

4th July 2013



ASX Announcement

Drilling Extends Kpali Gold Discovery

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

Extensional and infill RAB drilling was successful in defining a 650m long continuous zone of near surface gold mineralisation. Significant RAB drill results and RC splits from this work include;

13SWRB998	5m @ 1.12g/t gold from 5m
and	7m @ 1.20g/t gold from 20m (EOH) includes
	2m @ 2.13g/t gold from 25 (EOH)
13SWRB1010	15m @ 0.73g/t gold from 5m (EOH)
13SWRB1011	5m @ 1.32g/t gold from 6m
13SWRC033	4m @ 2.21 g/t gold from 41m
	11m @ 0.87 g/t gold from 56m
13SWRC035	3m @ 1.28 g/t gold from 47m
	7m @ 2.11 g/t gold from 64m
13SWRC036	15m @ 1.17 g/t gold from 55m

RC drilling has **only tested the southern 200m of the 650m long anomaly.**

Castle's Managing Director, Mr Mike Ivey said, "This work confirms Kpali as an exciting new gold discovery for the Company with our strong expectation that we will define a significant gold resource following further drilling".

Kpali will be included in the proposed geophysical survey for this area that will also test the high grade Bundi prospect. Kpali is 4km south of Bundi 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, airborne geophysical surveys followed by extensive RC drill testing.

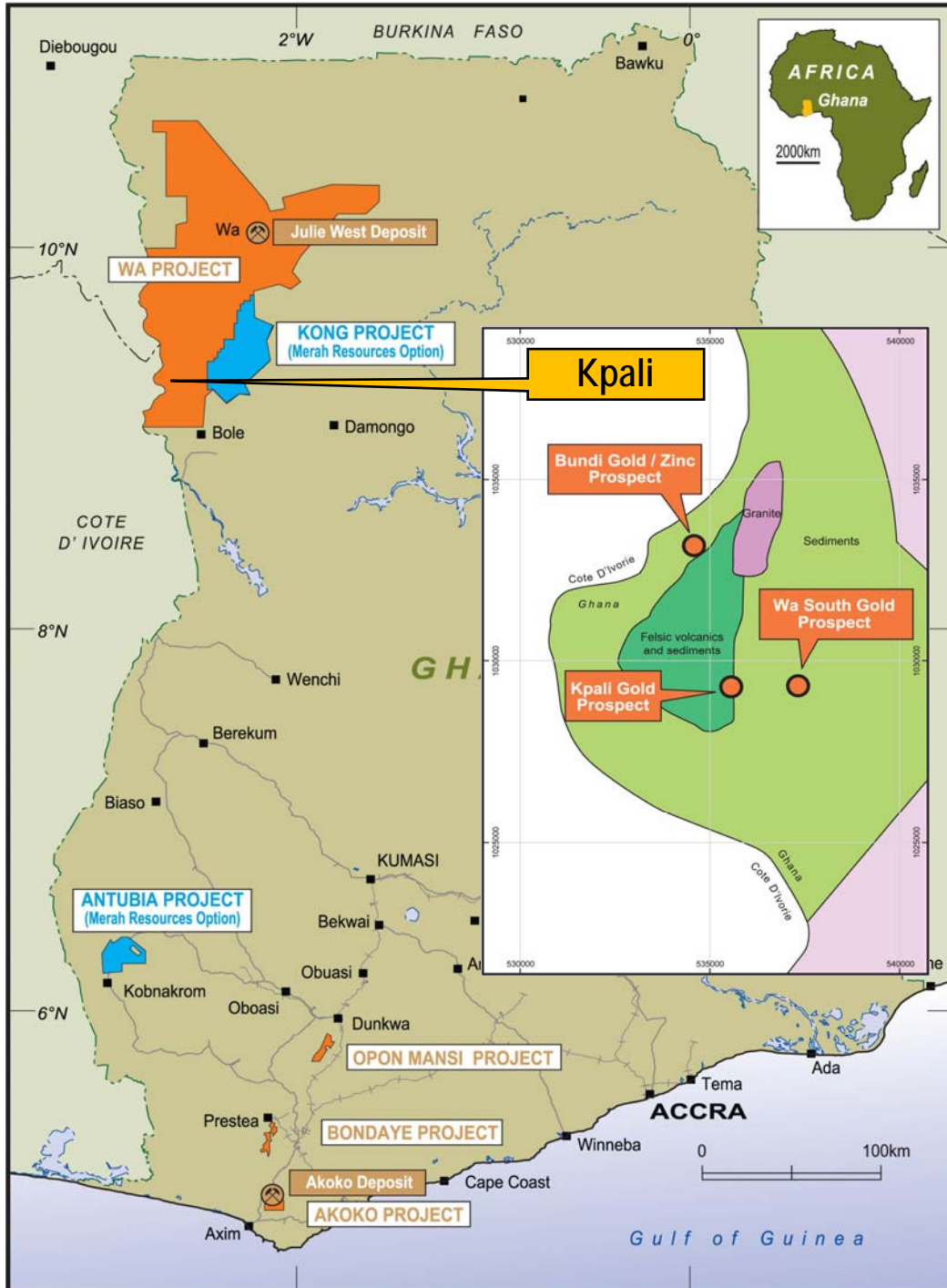
For further information please contact:

