

26th September 2012



ASX Announcement

Drilling Confirms Gold Mineralisation at Wa South and New Prospect Identified

Castle Minerals Limited (ASX: CDT) is pleased to announce that RAB drilling at its Wa South prospect in north-west Ghana has confirmed two parallel trending gold zones approximately one kilometre apart.

This represents the first known gold mineralisation in the area and was discovered through soil sampling, auger drilling and RAB and RC drill testing. The east mineralised corridor is accompanied by a wide zone of pyrite alteration within the host sediments.

The gold mineralisation was discovered beneath a 2-3m blanket of transported gravels that covers much of the area.

In addition, regional auger drilling 5km north-west has defined the new 800m long Bundi prospect that is the strongest auger anomaly reported to date at Wa South. Further drilling at Wa South is planned to be completed in Q4 2012.

Castle's Managing Director, Mr Mike Ivey, said; "These results confirm the strong prospectivity of this previously unexplored area. Wa South has always rated very highly in our prospect rankings being in an excellent geological and structural setting for gold and I am sure we will discover additional gold mineralisation as exploration continues."

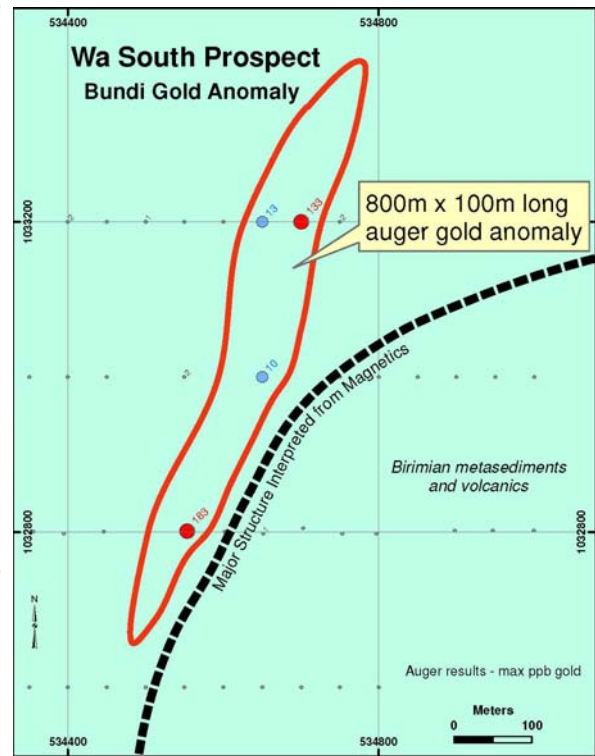
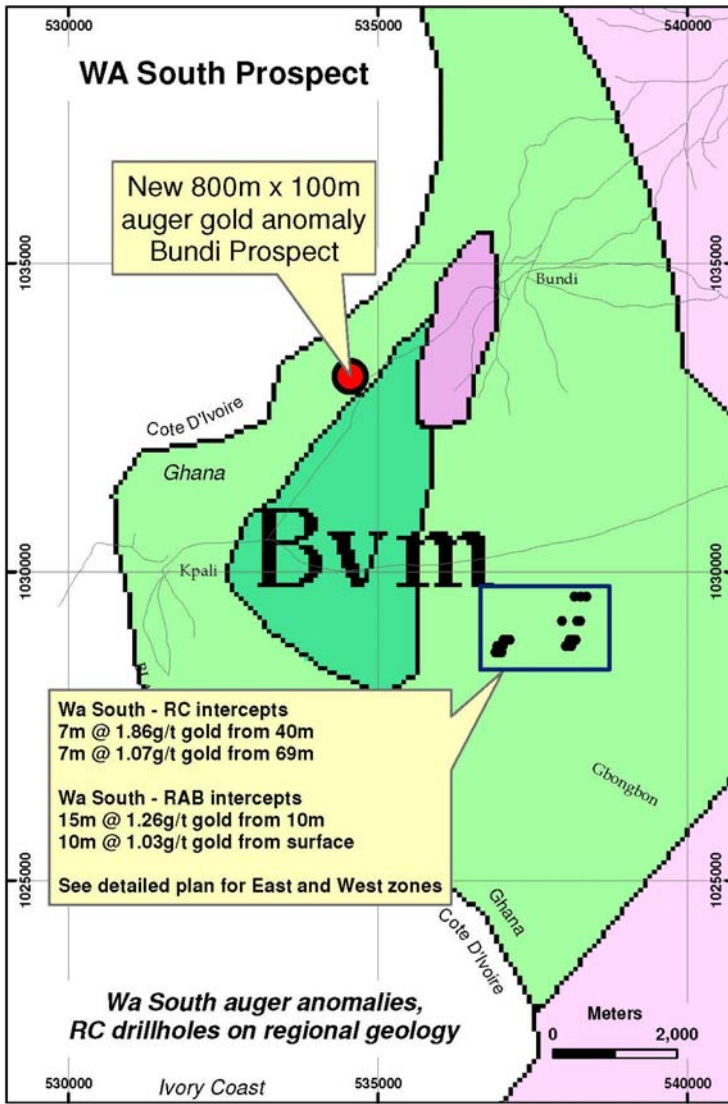
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About Castle:

