

UPDATE: PASSIVE SEISMIC BEGINS AND \$1.4B PAN AFRICAN BUYS INTO TENNANT CREEK

Castile Resources Limited ('Castile' or the 'Company') is pleased to update the market on the passive seismic sensors used for Ambient Noise Tomography (ANT) that have now been placed in position at Castile's high priority exploration target Pathfinder 35 and the Pan African takeover of TCMG in Tennant Creek.

The Company recently released results of a highly successful Proof of Concept test (ASX:CST 21 November 2024) which proved that that ANT technology can accurately determine the depth with a single survey, and using multiple surveys the extent, of Iron Oxide Copper Gold (IOCG) orebodies such as Pathfinder 35. Previous technology could recognise IOCG anomalies under cover but could **not** accurately determine their depth or extent.

The survey at Pathfinder 35 (see Figure 1) will be the first time Castile has used the ANT technology for pure exploration purposes. Once the seismic data is retrieved, Castile will design the drill hole based on ANT results feeding into gravity and magnetic forward modelling to significantly improve the chance of success. Castile has received a co-funding grant of \$95,000 to drill the Pathfinder 35 target. Pathfinder 38 will be the second target tested with ANT and then drilled once a target is defined.

Castile has defined over one hundred exploration targets (see Figure 1) into priority order within our 100% owned Rover 1 Mineral Field ideally suited to ANT technology analysis. Going forward, the Company will systematically work through each target with ANT testing and determine priority drill targets from the results.

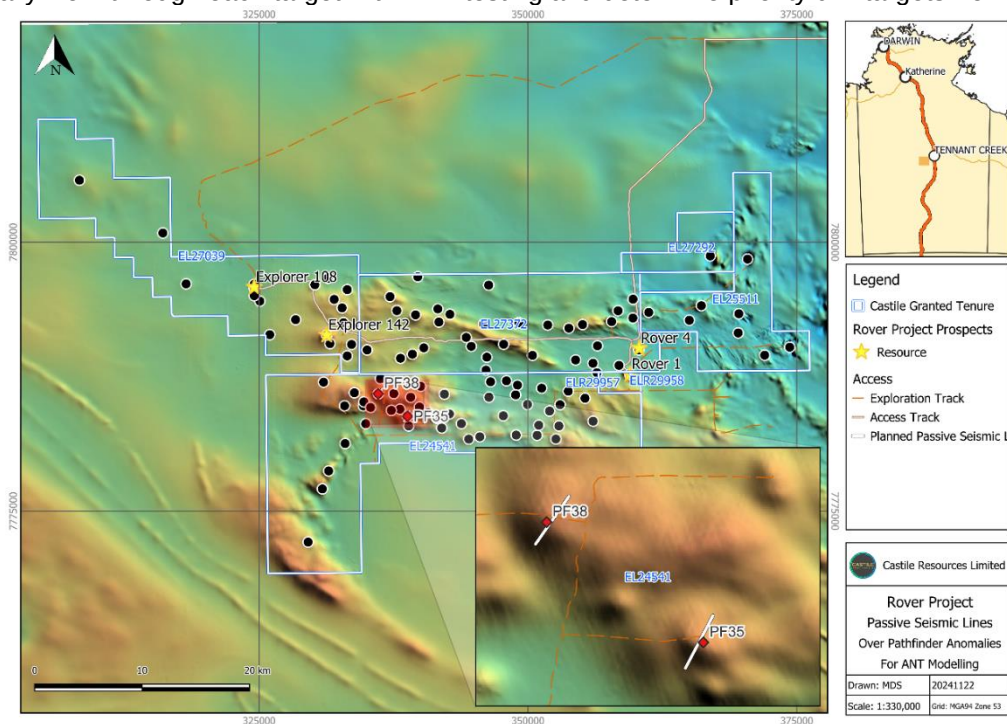


Figure 1: The Rover Mineral Field showing Pathfinder 35 and 38 locations and the more than one hundred other defined targets ideally for ANT analysis.

