

22nd February 2011



ASX Announcement

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Substantial Bedrock Gold Target Defined at New Bulenga Prospect

Castle Minerals Limited (ASX: CDT) is pleased to announce that a mapping and trenching program at the Bulenga prospect in north west Ghana has reported **significant bedrock gold mineralisation within sheared and quartz veined meta-sediments.**

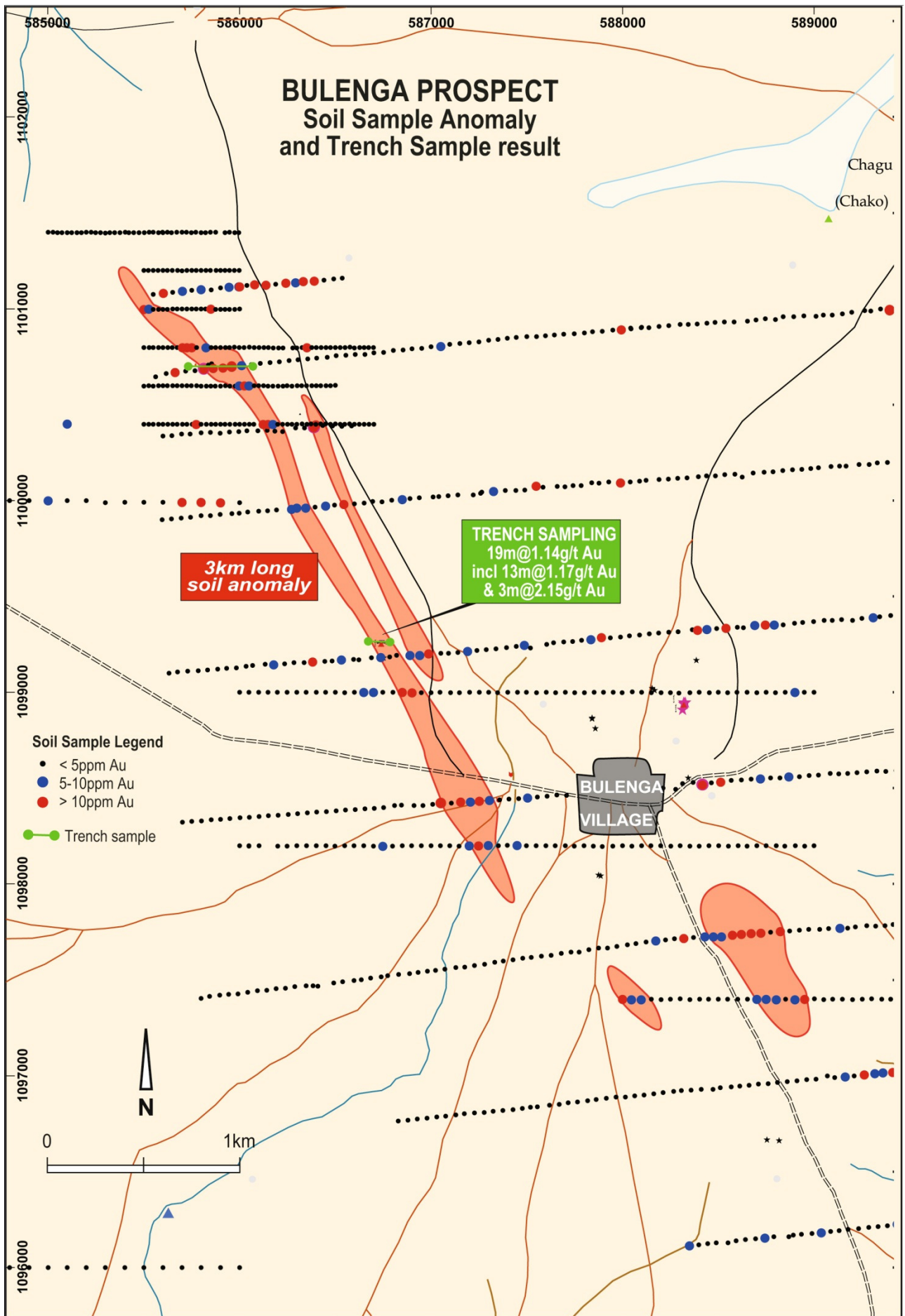
Significant results include;