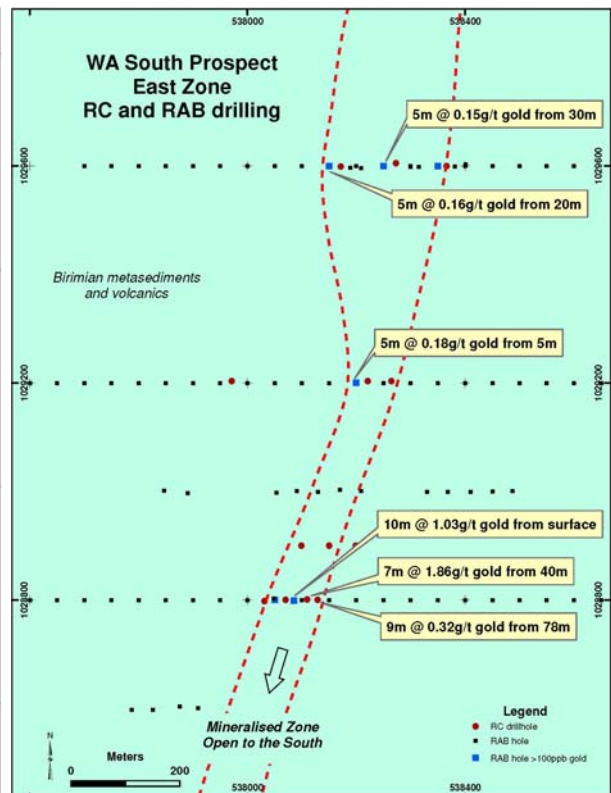
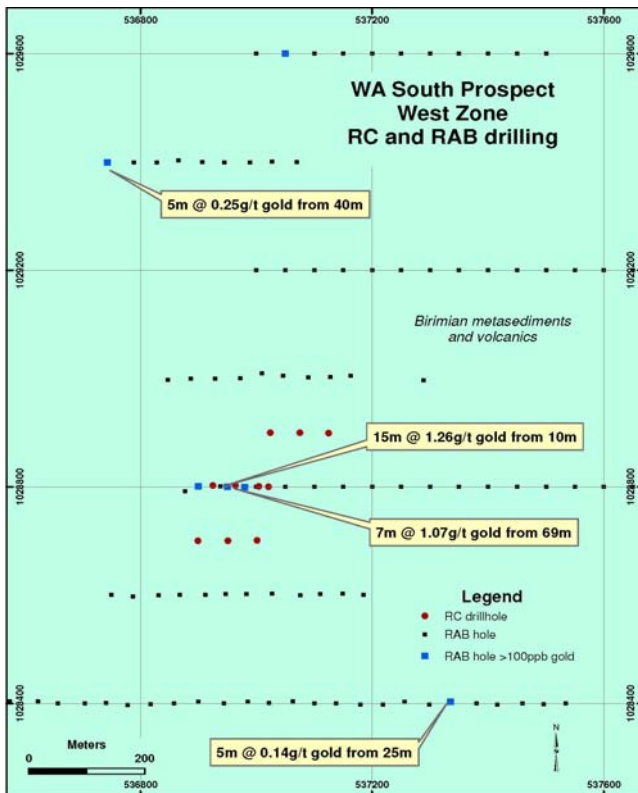
Castle Minerals listed on the Australian Stock Exchange in May 2006 (ASX code 'CDT') and has since acquired the rights to six mineral projects in Ghana, West Africa including Akoko, Antubia, Banzo, Bondaye, Opon Mansi (application) and Wa covering more than 11,000km².

All granted projects are 100% owned by Castle Minerals (subject to Ghanaian Government right to a free-carried 10% interest). Castle's corporate objectives are exploration and development of its six projects in Ghana and the acquisition and exploration of other mineral resource opportunities, particularly in West Africa. The country of Ghana has a long history of gold mining and exploration and is Africa's second largest gold producer behind South Africa.