Michael Ivey
Managing Director & CEO
+618 9322 7018

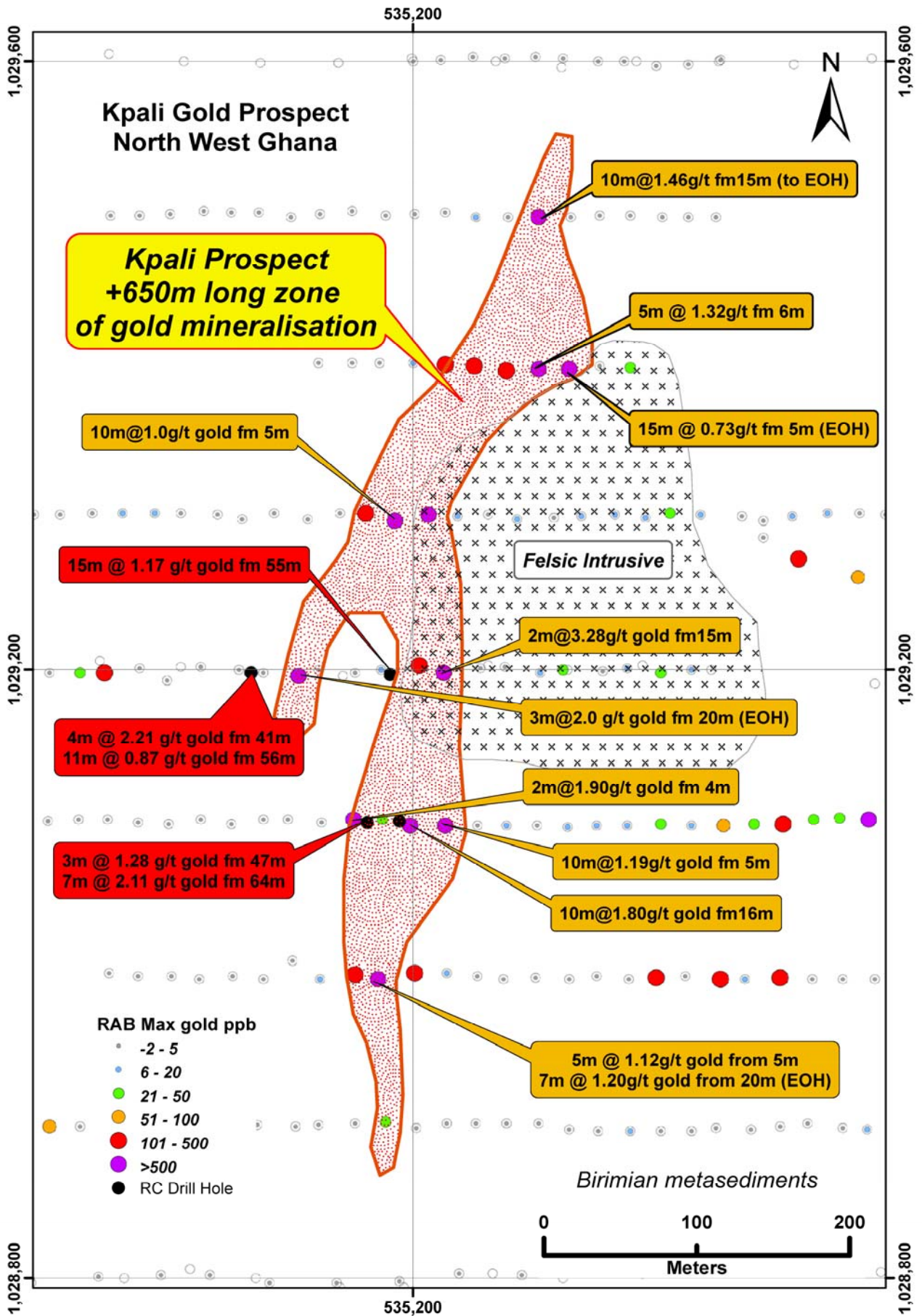
About Castle:

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.

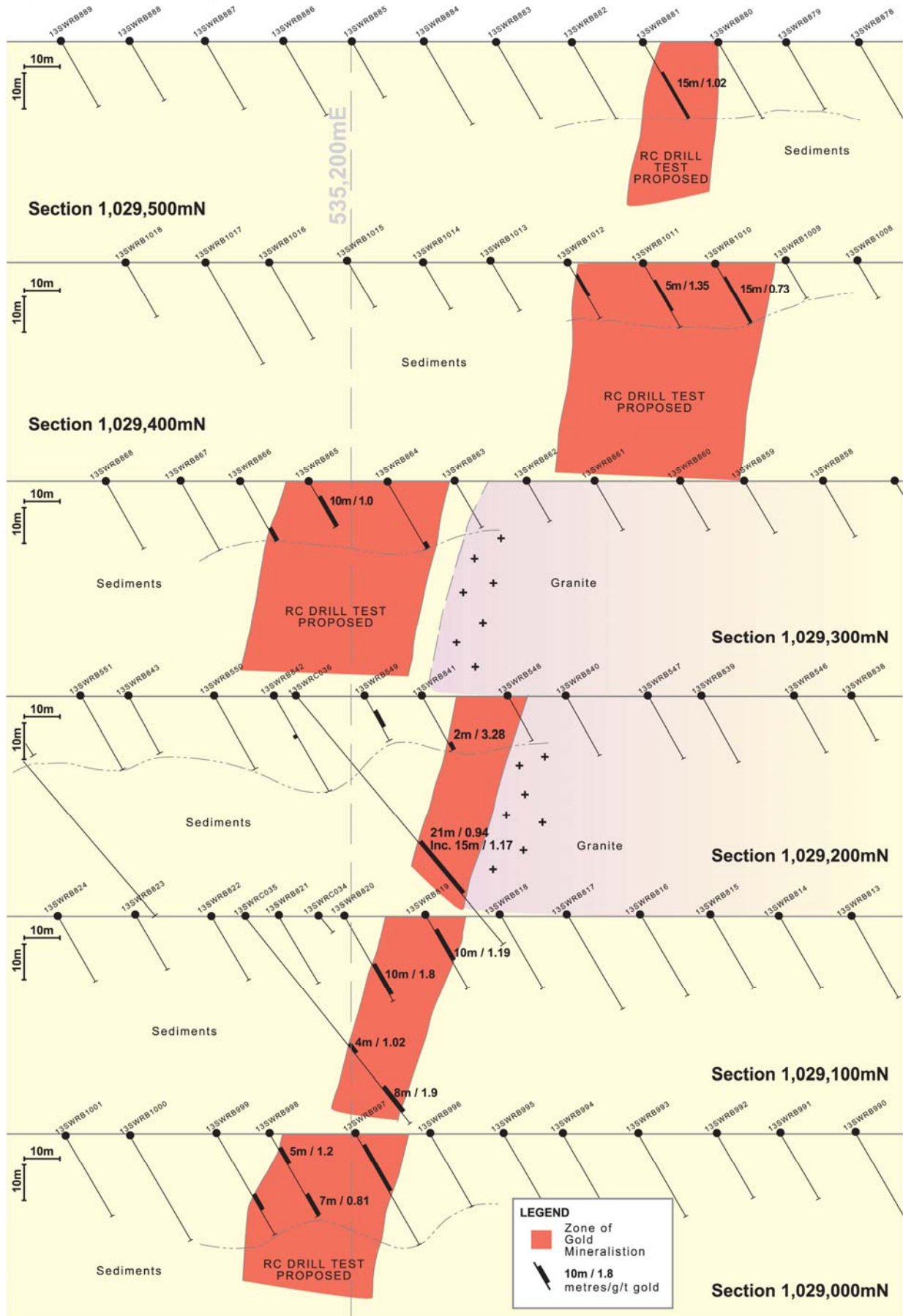


Ghana Project locations with detail for the Wa South area showing location of Bundi and Kpali prospects. They are both grassroots discoveries made in a previously unexplored area

