover 1, Castile has development ready copper-gold asset that can re-ignite mining activity in the prolific Tennant Creek Region enhanced by the strong rebound in copper and gold prices and our co-products of cobalt and magnetite.

MILGUN LITHIUM NIOBIUM PROJECT FIELD WORK

The Milgun Project is in Western Australia approximately 150km north-northwest of Meekatharra in the Peak Hill Mineral field and comprises tenements E52/4206 and E52/4235.

During the quarter Castile completed the first reconnaissance, geological mapping and geochemical sampling program on E52/4235 during March 2024.

Figure 2: Milgun project soil geochemistry sampling

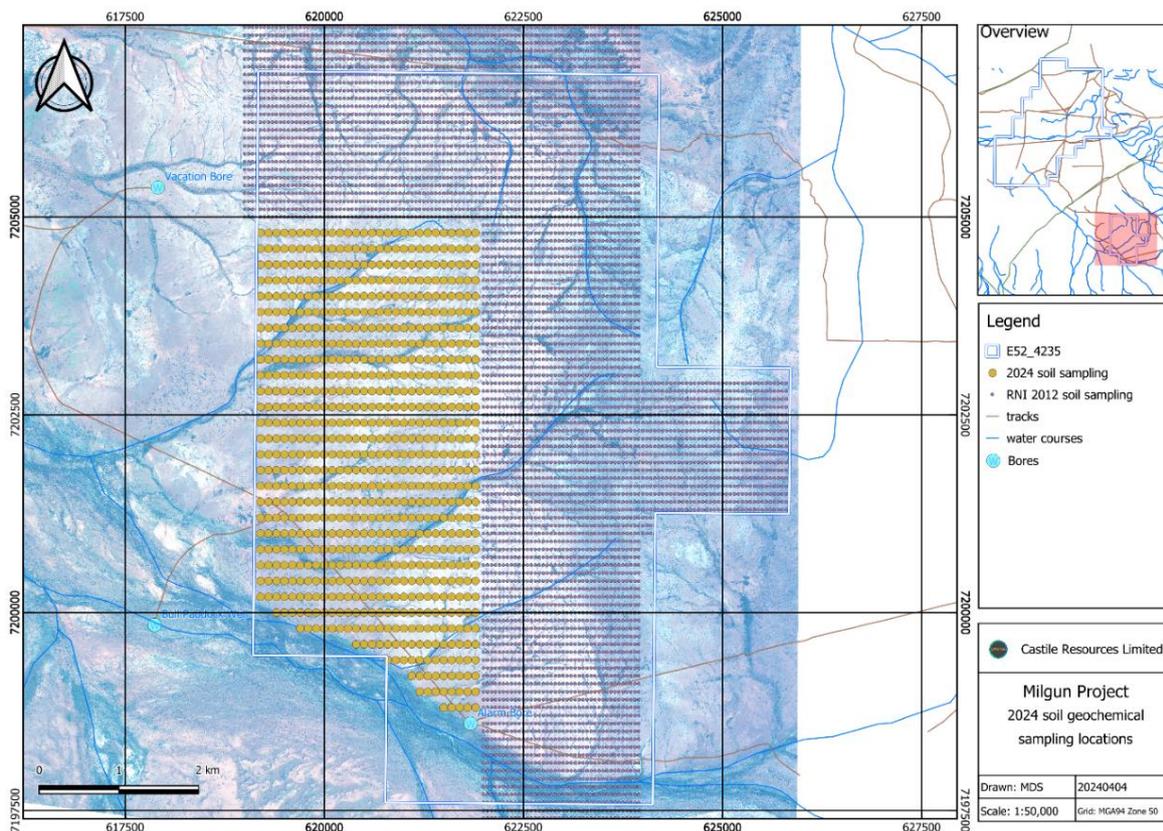


Figure 3: Milgun rock chip sampling and geology mapping - pegmatites

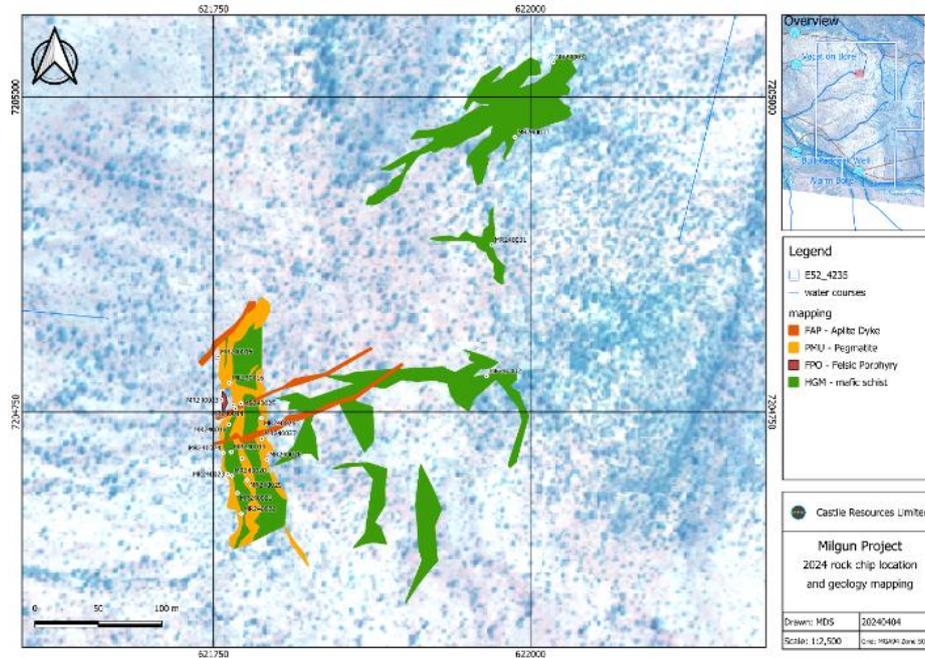
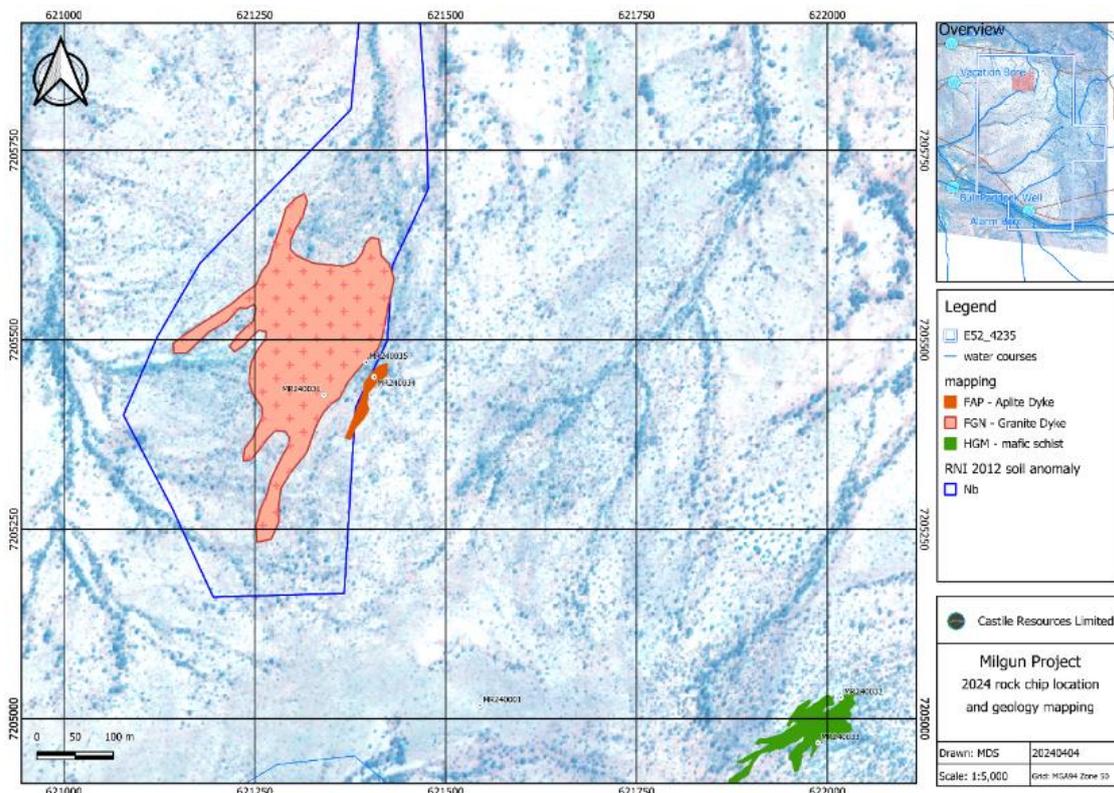


