

14th June 2011



ASX Announcement

New Gold Discovery at Castle Minerals' Wa Project in Ghana

**First pass RC Drilling at the Baayiri Prospect Intersects
55m @ 1.82g/t gold from 15m
inc. 40m @ 2.02g/t gold
5m @ 6.64g/t from surface**

- ❖ **Results of first pass RC drilling, testing a 12 x 6km area of strong gold anomalism in an area never previously explored, has reported the following significant intercepts:**
 - **55m @ 1.82g/t gold from 15m (BARC 07)**
 - **5m @ 6.64g/t from surface (BARC 02)**
 - **20m @ 0.55g/t gold from 10m (BARC 06)**
- ❖ **Mineralisation style and scale provides great encouragement that substantial gold mineralisation could be present at Baayiri**
- ❖ **Numerous other anomalies to test at Baayiri, RC rig scheduled to return to site in next few days**

Castle Minerals Limited (ASX: CDT, "Castle") is pleased to announce that first pass RC drill testing at the Baayiri prospect in north-west Ghana has intersected a strong zone of gold mineralisation within pyritic and carbonate altered granitic rocks.

The intersections include 55m @ 1.82 g/t gold from 15m and 5m @ 6.64 g/t gold from surface.

The Baayiri prospect is within the Julie -Jang Trend, a gold corridor that has never previously been explored.

Drilling at Baayiri is part of Castle's wider exploration program on its 10,000km² Wa Prospect. Over the past 4 years, Castle has engaged in systematic exploration of key geochemical targets at Wa that had already yielded three significant virgin discoveries.

The results at Baayiri are the most significant to date and provide great encouragement that substantial gold mineralisation could be present in the area.

The RC drilling, as a first test, targeted eleven spot geochemical highs with results received for the first 18, of the 33 holes drilled.

Results from the balancing 15 drill holes are expected within the next 10 days and will be immediately reported to the market.

In addition, Castle will have a drill rig back on site at Baayiri on 15 June to commence additional drilling.

Elsewhere within the Wa Project, RAB and auger drilling and soil geochemical programs are ongoing and Castle has approximately 5,000 samples awaiting analysis.

Castle Managing Director Mike Ivey said the discovery represented a major vindication of the Company's Ghana exploration strategy.

"The disseminated nature of the mineralisation is suggestive of a broad and possibly large scale pervasive mineralising event providing encouragement that this is a substantial deposit," said Mr Ivey.

"The width, grade and near surface nature of the intercept has obvious economic implications and we are keen to recommence drilling as soon as possible to determine the exact geometry and scope of the mineralisation intercepted."

Results of first pass RC drilling, testing a 12 x 6km area of strong gold anomalism, has reported significant intercepts including 55m @ 1.82 g/t from 15m (BARC 07), 5m @ 6.64 g/t from surface (BARC 02) and 20m @ 0.55 g/t gold from 10m (BARC 06). On returning to site this week, the RC rig will test numerous other anomalies at Baayiri.

Large gold deposits hosted within intrusive rocks are common in Ghana (eg, Ayanfuri 6Moz and Ahafo 17Moz) and the discovery of mineralised intrusives at Baayiri is very positive for the broader Wa Project.

Castle's Wa Project in north-west Ghana covers over 10,000km² where exploration is focussing on four regional scale prospect corridors. An 80,000m drilling program commenced in December 2010 testing a large number of gold prospects within each of the prospect corridors.

Mr Ivey said Castle's very active exploration program within Ghana utilised an experienced crew of local geologists and field technicians.

"These initial results at the Baayiri prospect validate our commitment to develop the Company and drive value for our shareholders through ground-up exploration in Ghana," he said.

