

21 March 2012



**ASX Announcement**

## **Wide Zones of Graphite Intersected on Wa Project**

Castle Minerals Limited (ASX: CDT) is pleased to announce that RAB drilling has intersected a number of wide graphite rich horizons on its Wa Project in north west Ghana. Zones up to 50m true width have been reported from drill chip logging. The zones are interpreted to have at least 1km strike extents based on trenching, mapping and interpretation of geophysical data.

The graphite occurrence was first noted by Russian geologists whilst prospecting for manganese in the 1960's. Subsequent evaluation of the area included trenching and the drilling of 25 holes to a maximum depth of 20m. Castle has located a number of the old trenches but no historic drill or assay data.

The publication "Report on the Geology and Minerals of the South Western Part of the Wa Field Sheet, Pobedash, I.D. 1991" reports that *"two main zones of graphitic schists were identified averaging around 10-15% graphite within which there are higher grade zones and that the graphite is the flakey variety with fine crystals (usually less than 0.25mm)"*.

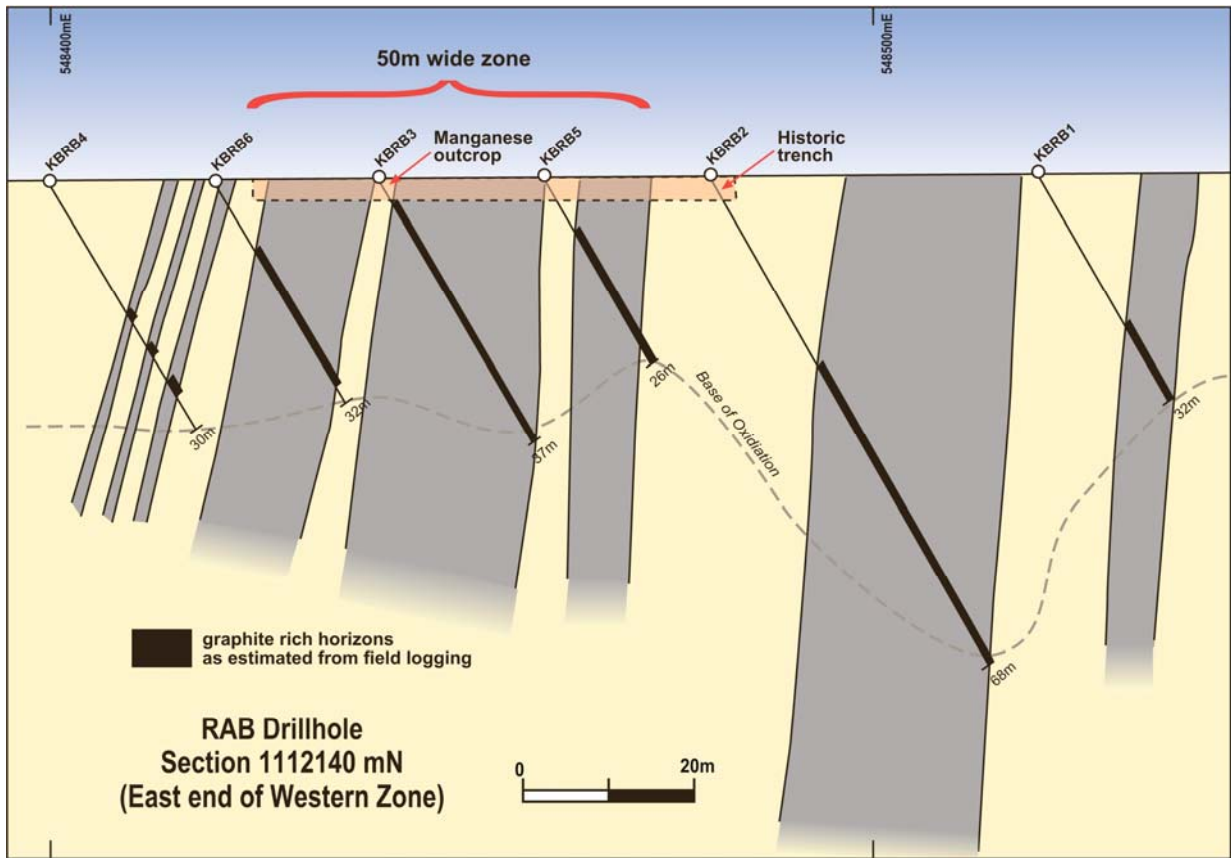
Castle cautions that it has no assay data for the current drilling and can make no comment on the graphite content until carbon analysis is completed. Current assay turnaround is estimated at 5 weeks however Castle is endeavouring to expedite this.

