

13<sup>th</sup> September 2011



**ASX Announcement**

**RC Drilling Confirms Baayiri Gold Discovery and outlines new zone 4km to the east**

Second Phase RC Drilling at the Baayiri Prospect Intersects

**15m @ 2.73 g/t gold from 30m  
inc. 10m @ 4.0g/t gold from 30m and  
20m @ 1.08 g/t gold from 20m  
3m @ 1.86g/t gold from 0m (eastern zone)**

Castle Minerals Limited (ASX: CDT, "Castle") is pleased to provide details of the second phase of RC drilling from its Baayiri prospect in north-west Ghana. Drilling followed up the recent Baayiri discovery hole intercept of 55m @ 1.82 g/t gold and has confirmed a **strongly altered NNE striking zone of gold mineralisation. This zone is open in all directions.**

RC drilling has also reported an intercept of **3m @ 1.86g/t gold from an area 4.2km to the east** from an RC hole testing a single point soil anomaly.

Castle Managing Director Mike Ivey said "these results are very encouraging and confirm that the Baayiri area is host to widespread gold mineralisation. It now ranks as our number one exploration target and will be the focus of an intensive exploration effort. Considering the very wide spacing of our work to date and that this 12 x 6km area is only limited by the boundaries of our sampling we are very confident that more gold mineralization will be discovered and new targets generated as we progress our exploration".

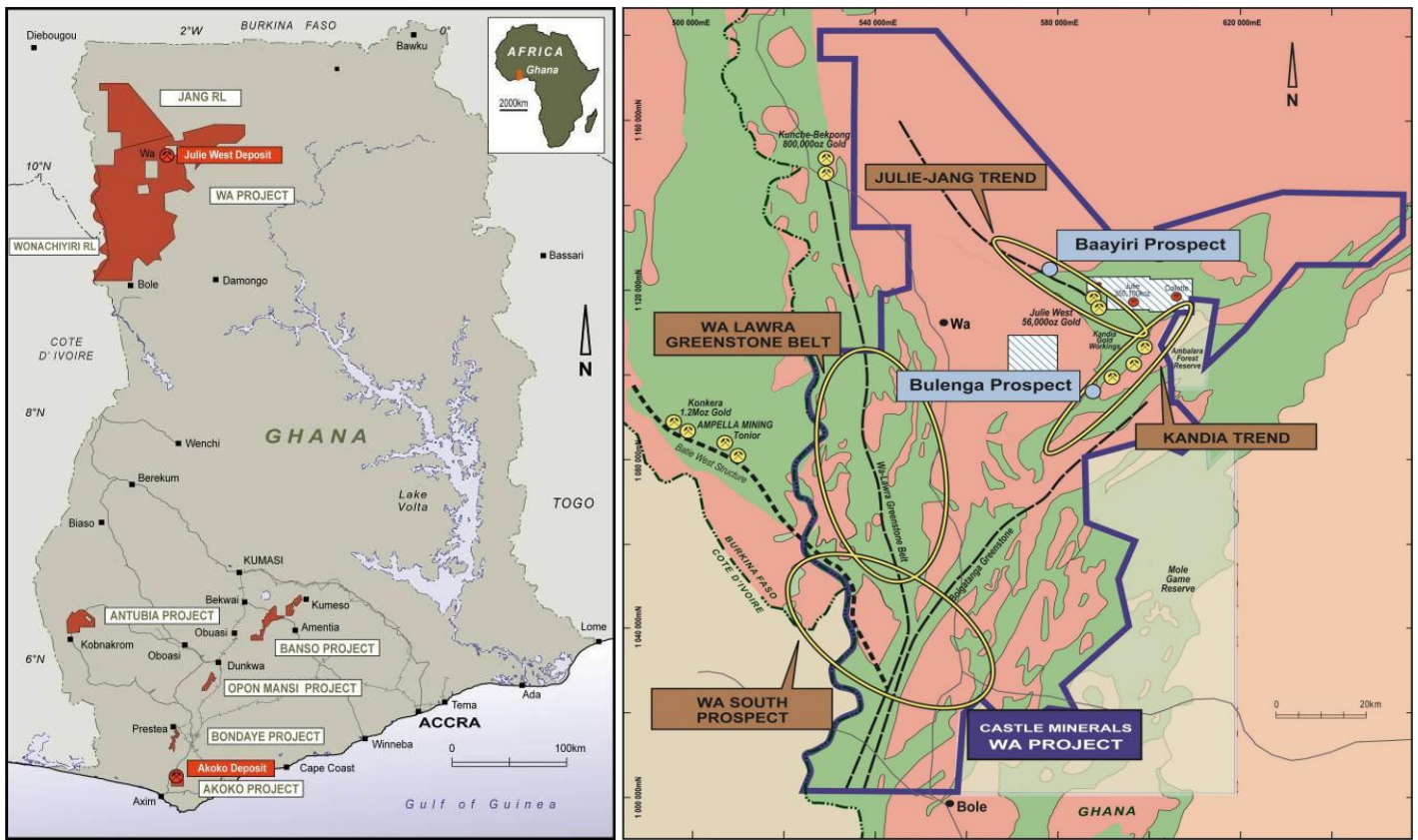
"This discovery is the third greenfields gold discovery made by Castle on its Wa Project in the last six months and represents a major vindication of the Company's Ghana exploration strategy," he said.