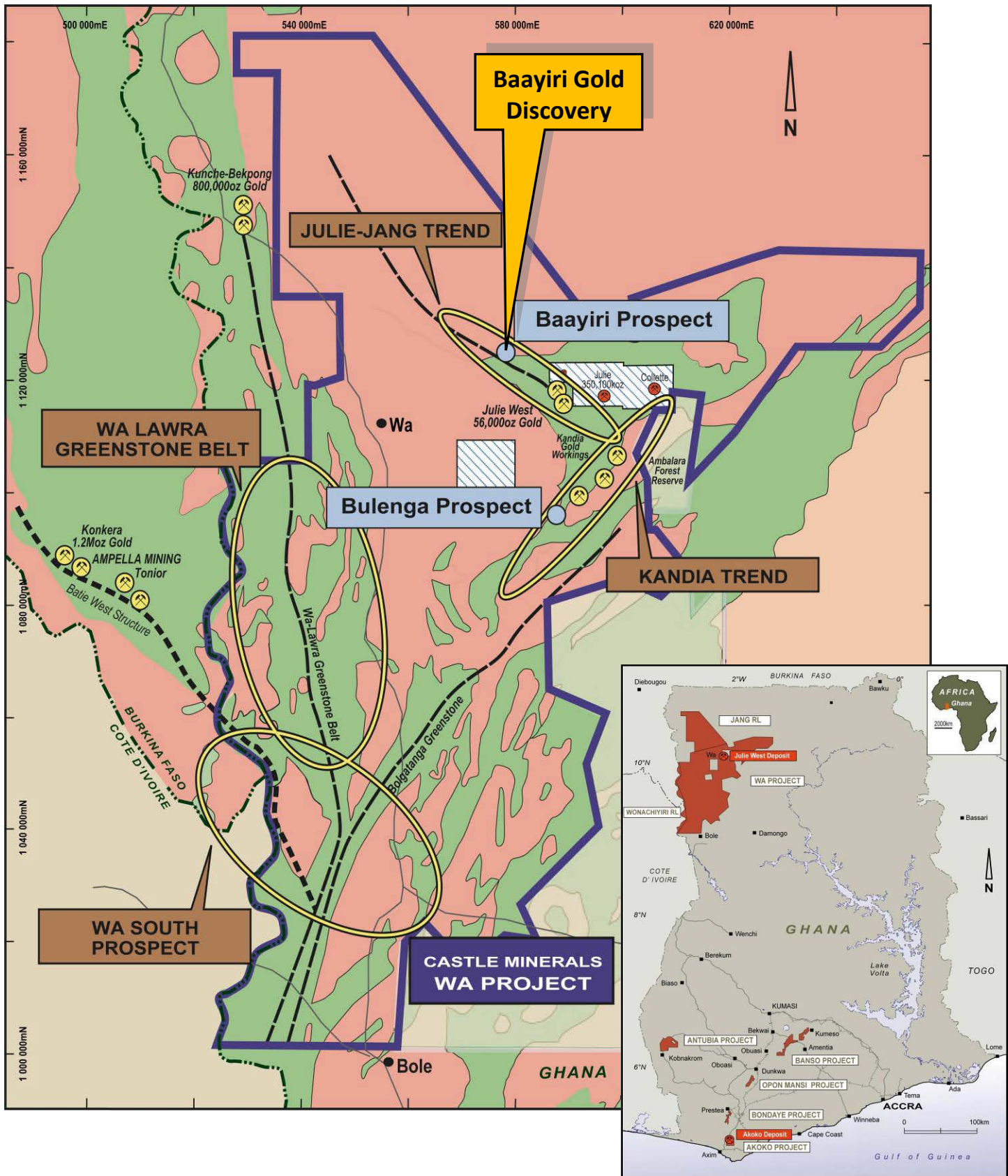
About Castle:

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, Banso, Bondaye, Opon Mansi (application) and Wa covering more than 11,000km².