Castle's Managing Director, Mr Mike Ivey, said; "As a consequence of our gold exploration we became aware of the historic graphite occurrence, located the old trenches and completed a number of RAB drill traverses. The wide zones of graphitic material intersected are very encouraging and appear consistent with the observations made by the Russian geologists in the 1960's. We will complete several more drill profiles and upon receipt of positive carbon analysis proceed with further evaluation of the deposit. The current strong interest in graphite and high graphite prices suggests that this prospect may hold significant value for Castle."

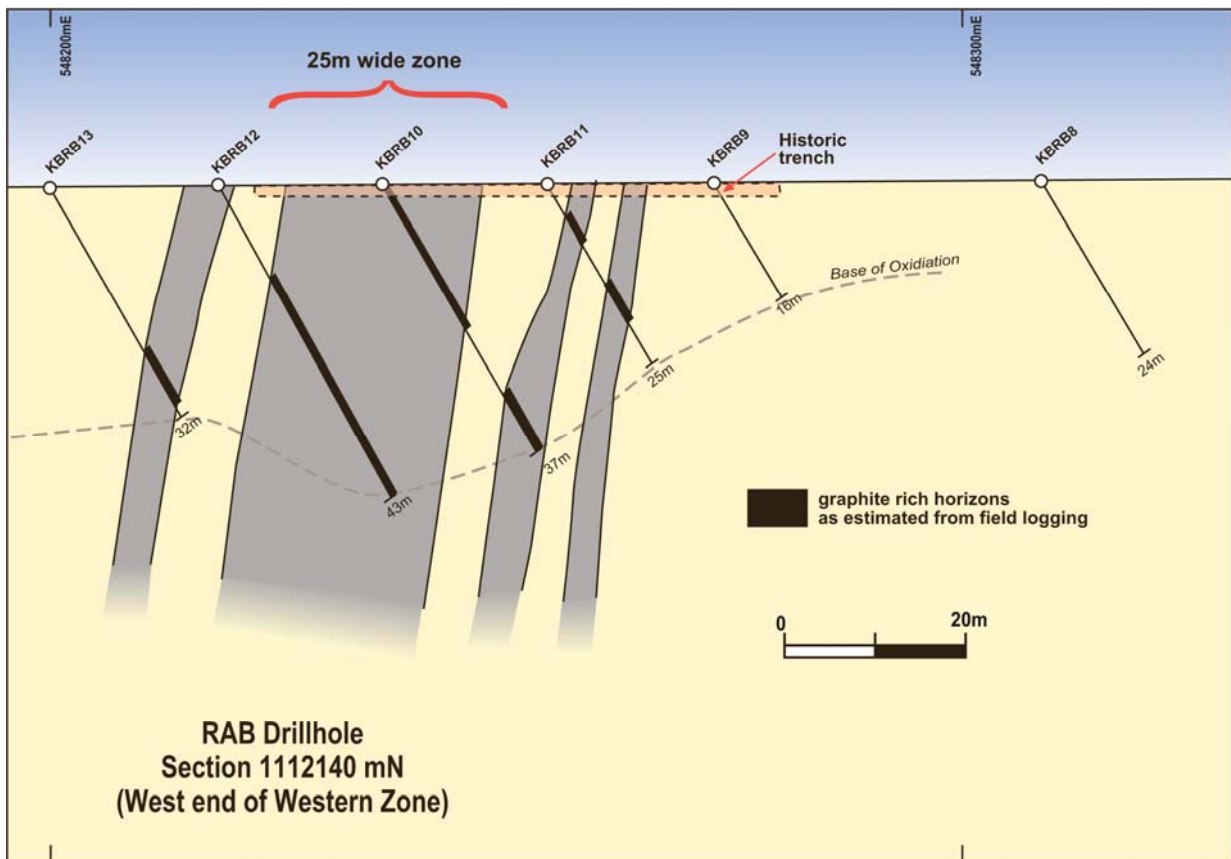
The RAB drilling has only tested the oxide component of the graphitic zones and all intercepts remain open at depth and along strike.