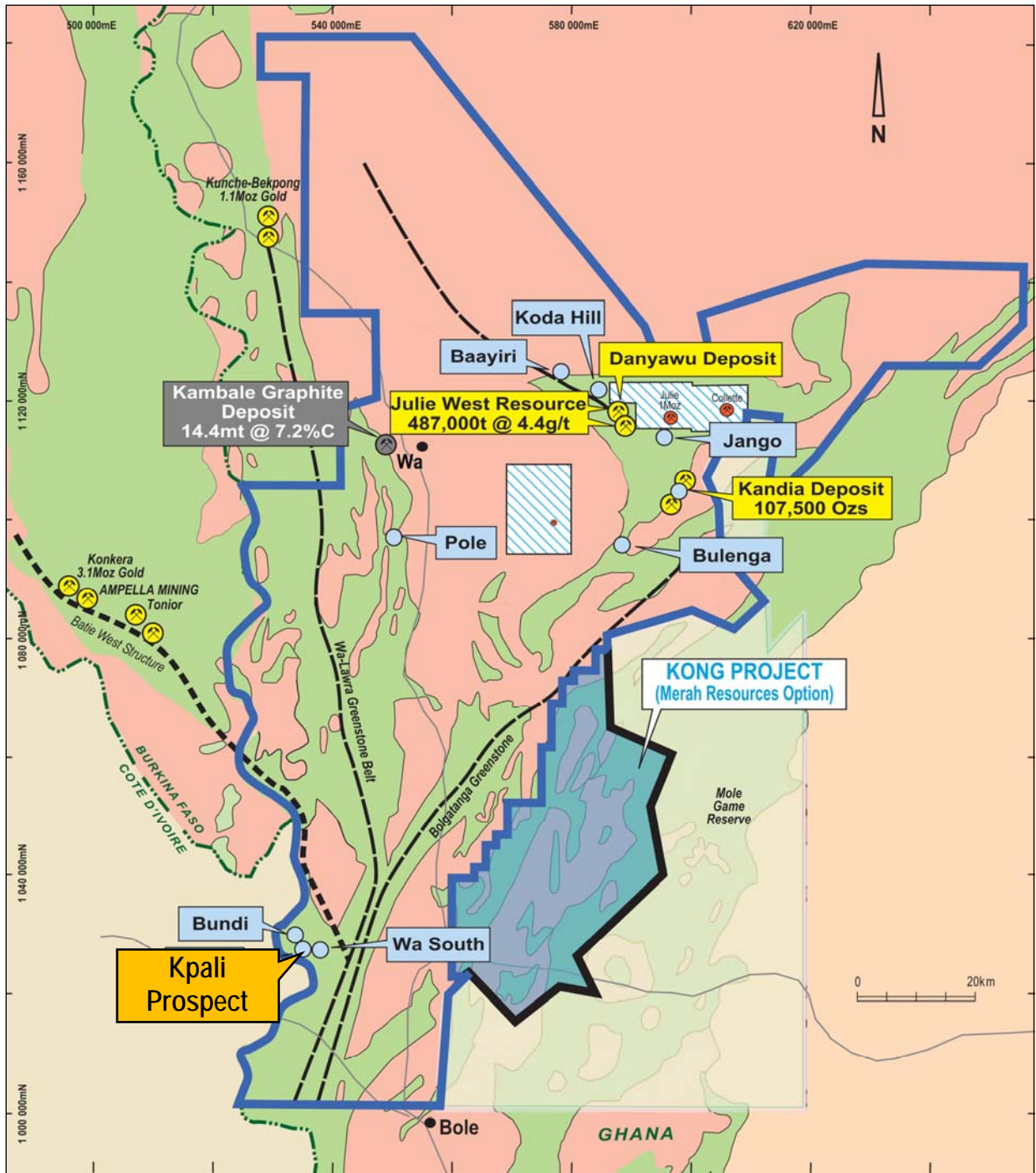


Kpali RC results in red (individual metre fire assay analysis) and RAB results in blue (5m composite aqua regia analysis). Kpali represents a significant new gold discovery with excellent resource potential particularly around the flexure on the north side of the granite that is coincident with greater widths of gold mineralisation in the RAB drilling

Kpali Gold Prospect



Stacked cross sections from the 100m spaced RAB fences at Kpali. Significant potential exists particularly around the flexure on the north side of the granite that is coincident with greater widths of gold mineralisation in the RAB holes



Prospect locations for Castle's Wa Project in north west Ghana

Kpali - Significant RAB Drill Intercepts

Hole Number	Northing	Easting	mRL	Azimuth	Dip	Hole Depth	Intercept
13SWRB998	1028997	535177	241	90	-60	27	5m @ 1.12g/t gold from 5m
							7m @ 1.20g/t gold from 20m (EOH)
						includes	2m @ 2.13g/t gold from 25(EOH)
13SWRB999	1029000	535162	236	90	-60	33	5m @ 0.29g/t gold from 25m
13SWRB1010	1029398	535302	240	90	-60	20	15m @ 0.73g/t gold from 5m (EOH)