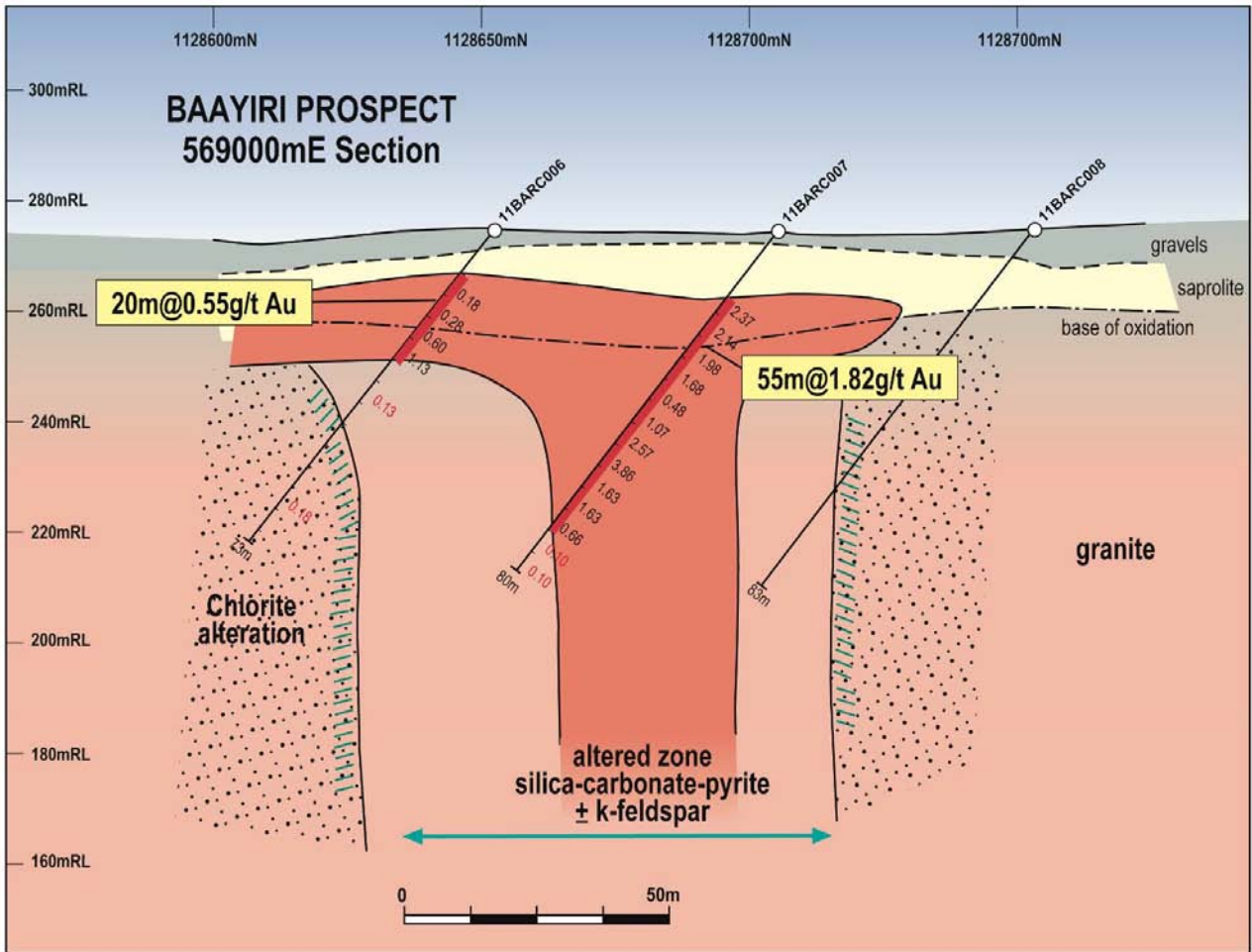
All granted projects are 100% owned by Castle Minerals (subject to Ghanaian Government right to a free-carried 10% interest). Castle's corporate objectives are exploration and development of its six projects in Ghana and the acquisition and exploration of other mineral resource opportunities, particularly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

For further information please contact:

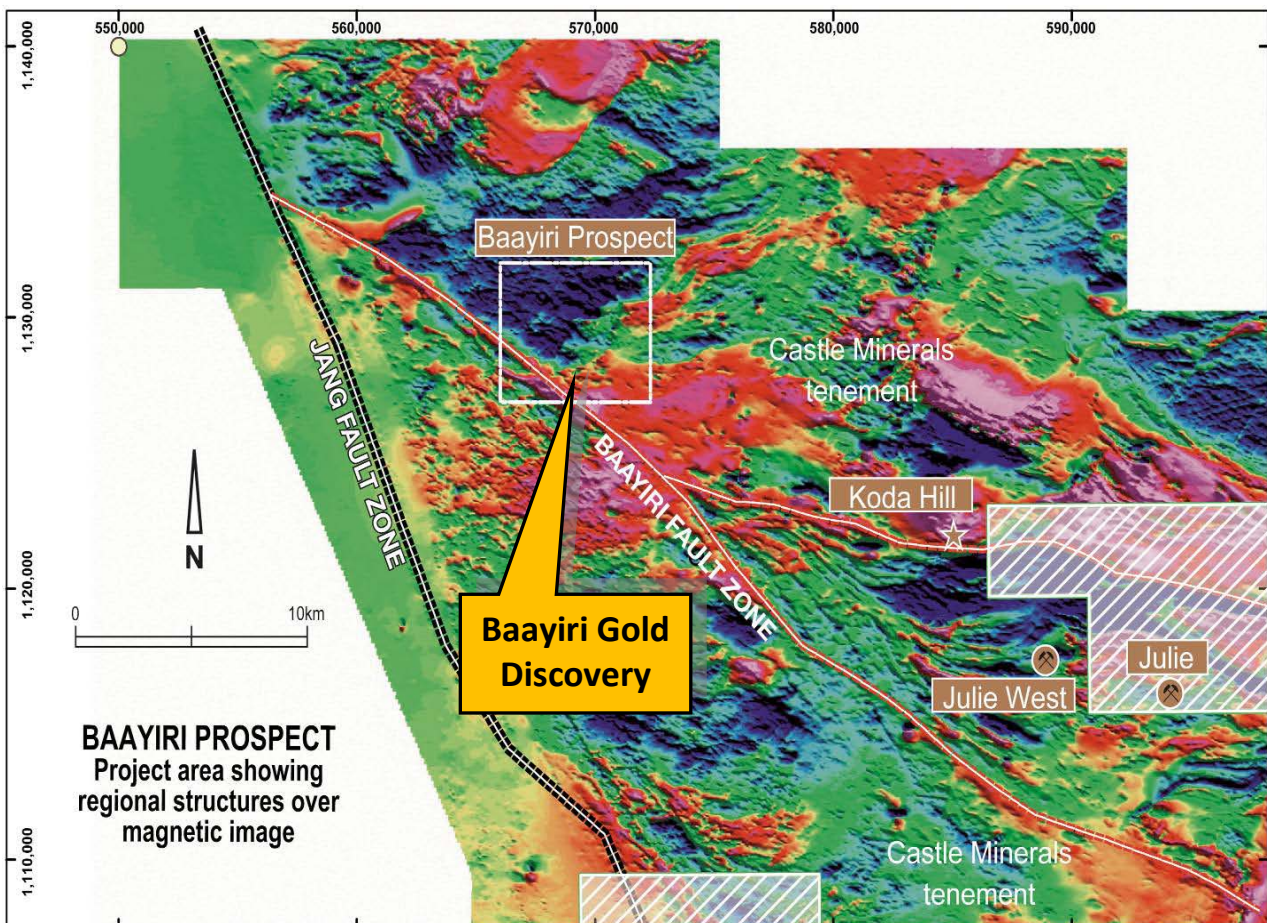
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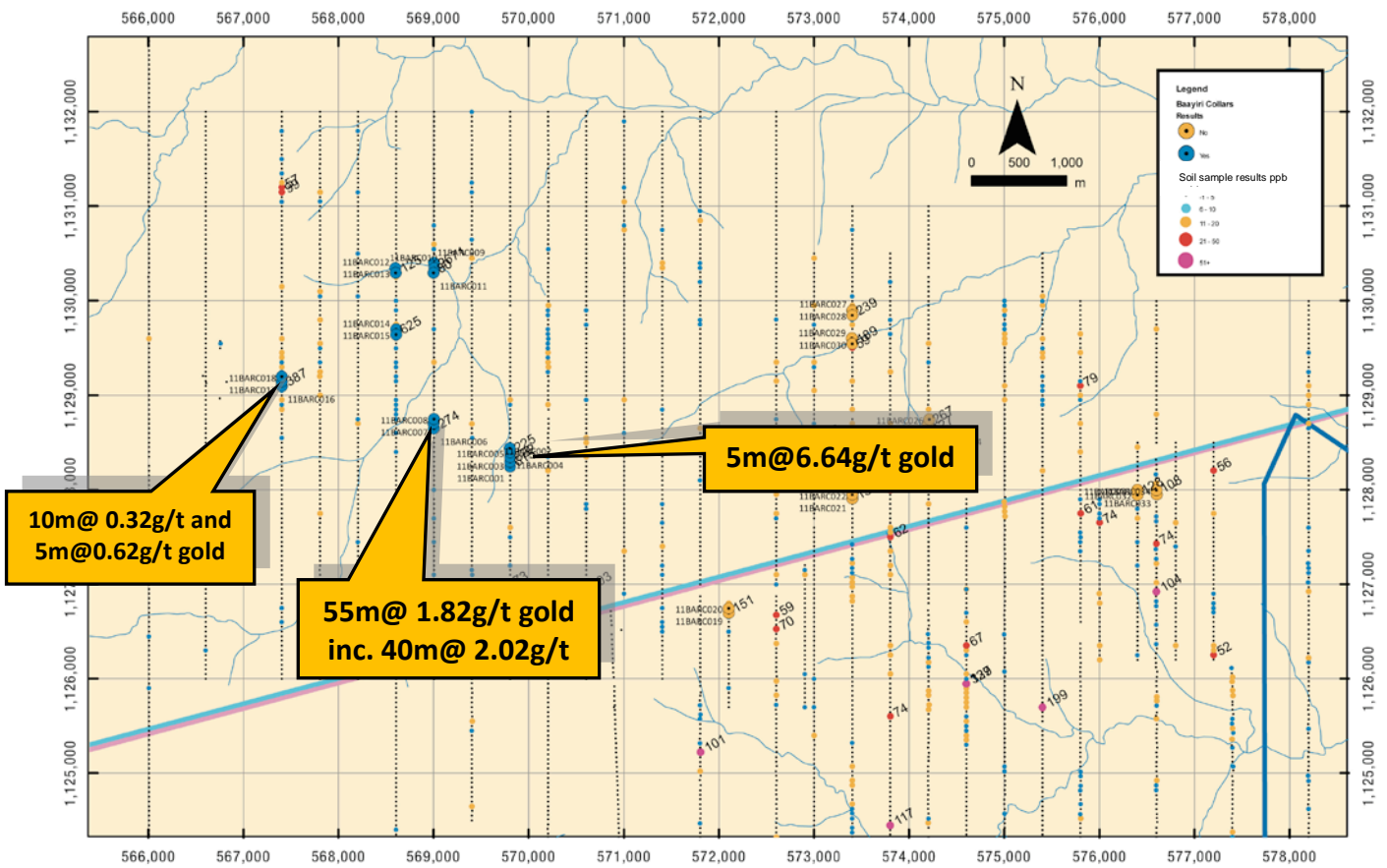
Castle's Wa Project in north-west Ghana covers over 10,000km² where exploration is focussing on four regional scale prospect corridors. The Baayiri prospect is within the Julie -Jang Trend, a gold corridor that has never previously been explored.



