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ASX Announcement

Castle raises \$2.8m to drill Ghana gold projects

Castle Minerals Limited (ASX:CDT) is pleased to announce that Sydney-based stockbroking group, Southern Cross Equities, has agreed to place, to institutional and sophisticated investors, 10 million ordinary shares in Castle at a price of \$0.28 per share raising a total of \$2.8 million.

The funds will be used to accelerate exploration at Castle's seven gold projects in Ghana and in particular advance the drilling of Castle's Antubia and Akoko projects. Castle's Managing Director, Mr Mike Ivey, said the Company was very pleased with the response to the placement which supports the Company's strong belief that Castle's exploration projects have the potential to host a substantial gold deposit.

Strong support for the placement has been received from Australian institutional and sophisticated investors including leading resource bank, Investec Bank (Australia) Limited. Southern Cross advised that the offering was oversubscribed. The placement will be completed in two tranches, with the initial 5,000,000 shares to raise A\$1.4 million (gross) being issued using Castle's ability to issue up to 15% of its capital within a 12 month period without the need for shareholder approval. This tranche is expected to be completed next week. The issue of the remaining 5,000,000 shares is subject to shareholder approval which will be sought at an Extraordinary General Meeting of Castle expected to be held in late July 2007

Exploration Update

Antubia Project

A program of trenching is currently underway over parts of the Boizan soil anomaly. A drilling program (~8,000m) is proposed to test the targets identified so far commencing next quarter.

Akoko Project

Infill soil sampling will commence in July and a rig has been booked for August/September.

Banso Project

Sampling of the Banso west target has been completed and results are expected shortly.

Ducie Project

Field crews are currently at the 60 km long Ducie Project undertaking the first ever exploration since Russian mapping in the 1960's.

Sapelliga Project

Trenching at the Sapelliga Project has commenced.

Michael Ivey
Managing Director & CEO