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

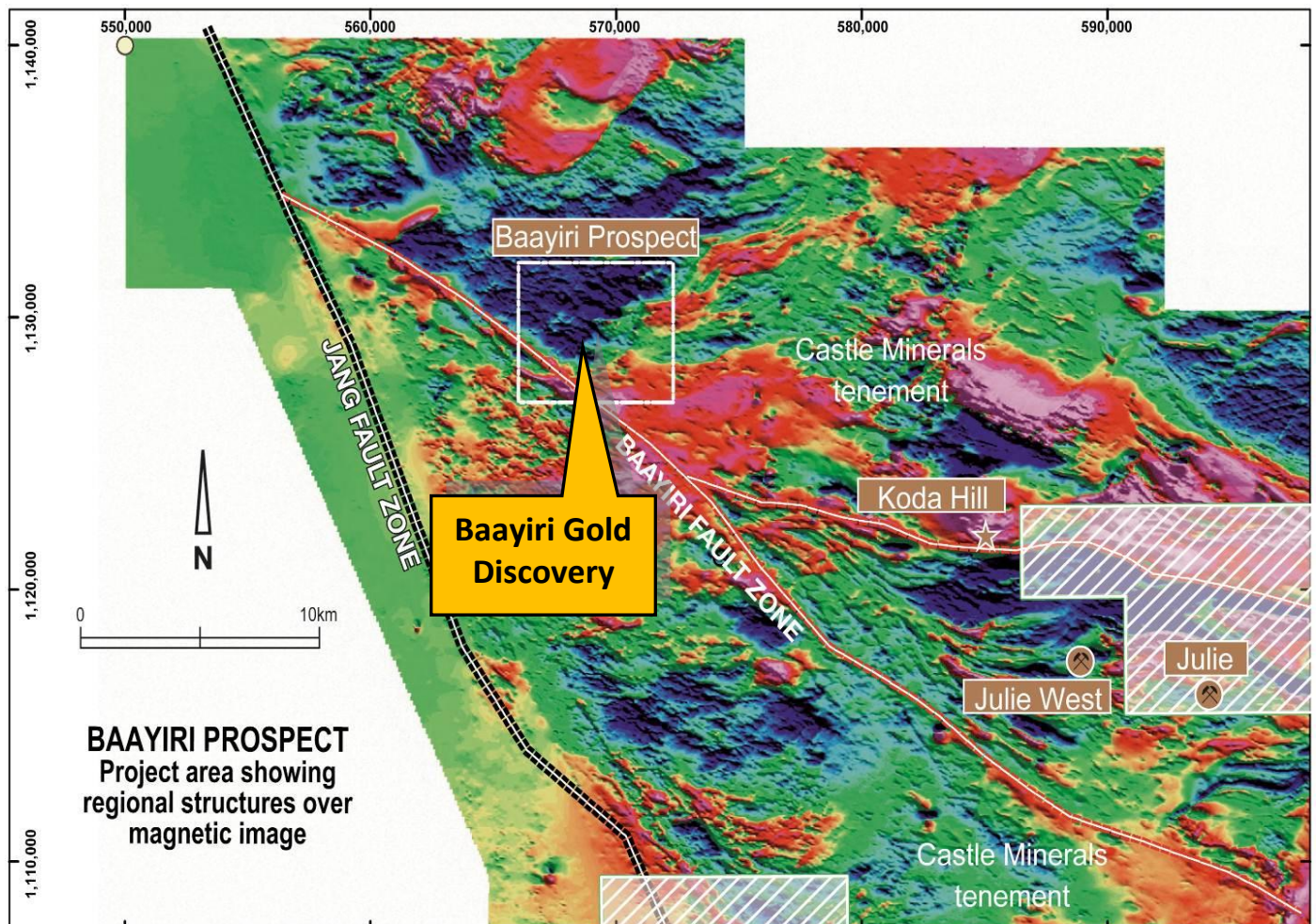
Drilling at Baayiri is part of Castle's wider exploration program on its 10,000km<sup>2</sup> Wa Prospect. The results at Baayiri are very significant and provide great encouragement that substantial gold mineralisation could be present in the area.

