

24th May 2013



ASX Announcement

New Gold Discovery at Kpali Prospect in Ghana

Castle Minerals Limited (ASX:CDT) is pleased to announce that RC drilling at the Company's Kpali prospect in north-west Ghana has intersected significant gold mineralisation.

Three RC holes were completed to test oxide gold intercepts reported from RAB drilling, with all three RC holes intersecting primary sediment hosted gold mineralisation. Significant gold intercepts (5m composite samples) from Kpali include;

**30m @ 0.57 g/t gold from 40m (13SWRC033)
inc. 5m @ 1.42 g/t gold from 40m
15m @ 1.28 g/t gold from 60m (13SWRC035)
25m @ 1.01 g/t gold from 50m (13SWRC036)
inc. 10m @ 1.52 g/t gold from 60m**

These results compliment the previously reported (May 2013) oxide RAB intercepts of

**10m @ 1.00 g/t gold from 5m
10m @ 1.46 g/t gold from 15m (EOH)
3m @ 1.44 g/t gold from surface
10m @ 1.19 g/t gold from 5m
10m @ 1.80 g/t gold from 16m
2m @ 1.90 g/t gold from 4m
2m @ 3.28 g/t gold from 15m
3m @ 2.00 g/t gold from 20m**

The RC drilling **only tested the southern 200m of the 600m long RAB anomaly** as new RAB results were only received after the RC rig left site.

Castle's Managing Director, Mr Mike Ivey said, "Kpali is an exciting new gold discovery for the Company with excellent potential to host a significant gold resource. We plan to recommence drilling in the area as soon as possible."

Kpali is only 4km south of the Company's Bundi prospect and is hosted within similar host rocks but does not display the high zinc and base metals association seen at Bundi. Alteration at Kpali is observed as predominantly pyrite-silica-sericite.

Kpali is a grassroots gold discovery in a previously unexplored area. Proposed next steps include, individual metre analysis of gold samples, RAB and RC drilling and airborne geophysical surveys.

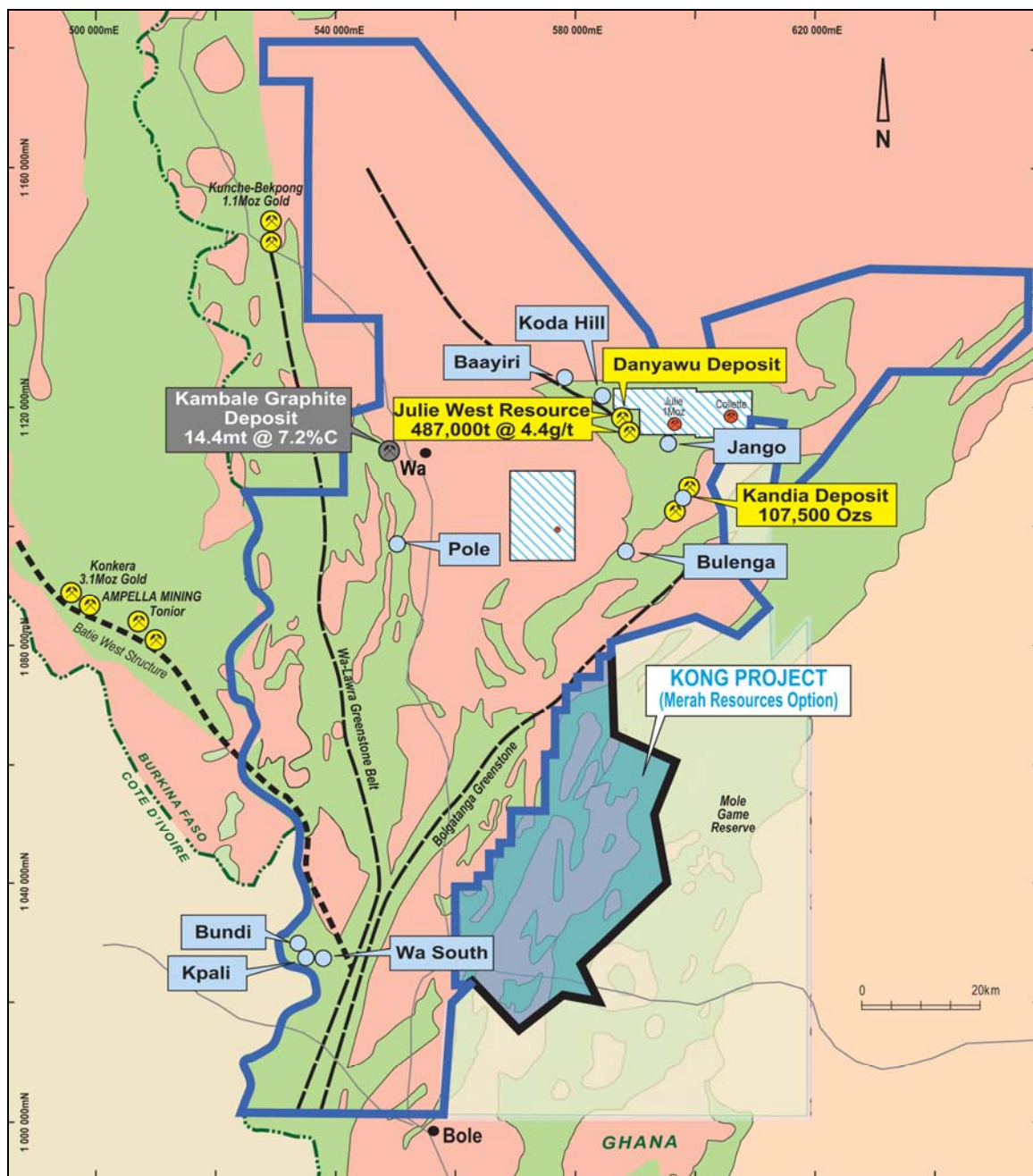
For further information please contact:

Michael Ivey
Managing Director & CEO
+618 9322 7018

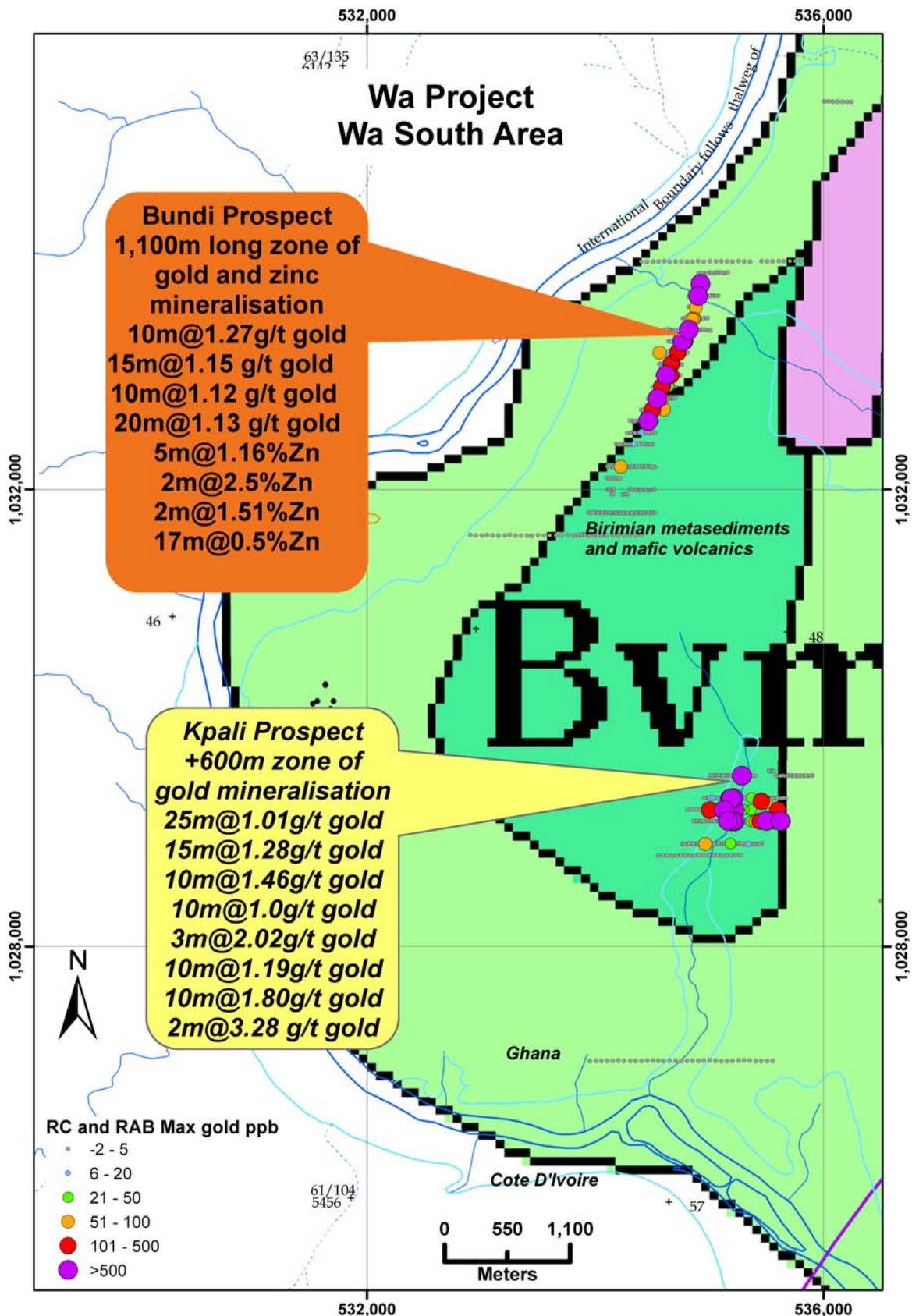
About Castle:

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

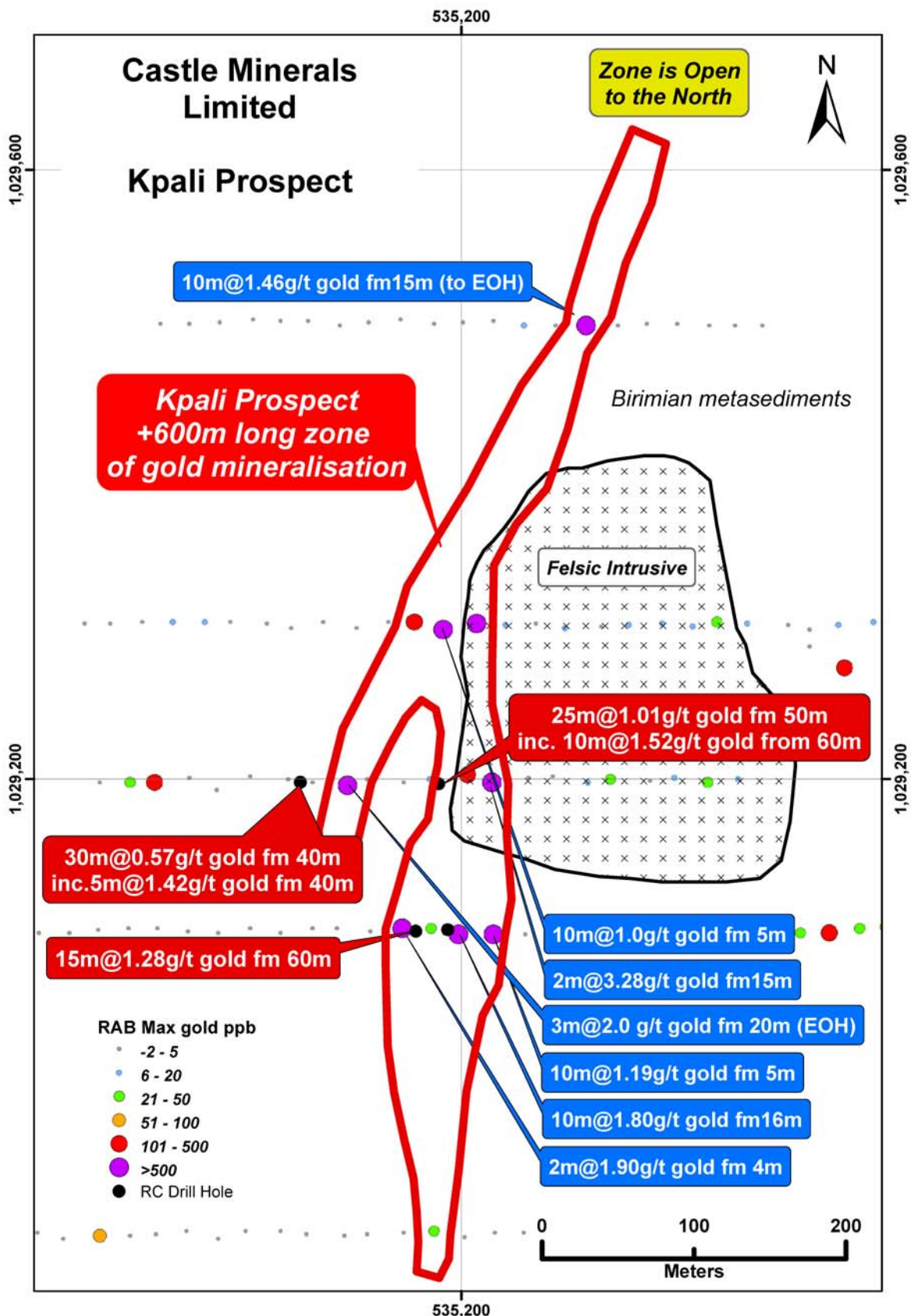
All granted projects are 100% owned by Castle Minerals (subject to Ghanaian Government right to a free-carried 10% interest). Castle's corporate objectives are exploration and development of its six projects in Ghana and the acquisition and exploration of other mineral resource opportunities, particularly 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.



Castle's Wa Project in north-west Ghana



Regional geology for the Wa South area showing location of Bundi and Kpali prospects. They are both grassroots discoveries made in a previously unexplored area masked by a thin veneer of alluvial cover. The Wa South area will now be the focus of increased exploration activity aimed at evaluating Bundi and Kpali whilst also generating new gold and base metal targets in the area.



Drill detail showing location of gold intercepts from drilling. RC gold results in red (5m composite fire assay analysis) and RAB gold results in blue (5m composite aqua regia analysis). Kpali is open to the north and drilling will recommence as soon as possible.