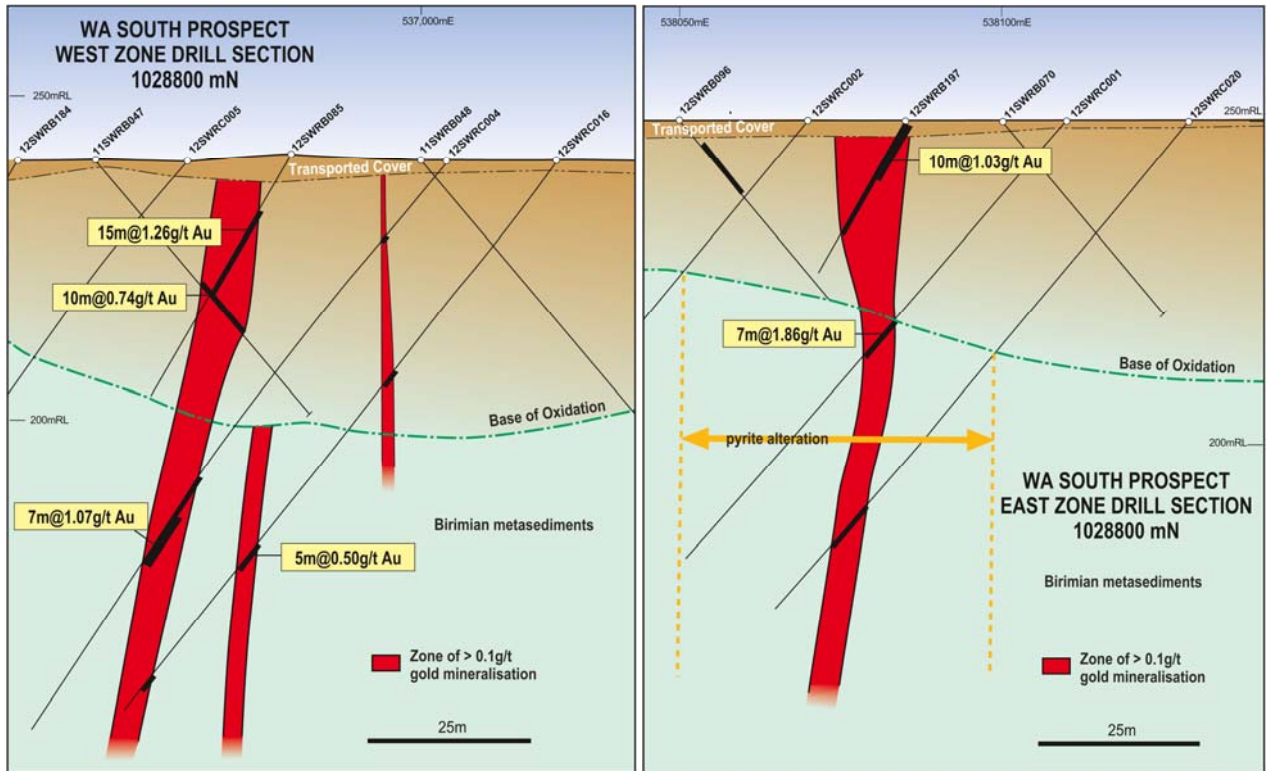


Plan of Wa South prospect showing new Bundi prospect and location of RC drilling that has intersected oxide and primary gold mineralisation in Birimian meta-sediments in two mineralised corridors.