CASTILE RESOURCES LIMITED

Castile is developing the Rover 1 Project within the prolific gold-copper mining province of Tennant Creek in the Northern Territory. The Rover 1 PFS Rover 1 revealed a financially robust, polymetallic, high-grade iron oxide copper gold (IOCG) deposit that will produce gold doré, copper and cobalt metal and high-grade magnetite. High purity (99%) copper and cobalt metal produced will be available for sale to EV and battery manufacturers directly from Castile. The gold doré and 96.5% magnetite product (suitable for green steel) provide further diversity and revenue streams. Castile has been awarded Major Project Status by the NT Government and is engaged with NT Land Corp on a parcel of land within the Middle Arm Sustainable Development Precinct.

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PAN AFRICAN RESOURCES BUYS TCMG FOR \$A143M ENTERPRISE VALUATION

Pan African Resources (AIM:PAF, JSE:PAN) is a South African based operating gold producer with a current market capitalisation of approximately \$1.4 Billion Australian dollars.

Tennant Consolidated Mining Group (TCMG) is a privately owned gold mining development company with assets in Tennant Creek. TCMG is 55% complete in the construction of the Noble's Nob Gold Plant with expected commissioning in the second quarter of 2025 calendar year and first gold in July 2025.

On 5th November 2024 Pan African Resources, who initially held 8% of the privately owned TCMG, announced on the Alternative Investment Market in London (AIM) and the Johannesburg Stock Exchange (JSE) platform, an all-scrip takeover for the remaining 92% of TCMG. Pan African (PAF) financed the purchase with an initial cash payment of US\$3.4M (paid in March 2024) for the 8% and the issuing of US\$50.8M in Pan African shares for the balance of 92%. PAF have assumed the existing debt of US\$38.2M resulting in an enterprise value purchase price of US\$92.4M or A\$143M.

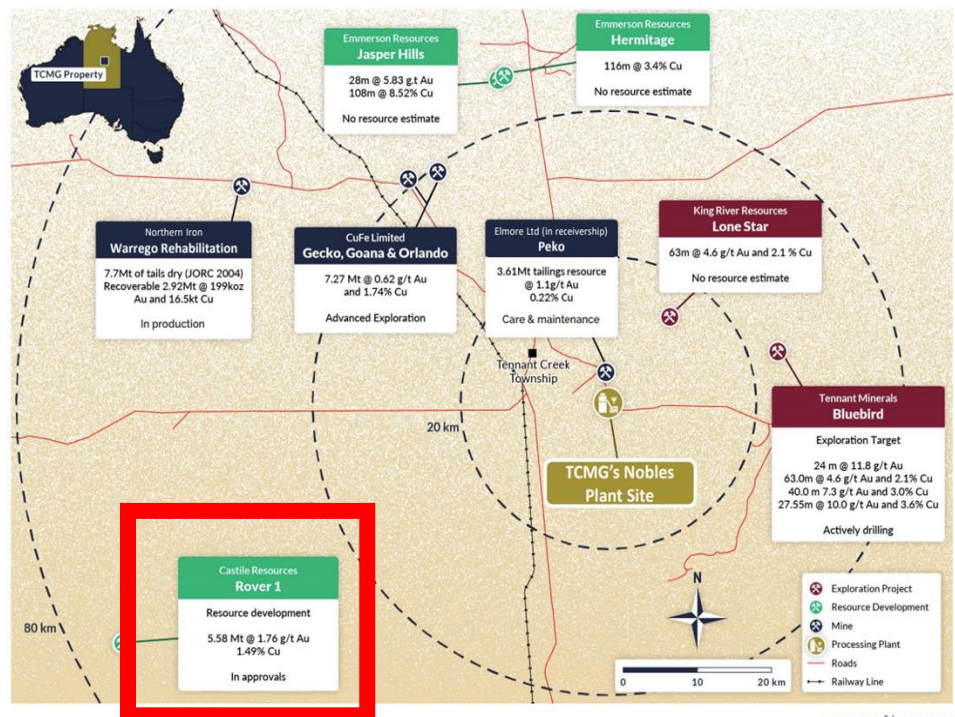
PAF lodged a presentation deck with the on 5th November 2024. Slide thirteen of the PAF presentation deck (Figure 2) included Castile Resources as one of several potential third-party ore sources with projects "actively being advanced".