Figure 4: Milgun rock chip sampling – shallow pegmatite from the swarm in Figure 3



A total of 771 soil samples (refer to Figure 2) and 36 rock chip samples were collected over the tenement, along with 20Ha of detailed geological mapping. The mapping identified a shallow dipping pegmatite swarm comprising three main pegmatites to 3m thick striking over 200m (refer to Figure 3) that have intruded into a mafic schist unit within gneiss of the Yarlalweelor Gneiss Complex. 21 of the 36 rock chip samples were taken of the pegmatite (refer to Figure 4),

Figure 5: Milgun rock chip sampling and geology mapping – niobium soil anomaly



Mapping around the Niobium soil anomaly outlined an extensive outcrop of a granite and aplite dyke swarm within gneiss (refer to Figure 5). The granite dykes are the likely source of the anomaly as no pegmatic material was identified while mapping. Rock chip samples taken from the area will confirm. Results of the geochemical samples collected are expected towards the end of April.

Warumpi Project, NT

Further geophysical surveys are being considered for the Warumpi tenements in the coming 2024 field season.

CORPORATE

CASTILE DISCUSSES ROVER 1 WITH FEDERAL MINISTER FOR RESOURCES AND NORTHERN AUSTRALIA

Castile presented as the keynote investment opportunity for the Northern Territory Geological Survey (NTGS) at the Prospectors and Developers of Canada Conference (PDAC) in Toronto.

The Hon Madeleine King, Minister for Resources and Minister for Northern Australia attended the conference and discussed the Rover 1 Project with Mark Hepburn, Managing Director of Castile Resources.



Figure 6: The Hon Madeleine King discusses the Rover 1 Project with Mark Hepburn and representatives of the Northern Territory Geological Survey at PDAC

The NT government continues to assist mineral exploration and development companies by providing infrastructure and promoting financial investment facilitation meetings with investors and end users of critical minerals.

The Company was also invited by the Federal Government to attend a function hosted by the Hon Madeleine King, Minister for Resources and Minister for Northern Australia to discuss the role Australian critical minerals play in the global drive to net zero, including how the Australian Government is supporting the growth of Australia's production and processing capability.

The Minister was extremely supportive of Castile's downstream processing strategy and the economic and financial contribution the project will make to the Barkly region.

The function was attended by various Original Equipment Manufacturers (OEM), institutional funds and government officials.



Figure 7: Castile attends the Federal Government function hosted by The Hon Madeleine King to discuss how Government is supporting the growth of Australia's downstream production and processing capability.