19m @ 1.14g/t gold from 10m
inc. 3m @ 2.63 g/t gold from 10m
and 13m @ 1.17 g/t gold from 16m

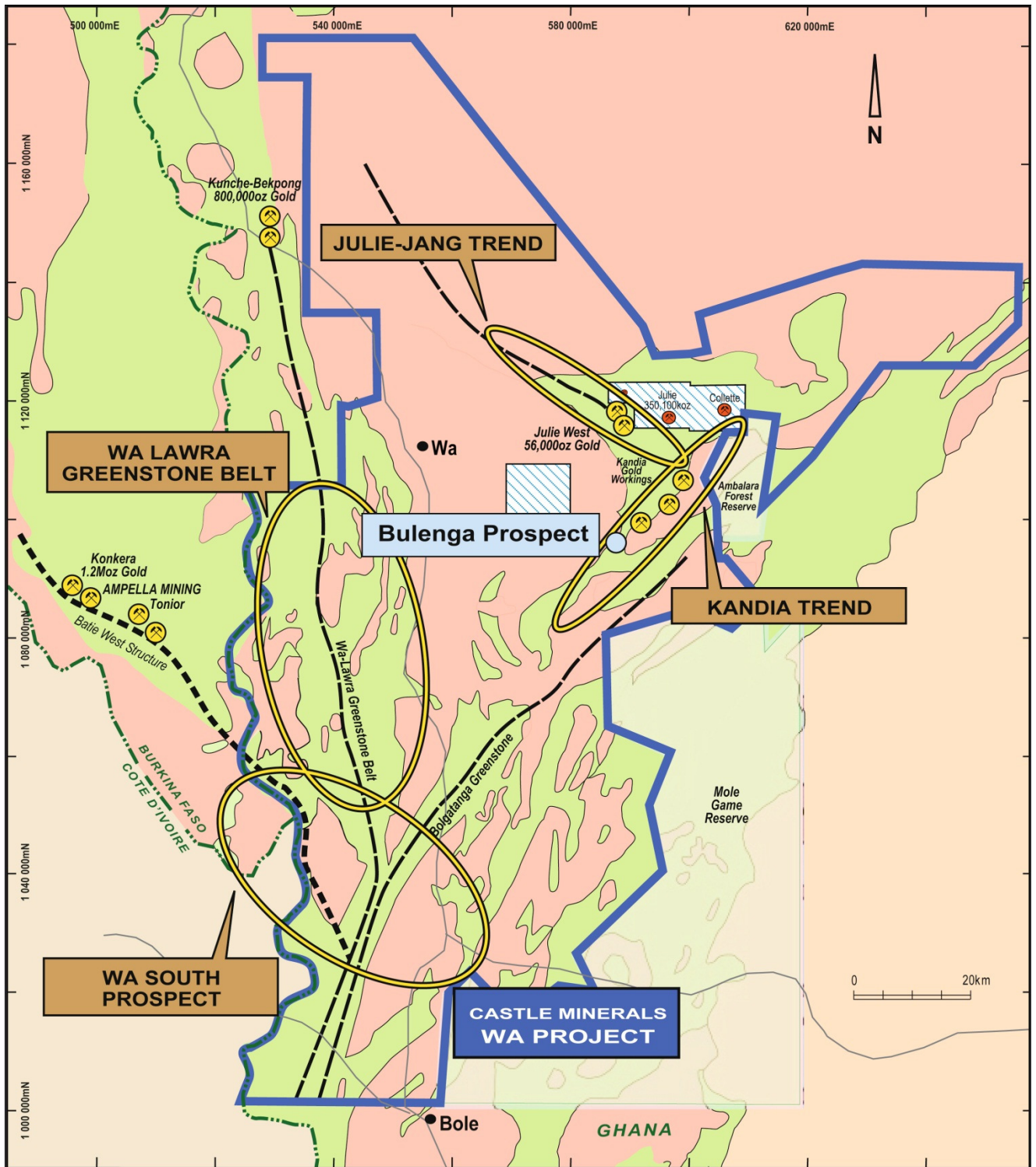
Castle's Managing Director, Mr Mike Ivey, said "This new prospect reaffirms the untapped potential of our vast Wa Project that continues to produce new areas of gold mineralisation in areas that have been never or only sparsely explored."

