

2nd October 2009

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ASX Announcement

\$2.25 Million Capital Raising

Castle Minerals Limited ("Castle") (ASX:CDT) is pleased to announce that it has received commitments from institutional and sophisticated investors for the issue of 15 million shares in Castle at a price of \$0.15 per share ("Issue") raising a total of \$2.25 million (before costs).

Castle has the largest exploration land holding in Ghana with over 12,000km² under licence. The funds raised will be used to immediately recommence exploration at the Company's Wa and Akoko Projects including the first ever exploration along the extension to Ampella's (ASX:AMX) Batie West structure that is interpreted to extend for at least 40 kilometres into Castle's Wa project tenure.

The directors of the Company will, subject to shareholder approval in accordance with ASX Listing Rule 10.11, participate in the Issue.

The Issue was managed by Sydney-based Southern Cross Equities and will be completed in two tranches. Initially, 6,300,000 shares will be issued in accordance the directors' powers to issue up to 15% of its equity securities within a 12 month period without the need for shareholder approval. This first tranche is expected to be issued and allotted in the next week.

The issue and allotment of the remaining 8,700,000 shares, including those applied for by Castle's directors, is subject to shareholder approval that will be sought at the Annual General Meeting of the Company scheduled for 13 November 2009.

Exploration Timetable

An aggressive exploration program is planned to be undertaken including the following work targeted for completion before the end of 2009:

- Soil geochemistry sampling program along the 80km long Jang Fault structure (Oct-Nov 09)
- Ground reconnaissance, mapping and 5,000 sample geochemistry program along the 40km long Batie West structure (Oct - Dec 09)
- RC and diamond drilling at the Julie West deposit and related quartz vein targets (Nov 09-Jan 10)
- RC Drilling southern extension of Akoko North deposit (Nov-Dec 09)
- RC drilling Akoko West +1,000ppb gold anomaly (Nov-Dec 09)
- Follow up programs and drilling are expected to be undertaken in early 2010 upon receipt of results

This is the notice intended to lift the Trading Halt requested on 30 September 2009.

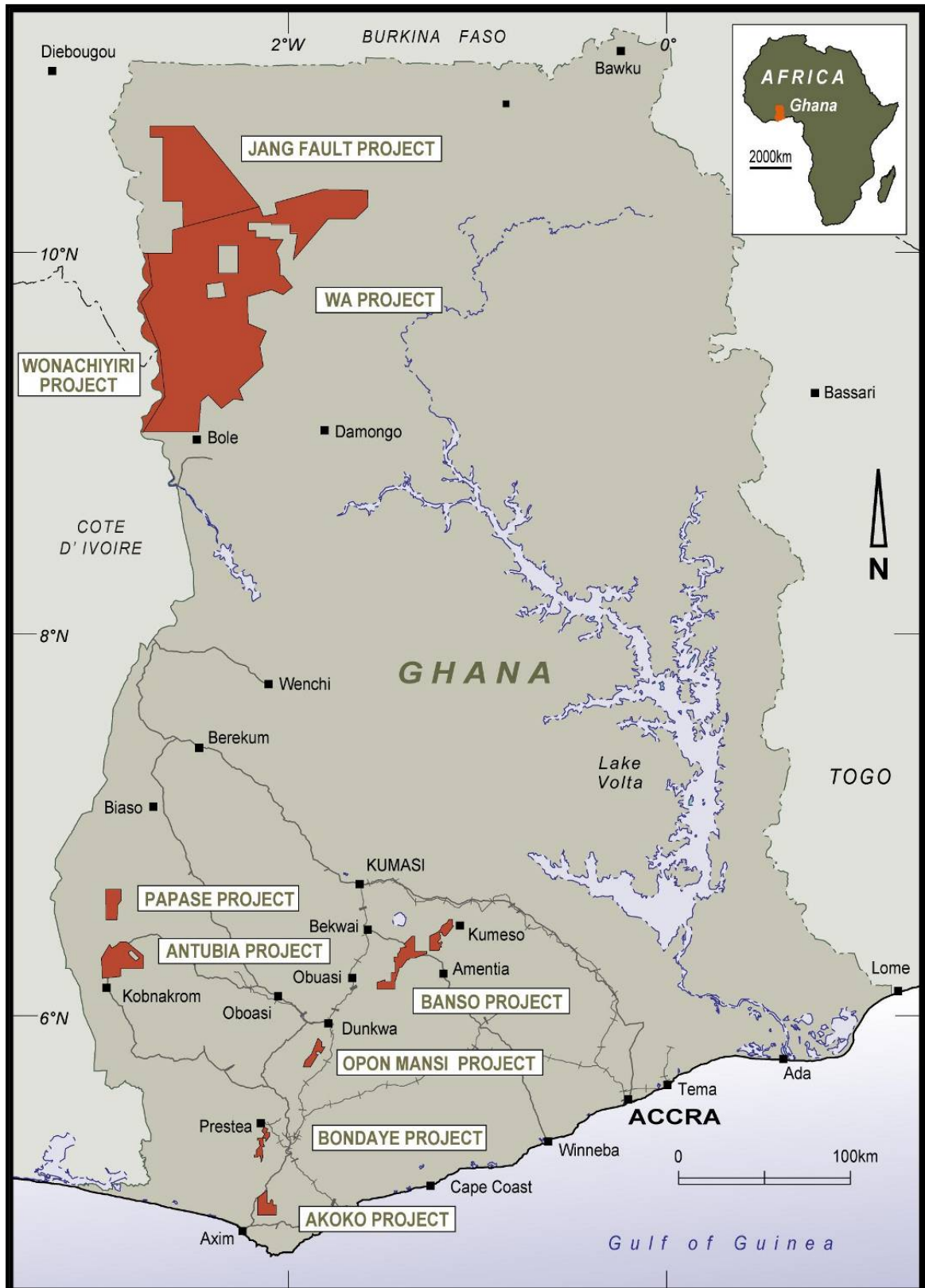
For further information please contact:

Michael Ivey

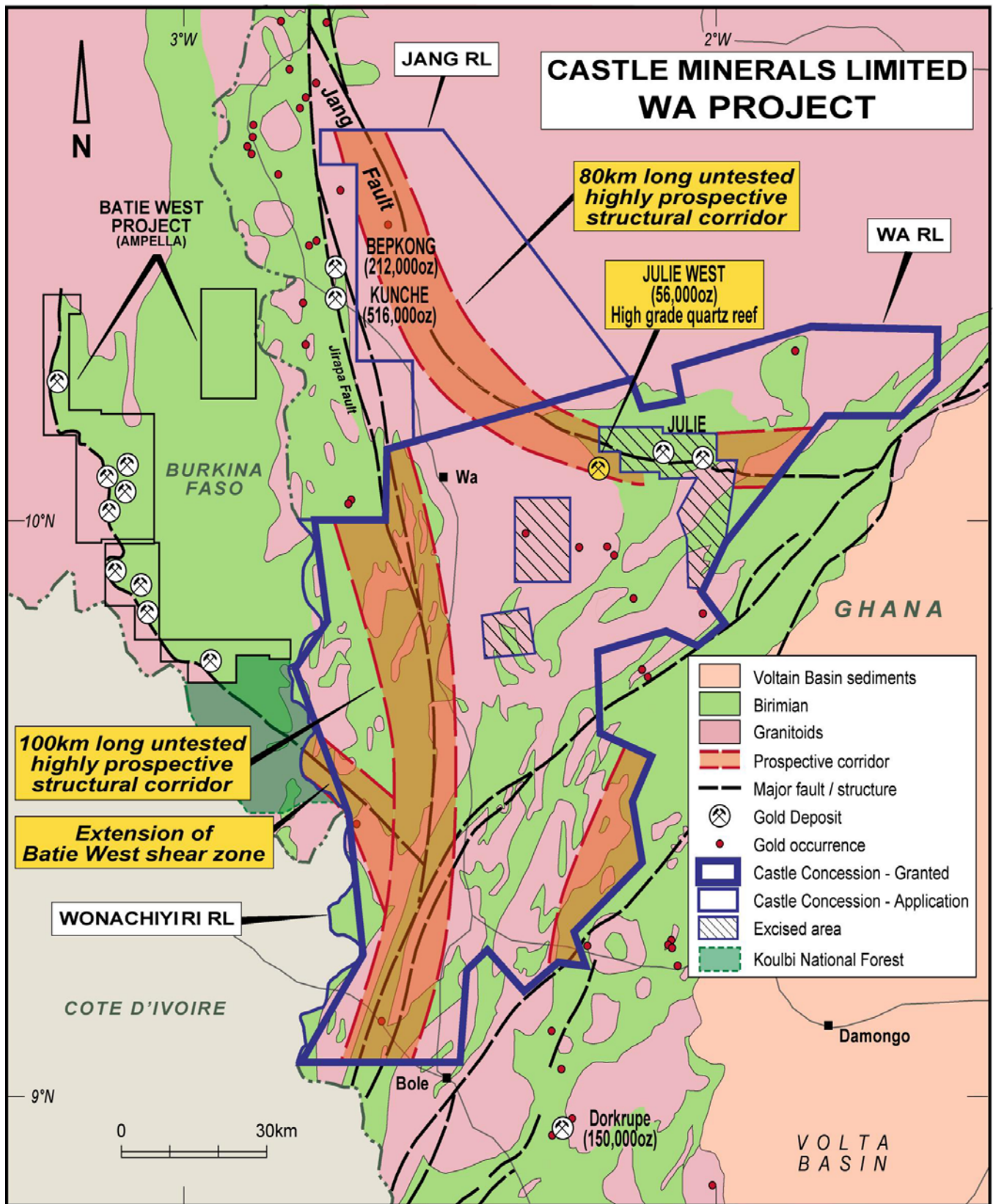
Managing Director & CEO

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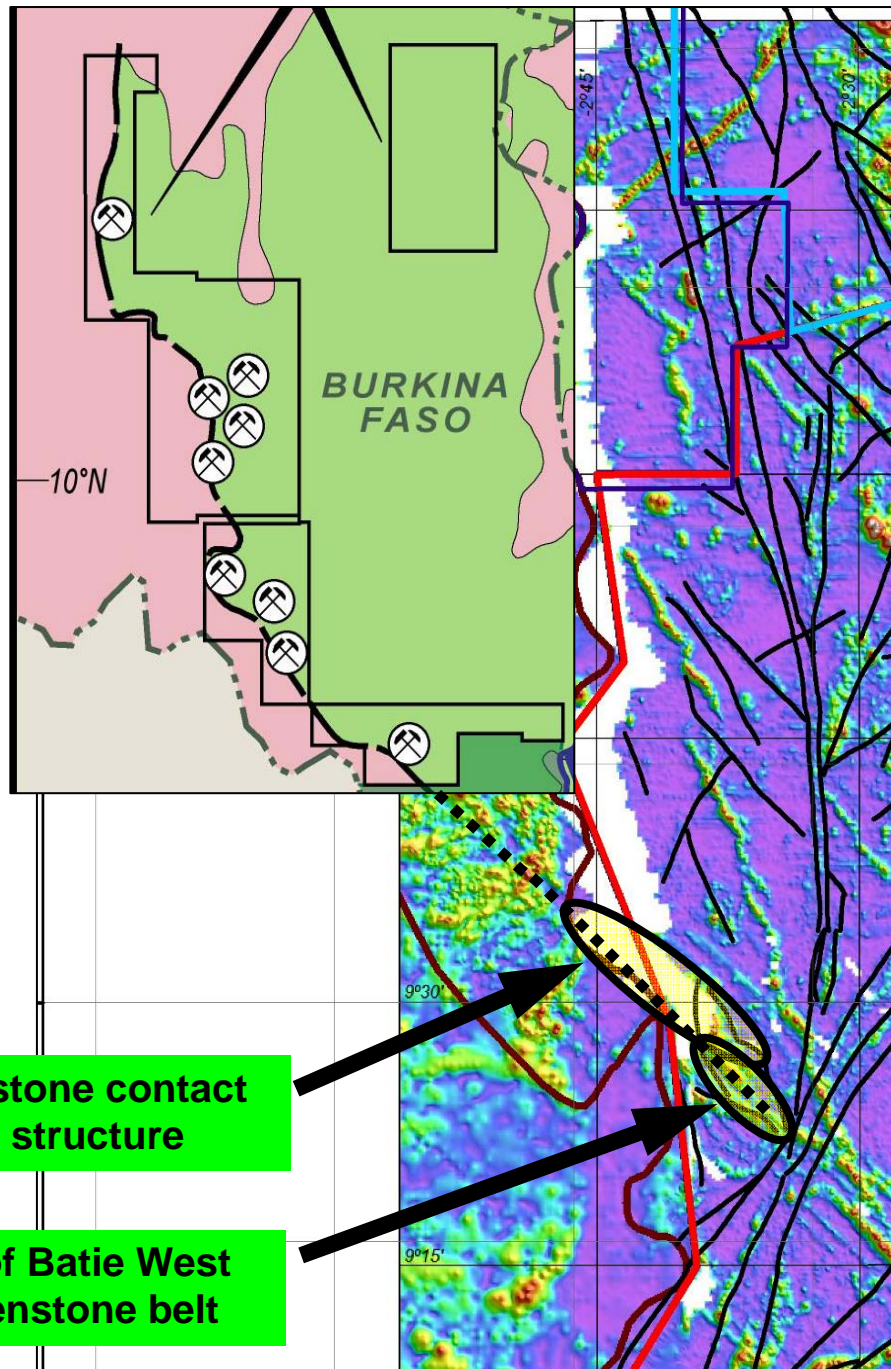
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Castle Project Locations in Ghana



Castle's Wa, Jang Fault and Wonachiyiri Licences cover more than 11,000km² of highly prospective and virtually unexplored Birimian age greenstone belts



30km granite/greenstone contact along Batié west structure

10km intersection of Batié West and Wa-Lawra greenstone belt

Airborne magnetic image showing the Batié West structure extending from Burkina Faso into Castle's Wa project in Ghana for at least 40km.