ACQUISITION OF TCMG – PROJECT UPSIDE

THIRD-PARTY DEPOSITS

Tennant Creek also hosts multiple third-party polymetallic (Au, Cu, Ni and Bi) deposits, several of these are actively being advanced with potential to be unlocked once a centralised processing facility is built.

There are no active gold or polymetallic processing plants in Tennant Creek and most deposits are within an 80km trucking distance of the TCMG Nobles processing plant.



OTCQX: PAFRF/PAFRY | AIM: PAF | JSE: PAN

www.panafricanresources.com 13

Figure 2: Slide thirteen (13) of the Pan African Mining Presentation lodged with AIM



Within the presentation document Pan African has correctly reported Castiles' Mineral Resource Estimate (MRE) at Rover 1 as:

- 5.58Mt at 1.76g/t Au and 1.49% Cu¹

However, it is noted that Castile is the only ASX listed company in the Tennant Creek region shown in slide 13 (Figure 2) that has gold and copper Ore Reserves of any significance.

The Total Material Extracted as reported in the 2022 Rover 1 Pre-Feasibility Study is:

- 4.31Mt @ 1.94g/t Au, 1.42% Cu, 0.07% Co and 22.33% Fe₃O₄²

This number includes the Probable Ore Reserve at Rover 1 of:

- 3.11Mt @ 2.02g/t Au, 1.52% Cu, 0.07% Co and 22.92% Fe₃O₄

This mining reserve represents approximately the first ten years of planned production from Rover 1 which is anticipated to generate total revenues of \$A1.94 billion and annual revenue of approximately \$A225 million. These revenues were calculated using the 2022 Australian dollar gold price of \$A2,640/oz versus the current price of \$A4,080/oz. Castile will produce approximately 30,000 ounces of gold and 7,000 tonnes of copper per year (ASX:CST 5 December 2022).

Castile will also produce cobalt and magnetite within the Rover 1 MRE that were not included in the PAF document.

Castile's Rover 1 Project has been granted "Major Project Status" which defines Rover 1 as a significant contributor to the Northern Territory economy.

Castile confirms to the market that it has had no contact or communication of any description with Pan African Resources at any time.

Mark Hepburn, **Managing Director of Castile** commented:

"The Pan African Resources takeover of TCMG, which was only announced on the London and Johannesburg stock exchanges and has largely gone unnoticed by the Australian market, it is a reminder of the quality of the Tennant Creek goldfields and will bring much focus to the region as large international companies seek Tier 1 mining jurisdictions for expansion."

"We continue to advance our fully designed pathway to production for Rover 1, which includes mining and beneficiation in Tennant Creek and downstream processing in Darwin at the Middle Arm Sustainable Development Precinct (MASDP)"

"The ANT technology is a quantum leap in our exploration program given how ideally suited our Rover Mineral Field, which is full of over one hundred prospective IOCG anomalies, is to this type of analysis. The sensors are now in position above our first priority exploration target, Pathfinder 35, as we use this innovative technology to significantly increase the likelihood of an IOCG discovery under cover. The entire process involves two weeks of data collection and a week of post processing and modelling. As we complete surveys and get results, we will be able to pinpoint our drilling co-ordinates to ensure we successfully hit our targets when our drilling program begins in the new year."

"We can pick and choose which targets we drill depending on the depth and extent of anomalies we determine from the ANT surveys. This is the ideal way to fully develop the Rover Mineral Field through our "hub and spoke" regional strategy with our centrally located beneficiation plant planned for development at Rover 1."

¹ Comprised of Indicated Resources of 3.97Mt; and Inferred Resources of 1.61Mt.

² Comprised of Probable Ore Reserves of 3.11Mt; and Inferred Resources of 1.20Mt.



Authorised by the board of Castile Resources Ltd.

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Listing Rule 5.23

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 information relating to the Rover 1 Pre-Feasibility Study (PFS), 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.