

Permit granted to explore Opon Mansi iron deposit

Castle Minerals Limited (ASX:CDT) is pleased to announce that it has been granted a permit from the Ghana Forestry Commission to carry out bulk sample collection from the Opon Mansi iron deposit in south west Ghana.

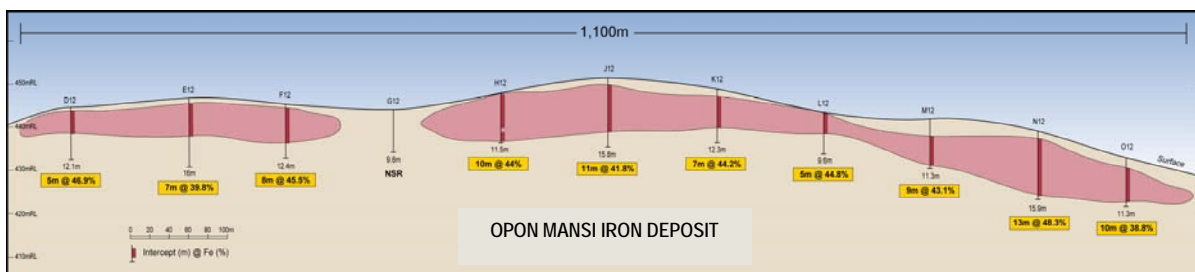
The Opon Mansi iron deposit was discovered by the Ghana Geological Survey in 1963 with iron located on 15 hills over a strike length of 24km. The deposit is largely within the Opon Mansi Forest Reserve that provides for managed timber production and timber preservation.

Summary of the Opon Mansi Iron Deposit;

- Ghana Geological Survey exploration in 1963-64 consisted of pitting, trenching and drilling
- Hematite and goethite mineralisation defined from surface to 27m depth
- Ghana Geological Survey reported a mineralised estimate to 10m depth, of approximately 150 million long tons with an iron content between 43-56% Fe
- Located 8km from Takoradi-Kumasi railway line
- Located 120km from Takoradi port
- Potential for high grading and/or beneficiation to produce high grade DSO product

Castle Managing Director Mike Ivey said “permitting to conduct exploration has now been received from the Minerals Commission and Forestry Commission and allows us to collect bulk samples towards determining the potential for high grading and/or beneficiation of the iron and ultimately its commercial value.”

“This work in no way diminishes Castle’s gold focus and we remain committed to our ongoing exploration activities towards discovering a world class gold deposit. Drill testing of our high grade Julie West gold target remains on track to commence at the end of the wet season and with recent late rains is anticipated to commence in early November. ”



Cross section through Wuowuo Hill deposit. The Opon Mansi Iron Deposits are located along a range of hills with preliminary investigations revealing iron occurrences on top of most of the hills in the range.

Project Background

Data currently available is limited, however a summary of the deposit is provided in the Ghana Geological Survey Publication *The Mineral and Rock Resources of Ghana* (G.O. Kesse, 1985).

The Opon Mansi iron ore deposits are located on the top of a range of hills that extend over a distance of 24km from Opon Valley in the south towards Dunkwa in the north. Castle's application covers approximately 85% of the prospective hills of the Opon Mansi range. The hills on which the iron occurs have an average height of 400m above sea level.

The lateritic iron deposits were discovered in 1963 by the Ghana Geological Survey during a field mapping program.