Significant RC Gold Results – Kpali Prospect

| Hole Number | Northing | Easting | mRL | Azimuth | Dip | Hole Depth | Intercept |
|-------------|----------|---------|-----|---------|-----|------------|------------------------------|
| 13SWRC033 | 1029198 | 535094 | 239 | 90 | -50 | 80 | 30m @ 0.57 g/t gold from 40m |
| | | | | | | includes | 5m @ 1.42 g/t gold from 40m |
| 13SWRC035 | 1029100 | 535170 | 227 | 90 | -50 | 110 | 5m @ 0.80 g/t gold from 45m |
| | | | | | | | 15m @ 1.28 g/t gold from 60m |
| 13SWRC036 | 1029197 | 535185 | 229 | 90 | -50 | 90 | 25m @ 1.01 g/t gold from 50m |
| | | | | | | includes | 10m @ 1.52 g/t gold from 60m |

RC Gold Analysis - Assays reported from 5m composite samples from Reverse Circulation Drilling. Samples were sent to Intertek Laboratories in Tarkwa, Ghana for gold analysis using 50gm Fire Assay Technique. QAQC completed using standards blanks and duplicates. Hole collars picked up by handheld GPS. No top cut applied.

RAB drill results were previously ASX reported by CDT 6th and 20th May 2013

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.