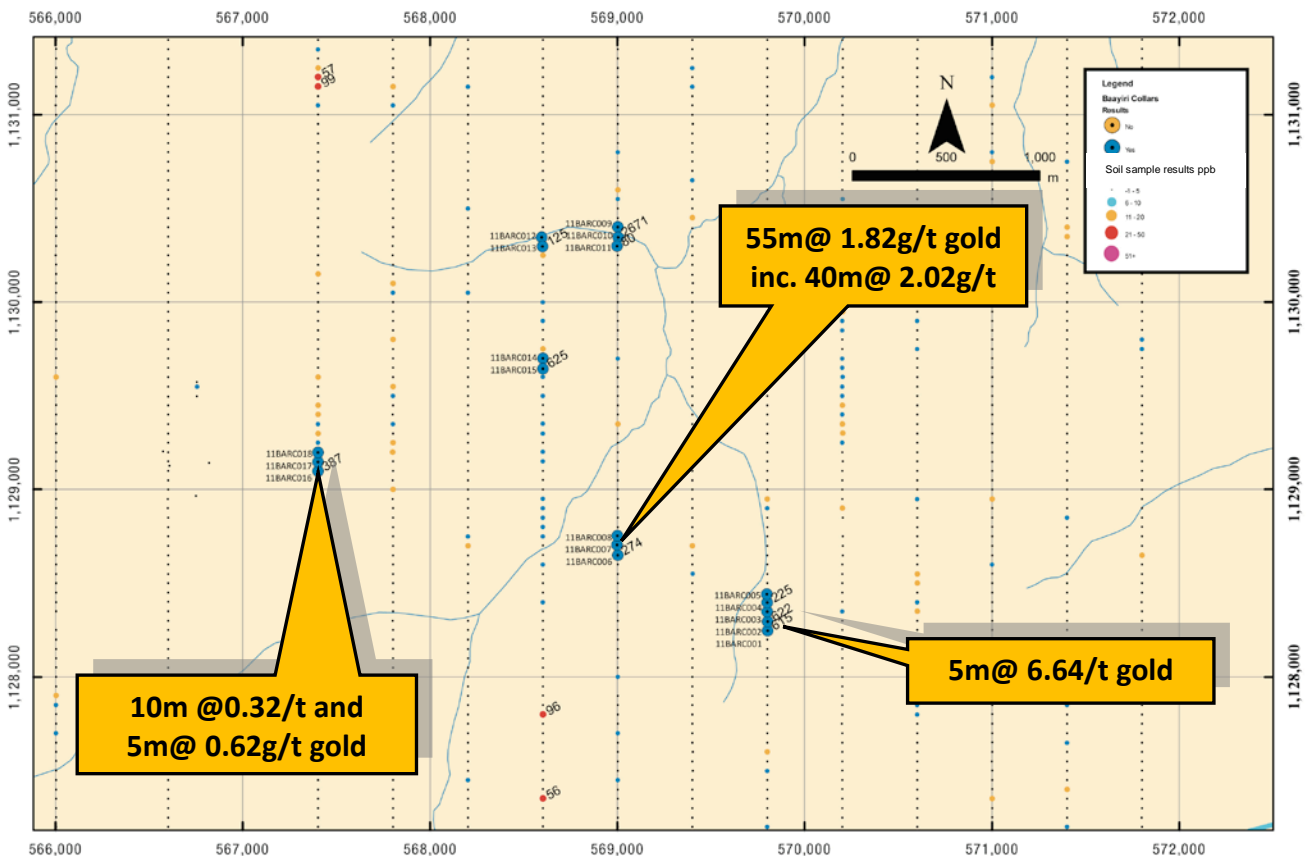
RC drill cross section at Baayiri prospect showing 5m composite gold results and geological interpretation