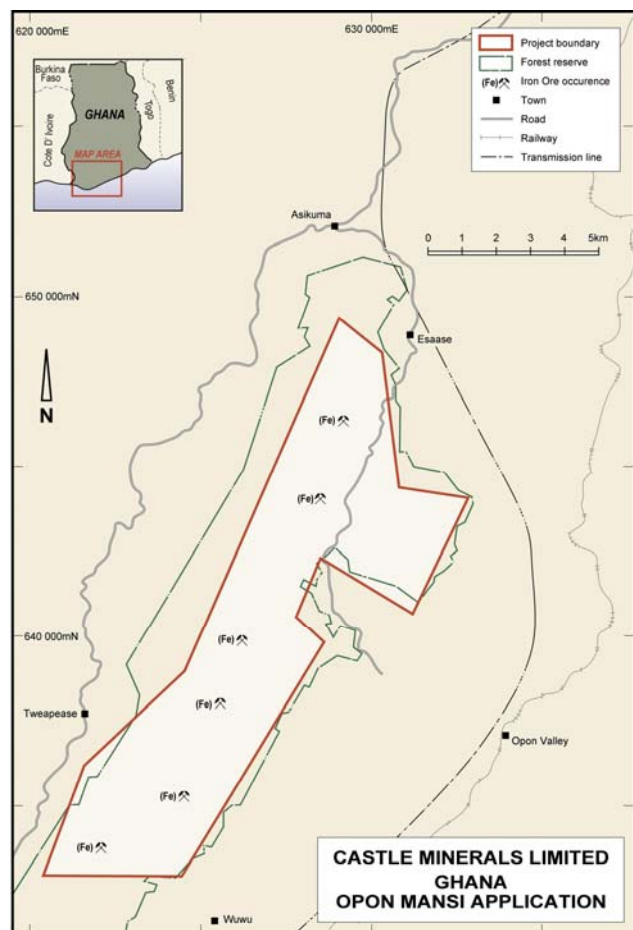
After the discovery the Survey conducted a prospecting program (1963-64) that consisted of "Winkie" drilling, pitting and trenching and the collection of large quantities of iron samples for chemical analysis from the 15 hills along the range.

These preliminary investigations revealed iron enriched capping ranging from 10 to 30 metres thick on top of most of the hills in the range. About 13 of the 15 hills were found, at that time, to contain ores of commercial quantities.

The Ghana Geological Survey calculated an estimate of the deposit using an average thickness of 9m and calculated that approximately 150 million long tons of iron mineralisation were indicated in an area of about 4km². The iron content of this mineralisation was found to range between 43-56% Fe.

The estimate presented here is a conceptual target that may result from the completion of a JORC-compliant resource calculation. It should not be understood as indicating the existence of a resource in the sense implied by the JORC Code as a JORC-compliant resource is yet to be calculated. There has been insufficient or unverified exploration data to define a Mineral Resource and it is uncertain if further exploration will result in the determination of a Mineral Resource.

The iron deposits overlie folded Tarkwaian and Birimian sedimentary and metavolcanic rocks. The lateritic profile has been divided into different categories from surface to a depth of 10m; pebble, conglomeritic, yellow-cavern, porous, soft and hard. Bauxite was found throughout the profile assaying between 15-25% Al₂O₃.



In 1975 the government established the “Integrated Iron & Steel Commission” that investigated the feasibility of an Iron and Steel Project based on the Opon Mansi mineralisation. German group Fried Krupp GmbH undertook the feasibility study and focussed on one hill (Wuowuo Hill) where 100m x 100m spaced drilling was completed.

In 1979 Krupp presented a five volume report to the Commission that included the production, via three electric furnaces, of pig iron, liquid steel, billets, rolled finished product and alumina.

No further work is known following the completion of the 1979 Krupp study.

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Castle has not reported resources from this project. Any discussion in relation to targets, exploration potential, resources, or ore is only conceptual in nature as there has been insufficient or unverified exploration data to define a Mineral Resource and it is uncertain if further exploration will result in the determination of a Mineral Resource.

Information in this announcement that relates to Exploration Results is based on information compiled by Michael Fowler, Castle Minerals Limited Exploration Manager, who is a Member of The Australasian Institute of Mining and Metallurgy. Michael Fowler is a permanent employee of Castle Minerals Limited and has sufficient experience that is relevant to the style of mineralisation and type of deposit under consideration and to the activity which he is undertaking to qualify as a Competent Person as defined in the 2004 JORC Code. Michael Fowler consents to the inclusion in the announcement of the matters based on the information in the form and context in which it appears.