**END OF TRADING HALT**

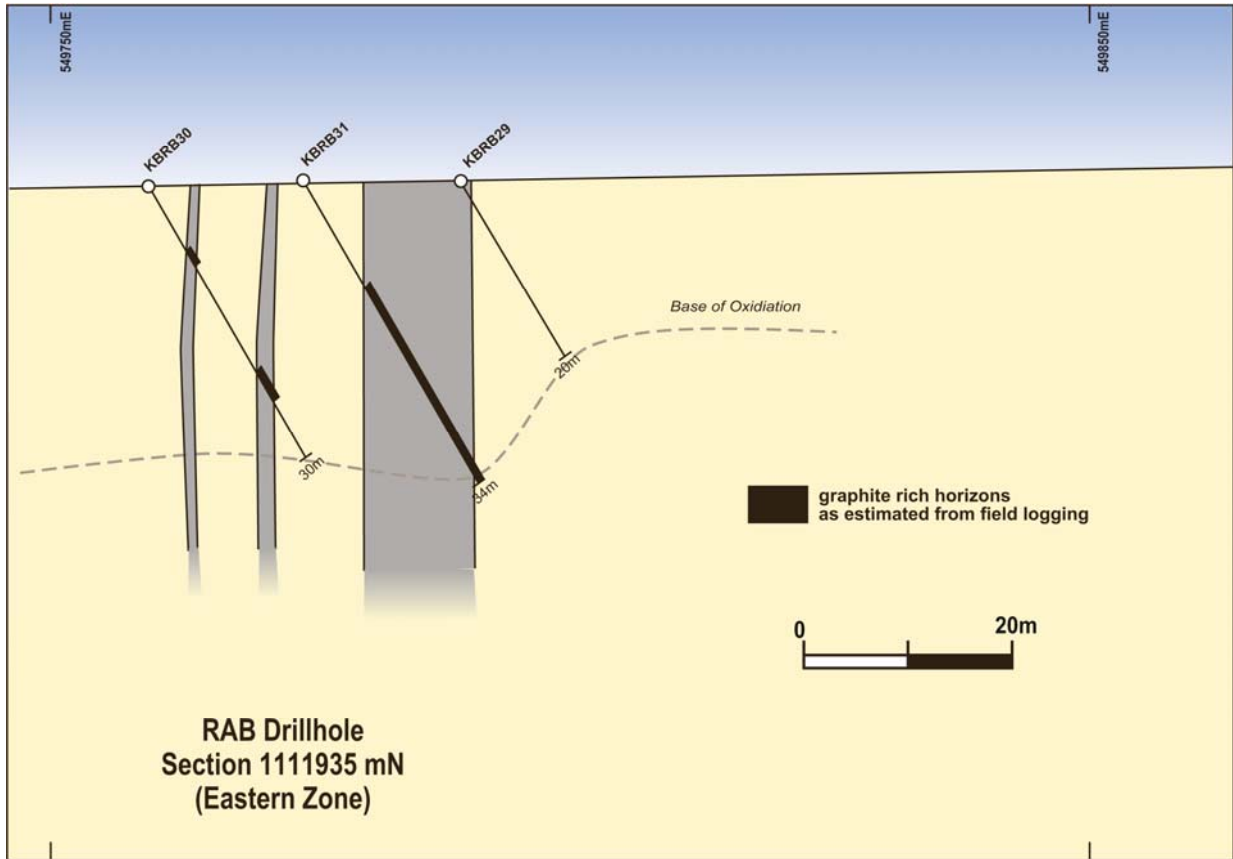
*This announcement brings to an end the Trading Halt requested by the Company 20<sup>th</sup> March 2012*