CHANGE OF ADDRESS

Castile leased the adjoining suite to the existing premises on Southport Street in West Leederville. This has required a change to the Company's registered address as of Monday 22nd April 2024 to:

**Castile Resources Limited
Suite 1B, 17 Southport Street
West Leederville WA 6007**



FINANCIAL POSITION

Castile's cash position as of 31 March 2024 was \$3.106M. The Appendix 5B for the quarter ended 31 March 2024 provides an overview of the Company's financial activities. Exploration expenditure for the quarter was \$0.298 including metallurgy studies and testing costs associated with the Tennant Creek projects as well as the activities set out in this report. No expenditure was incurred on mining production or development activities during the quarter. The total amount paid to directors of the Company, their associates and other related parties was \$0.174M for salary and superannuation.

TENEMENTS

Castile held the following tenements as of 31 March 2024.

Tenement	Project	Location	Interest	Status
EL 24541	Rover	Northern Territory	100%	Renewal Application Submitted 14/12/2023
EL 25511	Rover	Northern Territory	100%	Renewal Application Submitted 14/12/2023
EL 27039	Rover	Northern Territory	100%	Expiry 14/05/2025
EL 27292	Rover	Northern Territory	100%	Expiry 26/05/2024
EL 27372	Rover	Northern Territory	100%	Expiry 26/05/2024
ELR 29957	Rover	Northern Territory	100%	Expiry 16/09/2028
ELR 29958	Rover	Northern Territory	100%	Expiry 16/09/2028
EL 33121	Rover	Northern Territory	100%	Expiry 3/11/2028
EL 10397	Warumpi	Northern Territory	100%	Expiry 10/09/2025
EL 31794	Lake Mackay JV	Northern Territory	14%	Expiry 27/02/2024
E52/4206	Milgun	Western Australia	100%	Expiry 19/01/2028
E52/4235	Milgun	Western Australia	100%	Expiry 26/03/2028

HEALTH SAFETY, AND COVID-19 BUSINESS MANAGEMENT PLAN

There were no Lost Time Injuries (LTI's) to any Castile staff and no cases of COVID-19 were reported in the March 2024 quarter. Castile will continue to monitor and maintain safety requirements in the new areas of exploration at Pathfinder 35 and the Milgun Lithium Niobium Project Tenements.

Mark Hepburn, Managing Director
Castile Resources Limited

For further enquiries please contact info@castile.com.au or phone +61 8 9488 4480.

Authorised for release by the Board of Castile Resources Limited.



Competent Persons Statements

The information contained in this report relating to Exploration Results, Minerals Resources and Ore Reserves has been previously reported by the Company as referenced in this presentation (Announcements). The Company confirms that it is not aware of any new information or data that would materially affect the information included in the Announcements and, in the case of estimates of Mineral Resources and Ore Reserves that all material assumptions released on 5 December 2022 and technical parameters underpinning the estimates continue to apply and have not materially changed.

The information contained in the report relating to the Rover 1 Pre-Feasibility Study (PFS) was previously announced by the Company on 5 December 2022 and the Explorer 108 Scoping Study (Scoping Study) was previously announced by the Company on 27 April 2023. The Company confirms that all material assumptions underpinning the PFS and Scoping Study, including financial forecasts and production targets, continue to apply and have not materially changed.

Appendix 5B

Mining exploration entity or oil and gas exploration entity quarterly cash flow report

Name of entity

Castile Resources Limited

ABN

93 124 314 085

Quarter ended ("current quarter")

31 March 2024

Consolidated statement of cash flows	Current quarter \$A'000	Year to date (9 months) \$A'000
1. Cash flows from operating activities		
1.1 Receipts from customers	-	-
1.2 Payments for		
(a) exploration & evaluation	-	-
(b) development	-	-
(c) production	-	-
(d) staff costs	(232)	(525)
(e) administration and corporate costs	(171)	(453)
1.3 Dividends received (see note 3)	-	-
1.4 Interest received	36	128
1.5 Interest and other costs of finance paid	(1)	(3)
1.6 Income taxes paid	-	-
1.7 Government grants and tax incentives	-	-
1.8 Other (provide details if material)	-	-
1.9 Net cash from / (used in) operating activities	(368)	(853)