Aeromagnetic image showing the Baayiri prospect to occupy a structurally complex area where NE trending and E-W trending rocks intersect a regional NW striking fault zone that can be traced for over 30km.



Geochemical gold results at Baayiri. Blue circles represent RC holes where results have been received and yellow circles represent RC holes where results are awaited. Plan above is ~12km across and clearly great potential exists in this 12x 6km area.



RC collar and geochemistry detail for the area around discovery hole BARC 07. It is not clear if the drilling east and west of BARC07 is part of the same structure but certainly confirms a strongly mineralised area.



George Ahinawah at the collar of BARC007

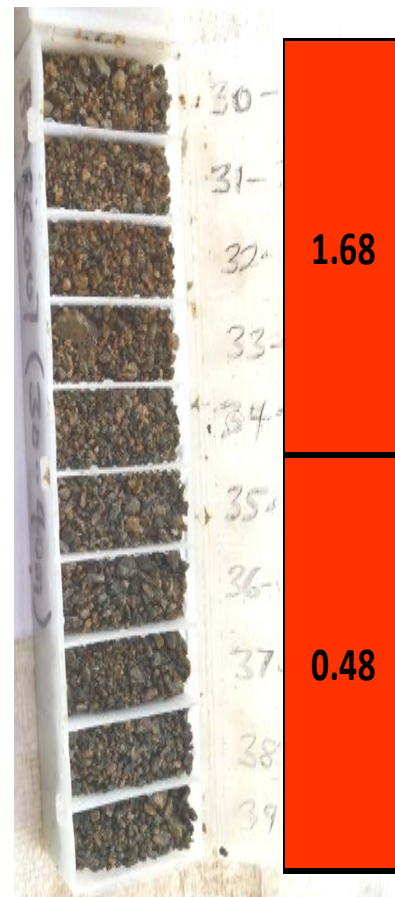
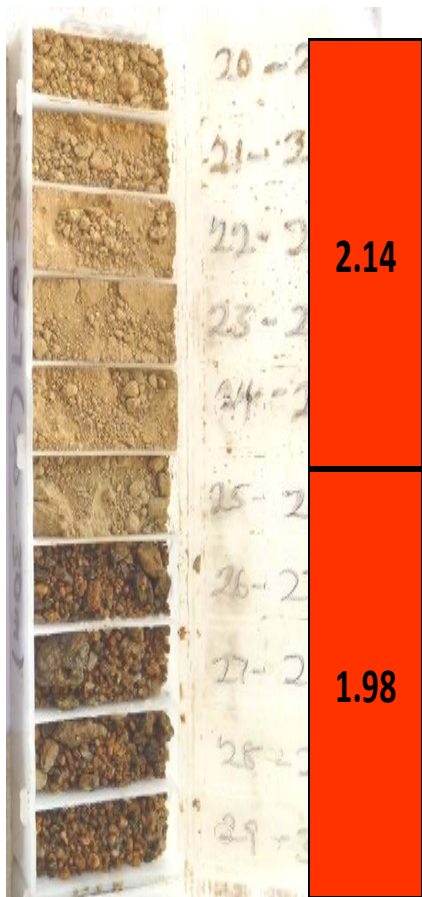
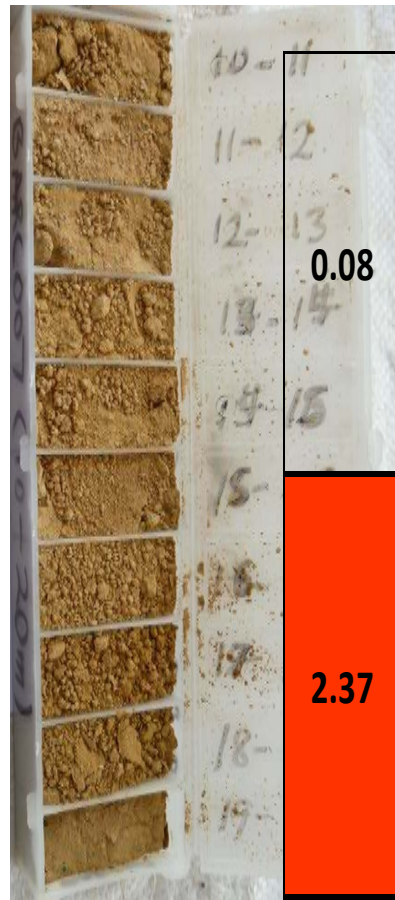


Baayiri prospect is flat and unpopulated

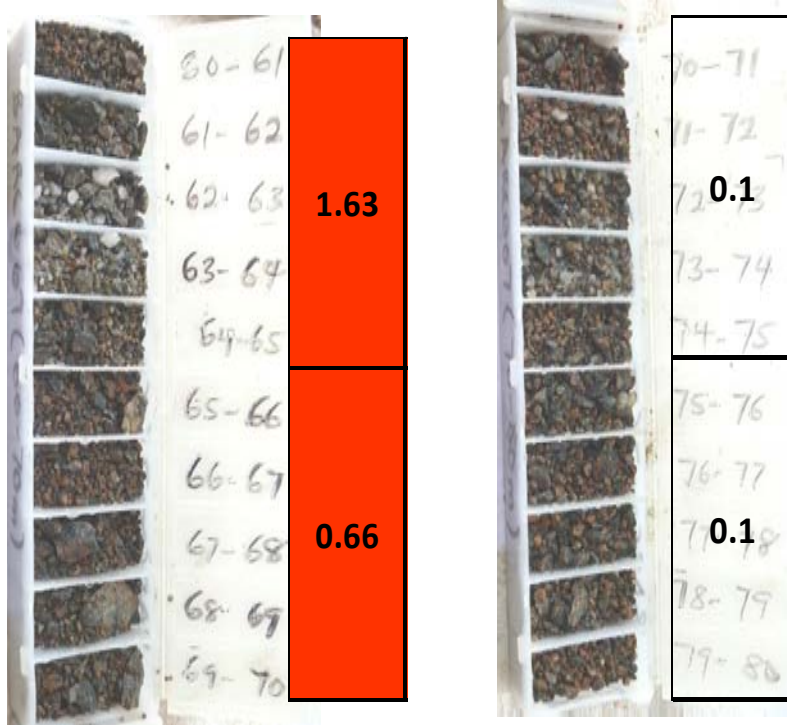
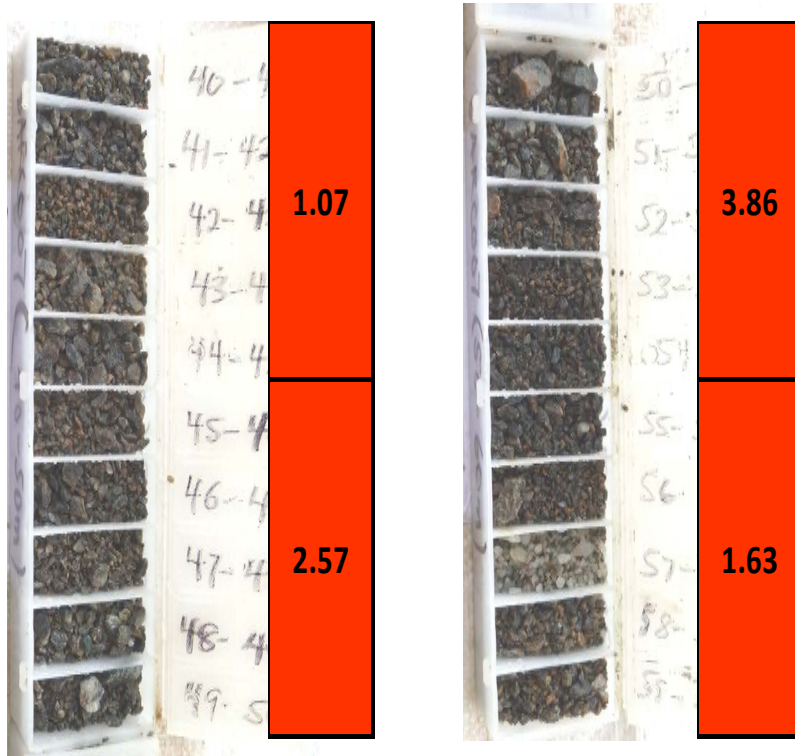