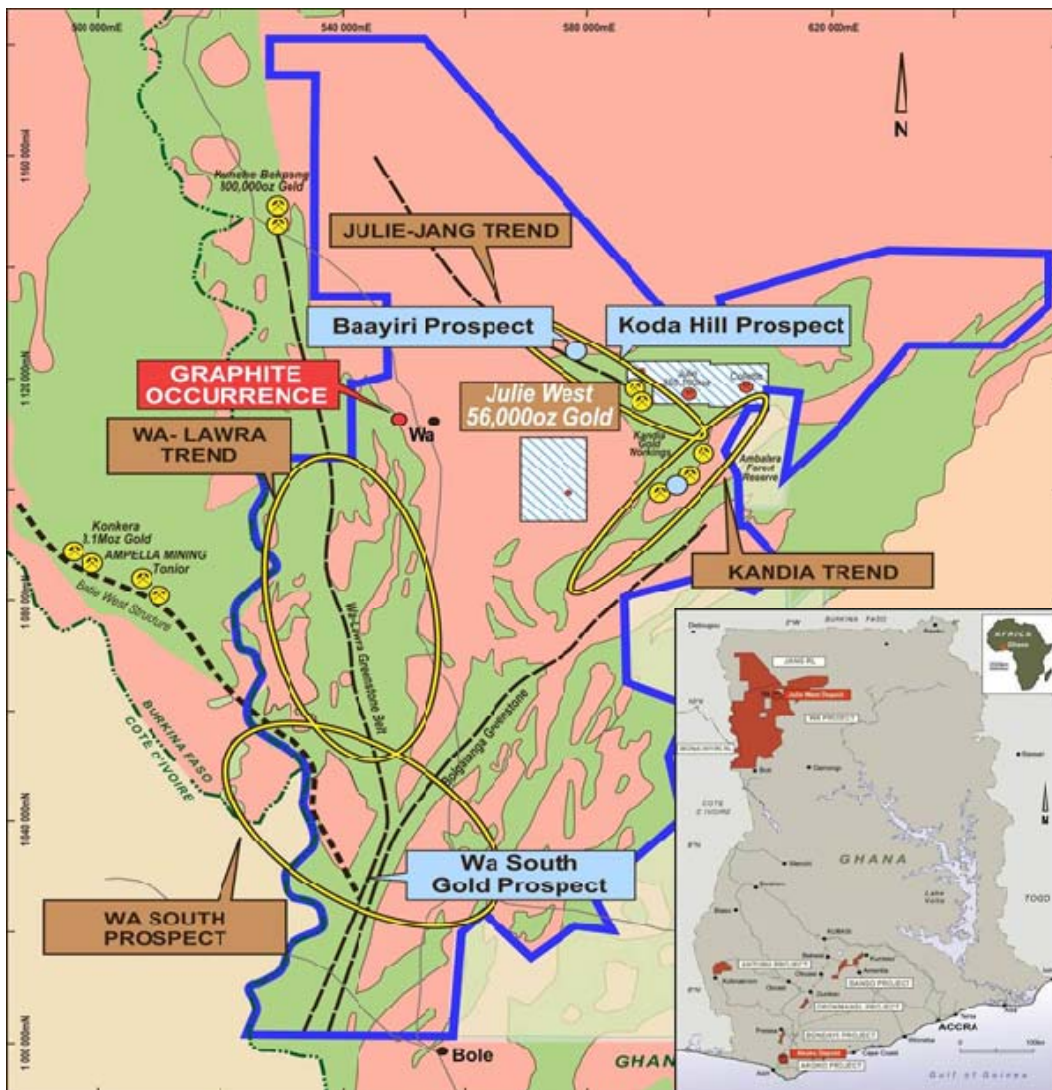
The Bundi anomaly is the strongest auger anomaly reported to date as Wa South and RAB drilling is proposed to be completed in Q4 2012.



RAB and RC drilling at Wa South testing two parallel gold corridors approximately 1km apart. This represents the first known gold mineralisation in the area and was discovered through soil sampling, auger drilling and RAB and RC drill testing by Castle.



Drill cross section through west and east gold corridors at Wa South



Castle's Wa Project in north-west Ghana

Wa South Prospect RAB Drilling Significant Intercepts

Hole Number	Northing	Easting	mRL	Azimuth	Dip	Hole Depth	Intercept
12SWRB113	1028801	536900	245	270	-60	38	5m @ 0.33 g/t gold from 30m
12SWRB164	1029399	536743	255	270	-60	51	5m @ 0.26 g/t gold from 40m
12SWRB185	1028799	536980	241	270	-60	43	15m @ 1.26 g/t gold from 10m
12SWRB197	1028799	538085	252	270	-60	27	15m @ 0.79 g/t gold from 0m

Notes:

Assays reported from 5m composite samples from Rotary Airblast Drilling (RAB-open hole technique)

Both auger and RAB drill samples were sent to Intertek Laboratories in Tarkwa, Ghana for gold analysis using 50gm Aqua Regia/AAS.

QAQC completed using blanks and duplicates. Hole collars picked up by handheld GPS. No top cut applied.

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Information in this announcement that relates to Exploration Results is based on information compiled by Haydn Hadlow, Castle Minerals Limited Exploration Manager, who is a Member of The Australasian Institute of Mining and Metallurgy. Haydn Hadlow 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. Haydn Hadlow consents to the inclusion in the report of the matters based on his information in the form and context in which it appears.