For further information please contact:

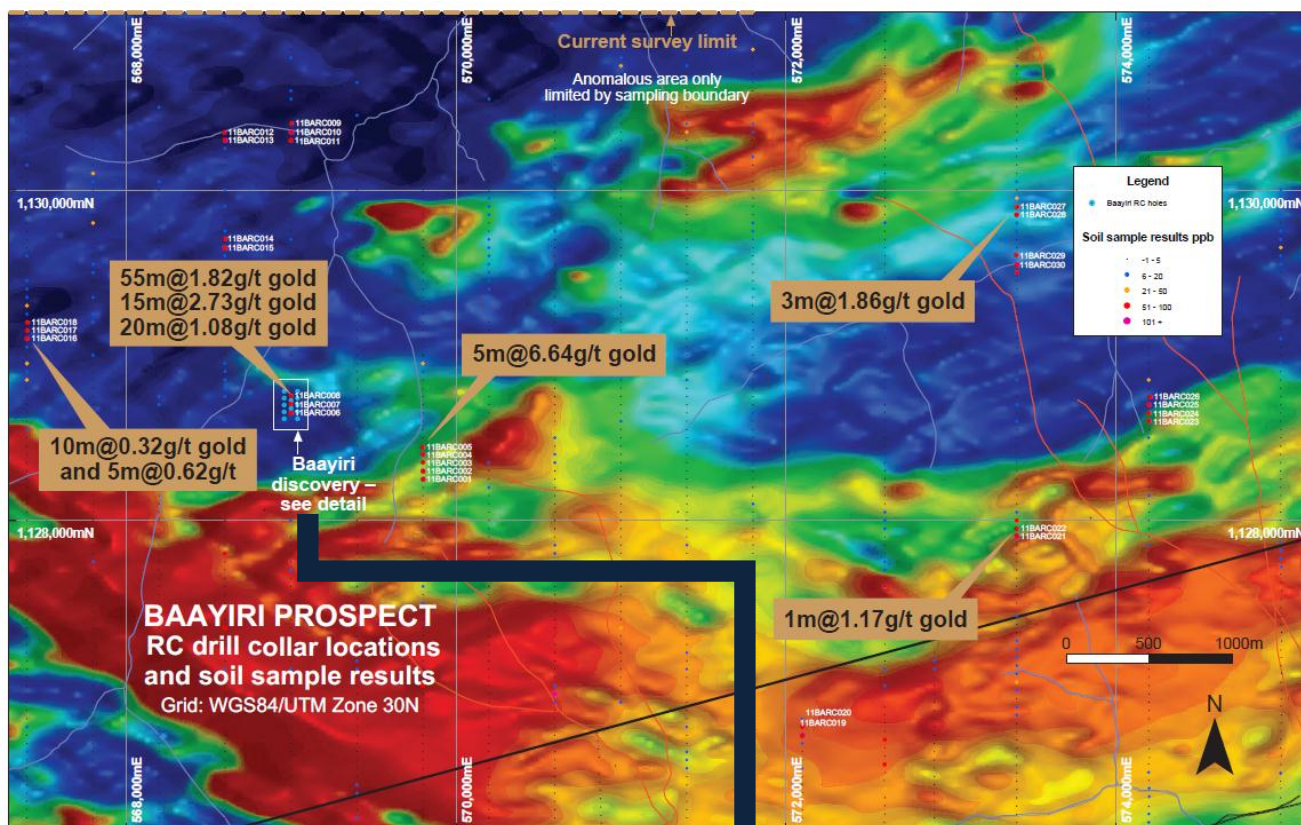
Michael Ivey  
Managing Director & CEO  
+618 9322 7018



Castle's Wa Project in north-west Ghana covers over 10,000km<sup>2</sup> 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.