2. Cash flows from investing activities		
2.1 Payments to acquire or for:		
(a) entities	-	-
(b) tenements	-	-
(c) property, plant and equipment	-	(2)
(d) exploration & evaluation	(298)	(1,450)
(e) investments	-	-
(f) other non-current assets	-	-

Mining exploration entity or oil and gas exploration entity quarterly cash flow report

Consolidated statement of cash flows		Current quarter \$A'000	Year to date (9 months) \$A'000
2.2	Proceeds from the disposal of:		
	(a) entities	-	-
	(b) tenements	-	-
	(c) property, plant and equipment	-	-
	(d) investments	-	-
	(e) other non-current assets	-	-
2.3	Cash flows from loans to other entities	-	-
2.4	Dividends received (see note 3)	-	-
2.5	Other (tenement deposits)	-	(3)
2.6	Net cash from / (used in) investing activities	(298)	(1,455)
3.	Cash flows from financing activities		
3.1	Proceeds from issues of equity securities (excluding convertible debt securities)	-	-
3.2	Proceeds from issue of convertible debt securities	-	-
3.3	Proceeds from exercise of options	-	-
3.4	Transaction costs related to issues of equity securities or convertible debt securities	-	-
3.5	Proceeds from borrowings	-	-
3.6	Repayment of borrowings	(5)	(15)
3.7	Transaction costs related to loans and borrowings	-	-
3.8	Dividends paid	-	-
3.9	Other (provide details if material)	-	-
3.10	Net cash from / (used in) financing activities	(5)	(15)
4.	Net increase / (decrease) in cash and cash equivalents for the period		
4.1	Cash and cash equivalents at beginning of period	3,777	5,429
4.2	Net cash from / (used in) operating activities (item 1.9 above)	(368)	(853)
4.3	Net cash from / (used in) investing activities (item 2.6 above)	(298)	(1,455)
4.4	Net cash from / (used in) financing activities (item 3.10 above)	(5)	(15)

Mining exploration entity or oil and gas exploration entity quarterly cash flow report

Consolidated statement of cash flows		Current quarter \$A'000	Year to date (9 months) \$A'000
4.5	Effect of movement in exchange rates on cash held	-	-
4.6	Cash and cash equivalents at end of period	3,106	3,106

5.	Reconciliation of cash and cash equivalents at the end of the quarter (as shown in the consolidated statement of cash flows) to the related items in the accounts	Current quarter \$A'000	Previous quarter \$A'000
5.1	Bank balances	2,930	3,602
5.2	Call deposits	184	184
5.3	Bank overdrafts	-	-
5.4	Other (credit cards)	(8)	(9)
5.5	Cash and cash equivalents at end of quarter (should equal item 4.6 above)	3,106	3,777

6.	Payments to related parties of the entity and their associates	Current quarter \$A'000
6.1	Aggregate amount of payments to related parties and their associates included in item 1	168
6.2	Aggregate amount of payments to related parties and their associates included in item 2	6

Note: if any amounts are shown in items 6.1 or 6.2, your quarterly activity report must include a description of, and an explanation for, such payments.

Comprises Director salaries and superannuation. Note that the amount within item 1.2(d) includes salaries recharged.

Mining exploration entity or oil and gas exploration entity quarterly cash flow report

7. Financing facilities	Total facility amount at quarter end \$A'000	Amount drawn at quarter end \$A'000
<i>Note: the term "facility" includes all forms of financing arrangements available to the entity.</i>		
<i>Add notes as necessary for an understanding of the sources of finance available to the entity.</i>		
7.1 Loan facilities	-	-
7.2 Credit standby arrangements	-	-
7.3 Other (please specify)	-	-
7.4 Total financing facilities	-	-
7.5 Unused financing facilities available at quarter end		-
7.6 Include in the box below a description of each facility above, including the lender, interest rate, maturity date and whether it is secured or unsecured. If any additional financing facilities have been entered into or are proposed to be entered into after quarter end, include a note providing details of those facilities as well.	<div style="border: 1px solid black; padding: 5px; min-height: 100px;"> <p>N/A</p> </div>	