Two trenches were completed 1.7km apart to test a +3km long gold geochemical anomaly located north west of Bulenga village. The trenches exposed variably graphitic and siliceous, weakly quartz veined sediments that dip steeply to the east. The southern trench was completed in an area where some shallow artisanal workings have been developed and previously worked. The trench intercepts are considered to approximate true width of the mineralisation.

The results define an immediate drill target that will be scheduled into the current exploration program that includes 40,000m of RC drilling, 20,000m RAB drilling and 20,000m of auger drilling all currently being undertaken within Castle's 12,000m² Wa Project in north-west Ghana.



Trenching at the Bulenga Prospect has returned significant bedrock gold mineralization coincident with a +3km long soil anomaly that will now be subject to drill testing



Castle's Wa Project in north west Ghana showing location of newly defined Bulenga Prospect



Backfilled trench at Bulenga Prospect

Background

The Bulenga prospect forms part of Castle's 12,000km² Wa Project in north west Ghana where exploration is focussing on four regional scale prospect corridors:

1. Julie-Jang Trend 50km long trend
2. Kandia new 30km corridor of anomalous gold in soils
3. Wa South (Batie West trend) 60km long corridor
4. Wa-Lawra Greenstone Belt 80km of untested greenstone

80,000m of drilling is currently underway on the Wa Project utilising 3 drill rigs completing the following exploration activity;

- 40,000 metres RC drilling testing Kandia, Julie West and South Wa prospects. Drilling commenced December 2010.
- 20,000 meters auger drilling testing Wa South (Batie West extension) and Wa Lawra Greenstone belt targets. Drilling commenced January 2011.
- 20,000 metres RAB drilling testing Wa South (Batie West extension) and Wa Lawra Greenstone belt targets. Drilling expected to commence late February 2011.

Bulenga Prospect

Soil sampling defined a coherent NNW trending gold anomaly over ~3km of strike west of Bulenga village. The anomaly is of modest tenor with respect to other geochemical responses in the district however it did report values up to 1030ppb gold. A trenching program was undertaken in January 2011 to test this trend and reported the very encouraging bedrock intercept of 19m @ 1.14g/t gold from 10m.

Kandia Prospect

The Kandia prospect was discovered in May 2010 during reconnaissance field mapping. During this program a large area of previously unknown artisanal gold workings was discovered over approximately 600m of strike. Subsequent soil sampling defined nine strong gold anomalies over 12km of strike and a ~15,000m RC drill program commenced in December 2010 to undertake the first ever test of these anomalies. Gold mineralisation at Kandia is developed within quartz-biotite rich metasediments. On a regional scale the artisanal workings and soil anomalies occur on a major granite/sediment contact that can be traced within Castle's licences for about 25km.

Wa- Lawra Greenstone Belt

Regional auger and RAB drilling is proposed to test the Wa-Lawra greenstone belt that hosts the Kunche-Bepkong gold deposits to the north. Auger drilling has intersected 3-16m of transported cover indicating that the very limited historic soil sampling completed in this area is likely to have been largely ineffective. This is the first known drilling on this prospect which covers a highly prospective, unexplored 100km portion of the Wa-Lawra greenstone belt.

South Wa (Batie West Extension)

Auger drilling has commenced testing a large and highly anomalous gold in soil response along the interpreted extension of the Batie West structure. The Batie West structure is interpreted to be a major shear zone that hosts Ampella's (ASX:AMX) 2.2 Moz Konkera gold resource to the north-west. The first auger samples were dispatched to the assay laboratory last week.

For further information please contact:

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Bulenga Prospect Trench results:

Trench Number	Start Northing	Start Easting	mRL	Az.	Intercept
Trench 2	1099260	586721	400	90	19m @ 1.14 ppm Au from 10m Inc. 3m @ 2.15 ppm Au from 10m Inc. 13m @ 1.17 ppm Au from 16m 2m @ 0.31 ppm Au from 32m
Trench 3	1100702	585700	400	90	5m @ 0.12 ppm Au from 146m 2m @ 0.12 ppm Au from 156m 5m @ 0.11 ppm Au from 180m 5m @ 0.23 ppm Au from 217m 2m @ 0.22 ppm Au from 226m

Gold analysis performed by Intertek Laboratories Tarkwa Ghana on 1m horizontal trench samples using 50gm fire assay technique with AAS finish

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 report of the matters based on his information in the form and context in which it appears.