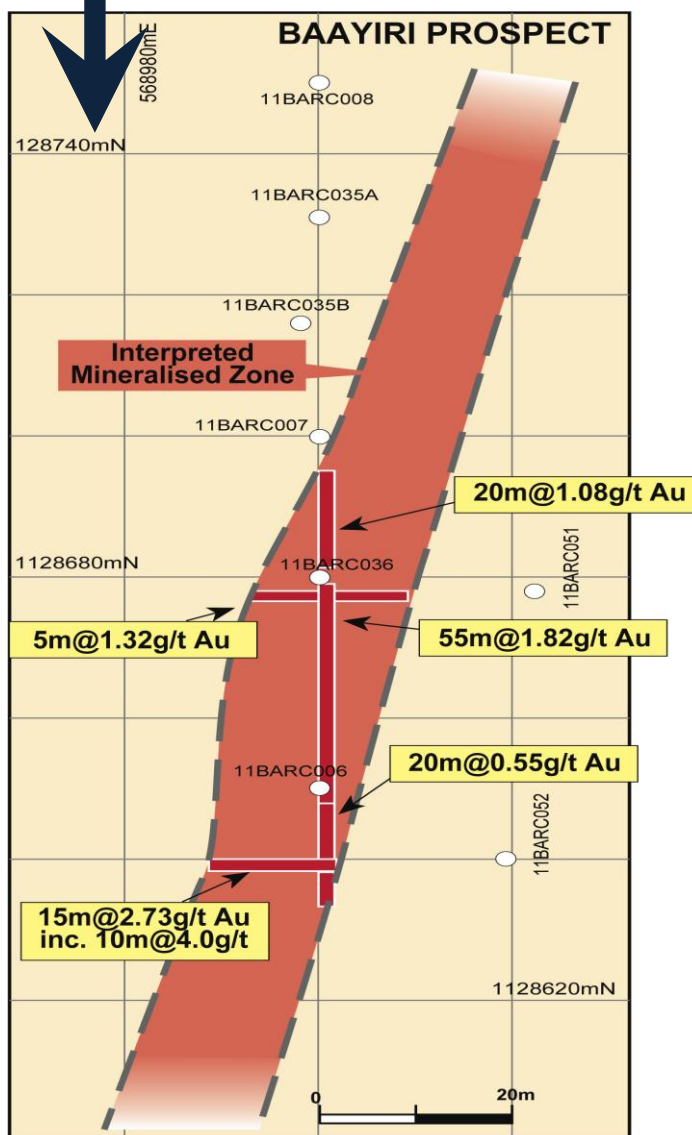
Aeromagnetic image showing the Baayiri prospect to occupy a structurally complex area where NE trending and E-W trending rocks intersect a regional NW striking fault zone that can be traced for over 30km.



Baayiri drill hole location plan and aeromagnetic image (above) showing results from widespread RC drilling completed to date. These RC holes tested spot high geochemical targets and reported widespread gold mineralisation.

The Baayiri area is only limited by the boundaries of geochemical sampling completed so far, with this trend completely open to the north, west and east. It is expected that more gold mineralization will be discovered and new targets generated as exploration progresses.

Drill hole detail for the Baayiri discovery (right) shows a NNE trending zone of mineralisation that is open in all directions.



## 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, Bansa, Bondaye, Opon Mansi (application) and Wa covering more than 11,000km<sup>2</sup>.

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.

Baayiri Prospect - Significant RC Drill Results							
Hole No.	Northing	Easting	RL	EOH (m)	Azmith	Dip	Intercept
11BARC021	1127909	573400	302	80	180	-50	1m @ 1.77g/t gold from 8m
11BARC027	1129851	573400	275	82	180	-50	3m @ 1.86g/t gold from 0m
11BARC036	1128680	569000	275	103	180	-50	20m @ 1.08 g/t gold from 20m
							inc 15m @ 1.38 g/t gold from 15m
							15m @ 0.42 g/t gold from 50m
11BARC041	1128780	569040	276	111	176	-51	5m @ 0.14 g/t gold from 75m
11BARC042	1128781	568960	274	80	186	-49	5m @ 0.35 g/t gold from 20m
11BARC044	1128660	568960	276	103	182	-49	5m @ 0.20 g/t gold from 70m
11BARC051	1128678	569022	274	47	270	-50	5m @ 1.32 g/t gold from 20m
							15m @ 0.20 g/t gold from 30m
11BARC052	1128640	569019	269	80	270	-50	15m @ 2.73 g/t gold from 30m
							inc. 10m @ 4.0g/t gold from 30m

### Notes

- Assays reported from 5m composite samples from Reverse Circulation drilling except holes 11BARC21 and 11BARC27 which have been assayed from 1m splits.
- 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.

*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.*