8. Estimated cash available for future operating activities	\$A'000
8.1 Net cash from / (used in) operating activities (item 1.9)	(368)
8.2 (Payments for exploration & evaluation classified as investing activities) (item 2.1(d))	(298)
8.3 Total relevant outgoings (item 8.1 + item 8.2)	(666)
8.4 Cash and cash equivalents at quarter end (item 4.6)	3,106
8.5 Unused finance facilities available at quarter end (item 7.5)	-
8.6 Total available funding (item 8.4 + item 8.5)	3,106
8.7 Estimated quarters of funding available (item 8.6 divided by item 8.3)	4.7
<i>Note: if the entity has reported positive relevant outgoings (ie a net cash inflow) in item 8.3, answer item 8.7 as "N/A". Otherwise, a figure for the estimated quarters of funding available must be included in item 8.7.</i>	
8.8 If item 8.7 is less than 2 quarters, please provide answers to the following questions:	
8.8.1 Does the entity expect that it will continue to have the current level of net operating cash flows for the time being and, if not, why not?	
<p>Answer: N/A</p>	
8.8.2 Has the entity taken any steps, or does it propose to take any steps, to raise further cash to fund its operations and, if so, what are those steps and how likely does it believe that they will be successful?	
<p>Answer: N/A</p>	

Mining exploration entity or oil and gas exploration entity quarterly cash flow report

8.8.3 Does the entity expect to be able to continue its operations and to meet its business objectives and, if so, on what basis?

Answer: N/A

Note: where item 8.7 is less than 2 quarters, all of questions 8.8.1, 8.8.2 and 8.8.3 above must be answered.

Compliance statement

- 1 This statement has been prepared in accordance with accounting standards and policies which comply with Listing Rule 19.11A.
- 2 This statement gives a true and fair view of the matters disclosed.

Date: 22 April 2024

Authorised by: Mark Hepburn, Managing Director of Castile Resources Limited
(Name of body or officer authorising release – see note 4)

Notes

1. This quarterly cash flow report and the accompanying activity report provide a basis for informing the market about the entity's activities for the past quarter, how they have been financed and the effect this has had on its cash position. An entity that wishes to disclose additional information over and above the minimum required under the Listing Rules is encouraged to do so.
2. If this quarterly cash flow report has been prepared in accordance with Australian Accounting Standards, the definitions in, and provisions of, *AASB 6: Exploration for and Evaluation of Mineral Resources* and *AASB 107: Statement of Cash Flows* apply to this report. If this quarterly cash flow report has been prepared in accordance with other accounting standards agreed by ASX pursuant to Listing Rule 19.11A, the corresponding equivalent standards apply to this report.
3. Dividends received may be classified either as cash flows from operating activities or cash flows from investing activities, depending on the accounting policy of the entity.
4. If this report has been authorised for release to the market by your board of directors, you can insert here: "By the board". If it has been authorised for release to the market by a committee of your board of directors, you can insert here: "By the [name of board committee – eg Audit and Risk Committee]". If it has been authorised for release to the market by a disclosure committee, you can insert here: "By the Disclosure Committee".
5. If this report has been authorised for release to the market by your board of directors and you wish to hold yourself out as complying with recommendation 4.2 of the ASX Corporate Governance Council's *Corporate Governance Principles and Recommendations*, the board should have received a declaration from its CEO and CFO that, in their opinion, the financial records of the entity have been properly maintained, that this report complies with the appropriate accounting standards and gives a true and fair view of the cash flows of the entity, and that their opinion has been formed on the basis of a sound system of risk management and internal control which is operating effectively.