RAB drill traverse showing wide zones of graphitic schist from the Western Zone



RAB drill traverse showing wide zones of graphitic schist from the Western end of the Western Zone



RAB drill traverse showing a wide zone of graphitic schist from the Eastern Zone



Drill sample of graphitic rich schist from hole KBRB 03





RAB drilling at hole KBRB 31 with graphitic schist from 13m down hole. The drill rig is owned by Castle Minerals.

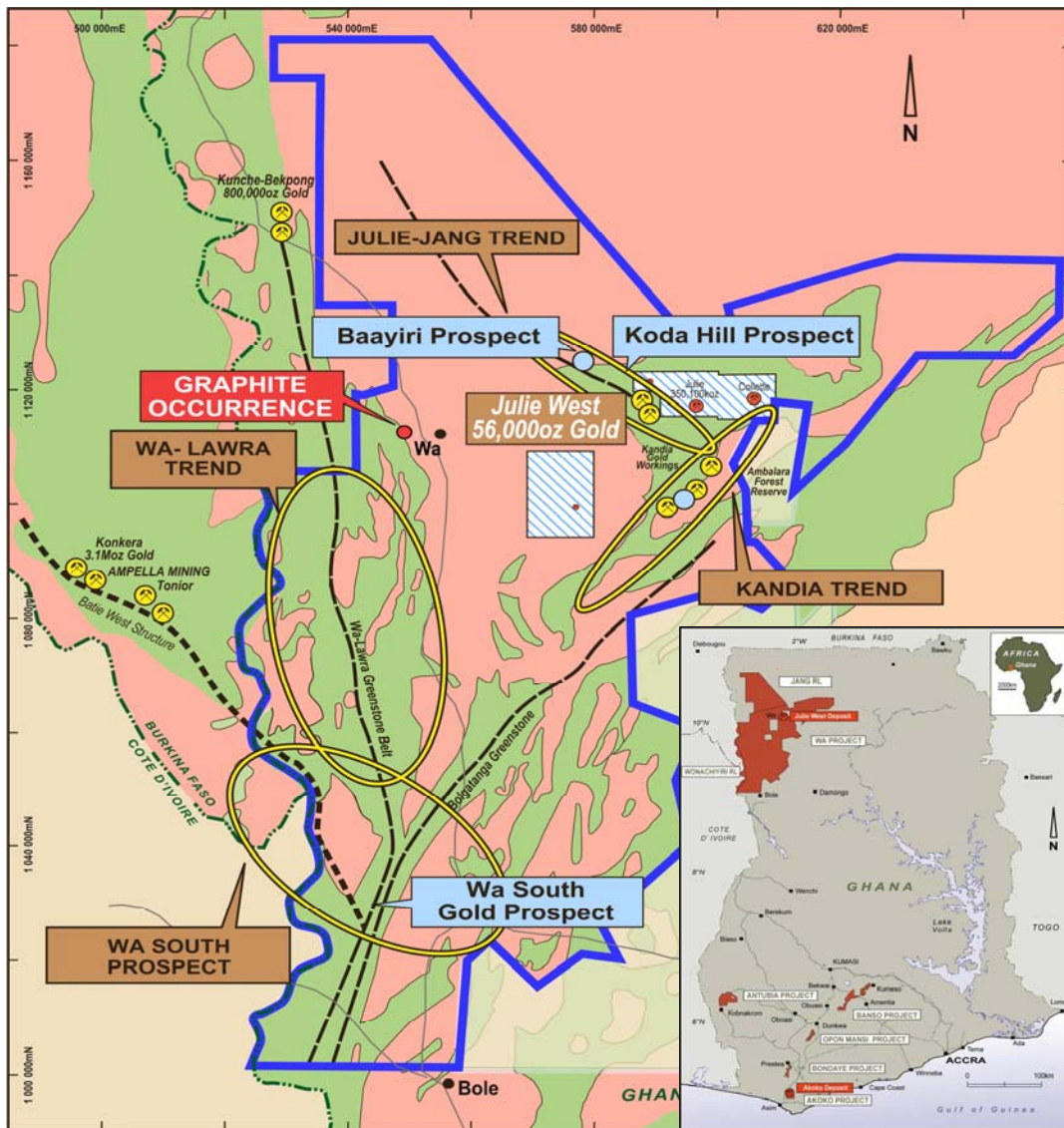


Drill cuttings from hole KBRB 12 that was logged as graphitic schist from 13 – 43m (EOH)