Complicated regolith at Baayiri including transported gravels suggests that in many instances, subsurface gold mineralisation may not be effectively tested by conventional soil sampling. RAB drilling is now proposed for much of the Baayiri prospect.

RC chip trays for 11BARC 07 with corresponding 5m composite gold assays (g/t gold)



RC chip trays for 11BARC 07 with corresponding 5m composite gold assays (g/t gold)



Significant intersections for 11BARC001 to 11BARC018.

HoleID	Northing	Easting	RL	Azm	Dip	Depth	Intersections
11BARC001	1,128,248	569,802	286	180	-50	95	No significant intersection
11BARC002	1,128,298	569,801	286	180	-50	80	5m @ 6.64g/t gold from 0m
11BARC003	1,128,351	569,799	283	180	-50	85	No significant intersection
11BARC004	1,128,400	569,800	282	180	-50	80	No significant intersection
11BARC005	1,128,444	569,797	287	180	-50	84	No significant intersection
11BARC006	1,128,652	569,001	275	180	-50	73	20m @ 0.55g/t gold from 10m
11BARC007	1,128,706	568,997	270	180	-50	80	55m @ 1.82g/t gold from 15m
11BARC008	1,128,754	568,999	277	180	-50	83	No significant intersection
11BARC009	1,130,403	569,000	267	180	-50	80	No significant intersection
11BARC010	1,130,348	569,003	266	180	-50	88	5m @ 0.18g/t gold from 85m
11BARC011	1,130,300	568,997	268	180	-50	55	No significant intersection
11BARC012	1,130,348	568,595	275	180	-50	80	5m @ 0.18g/t gold from 15m
11BARC013	1,130,298	568,598	272	180	-50	80	No significant intersection
11BARC014	1,129,701	568,600	294	180	-50	80	No significant intersection
11BARC015	1,129,647	568,600	293	180	-50	80	No significant intersection
11BARC016	1,129,100	567,399	291	180	-50	80	5m @ 0.60g/t gold from 25m
11BARC017	1,129,149	567,399	290	180	-50	80	10m @ 0.32g/t gold from 30m
11BARC018	1,129,200	567,401	297	180	-50	96	No significant intersection

Notes

- Assays reported from 5m composite samples from Reverse Circulation drilling.
- No top cut applied.
- Gold analysis by 50g Fire Assay/AAS. Analysis performed by Intertek Laboratories, Tarkwa, Ghana.
- QAQC completed with no issues noted.
- Hole collars picked up by GPS.
- Individual 1m splits have been submitted to the laboratory.

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.