13SWRB1011	1029398	535282	238	90	-60	21	5m @ 1.32g/t gold from 6m
13SWRB1012	1029397	535261	237	90	-60	18	5m @ 0.3g/t gold from 6m
13SWRB1013	1029400	535240	239	90	-60	16	5m @ 0.11g/t gold from 5m
13SWRB1014	1029401	535221	240	90	-60	15	5m @ 0.10g/t gold from 10m

Kpali - Significant RC Drill Intercepts

13SWRC033	1029198	535094	239	90	-50	80	4m @ 2.21 g/t gold from 41m
							11m @ 0.87 g/t gold from 56m
13SWRC035	1029100	535170	227	90	-50	110	3m @ 1.28 g/t gold from 47m
							1m @ 0.57 g/t gold from 60m
							7m @ 2.11 g/t gold from 64m
13SWRC036	1029197	535185	229	90	-50	90	15m @ 1.17 g/t gold from 55m

Notes:

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

RAB drill samples were sent to Intertek Laboratories in Tarkwa, Ghana for gold analysis using 50gm Aqua Regia/AAS. QAQC completed using standards, blanks and duplicates. Hole collars picked up by handheld GPS. No top cut applied. RAB drill results not listed above were previously ASX reported by CDT 6th and 20th May 2013.

RC Gold Analysis - Assays reported from 1m split 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.

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.