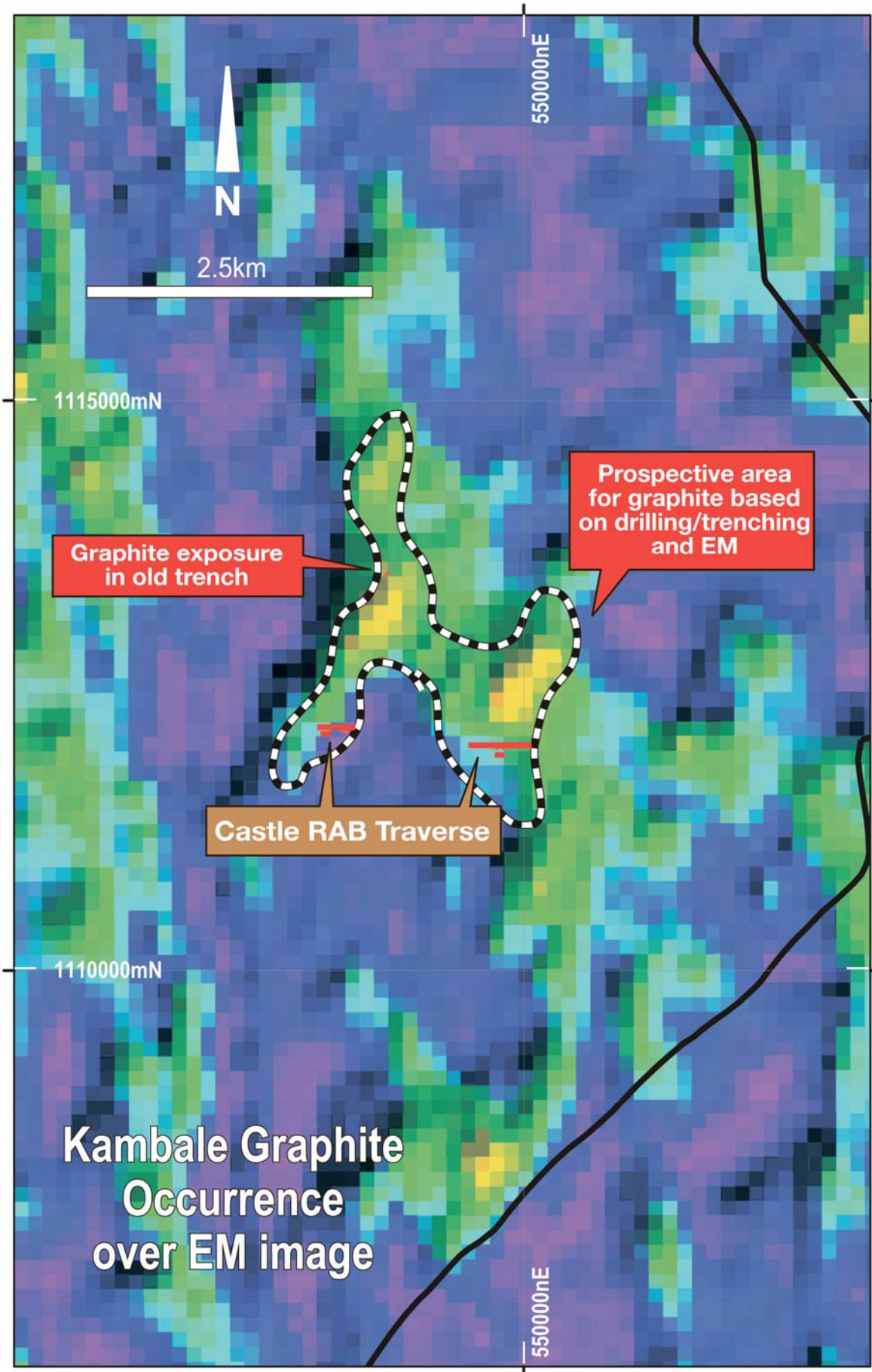


Historic trench from 1960's with exposed graphite



Wa Project in north-west Ghana





Location of RAB drill traverses and historic trench locations over regional electromagnetic image. Black and white border shows area considered prospective for graphite

## Background

Castles Wa Project in north-west Ghana covers over 10,000km<sup>2</sup> where exploration is focussing on four regional scale prospect corridors. The Kambale graphite occurrence is located 5-8km west of Wa. Wa is the regional capital of the Upper West Region and has a population of ~50,000 and is fully serviced with grid power, sealed roads and good quality mobile communications. An all-weather bitumen airstrip is located at Wa.

The Kambale graphite prospect is within the Wa-Lawra greenstone belt and is being explored for gold and base metals by Castle. Under the terms of Castle's Licence conditions the company has first option to explore for and work other minerals subject to satisfactory arrangements between the Government and Castle. Castle has made application to the Ghana Minerals Commission to include graphite and manganese under a new licence application it has submitted.

For further information please contact:

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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.

## Wa Project - Kambale Graphite Prospect - RAB Drill Collar Data

Hole Number	Northing	Easting	mRL	Azimuth	Dip	Hole Depth
KBRB01	1112140	548520	250	90	-60	32
KBRB02	1112140	548480	250	90	-60	68
KBRB03	1112140	548440	250	90	-60	37
KBRB04	1112140	548400	250	90	-60	35
KBRB05	1112140	548460	250	90	-60	26
KBRB06	1112140	548420	250	90	-60	32
KBRB07	1112140	548360	250	90	-60	32
KBRB08	1112140	548320	250	90	-60	24
KBRB09	1112140	548280	250	90	-60	16
KBRB10	1112140	548240	250	90	-60	37
KBRB11	1112140	548260	250	90	-60	25
KBRB12	1112140	548220	250	90	-60	43
KBRB13	1112140	548200	250	90	-60	32
KBRB14	1112500	550220	250	90	-60	32
KBRB15	1112500	550180	250	90	-60	25
KBRB16	1112500	550140	250	90	-60	36
KBRB17	1112500	550100	250	90	-60	30
KBRB18	1112500	550060	250	90	-60	29
KBRB19	1112500	550020	250	90	-60	30
KBRB20	1112500	549980	250	90	-60	19
KBRB21	1112500	549940	250	90	-60	15
KBRB22	1112500	549900	250	90	-60	22
KBRB23	1112500	549860	250	90	-60	21
KBRB24	1112500	549820	250	90	-60	20
KBRB25	1112500	549780	250	90	-60	17
KBRB26	1112500	549740	250	90	-60	30
KBRB27	1112500	549700	250	90	-60	26
KBRB28	1112500	549660	250	90	-60	29
KBRB29	1111935	549790	250	90	-60	20
KBRB30	1111935	549760	250	90	-60	30
KBRB31	1111935	549775	250	90	-60	34

*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.*