

9th May 2012



ASX Announcement

Extensive Zones of High Grade Graphite Intersected on Wa Project

Castle Minerals Limited (ASX: CDT) is pleased to announce that carbon assays have been received confirming extensive zones of high grade graphite on its Wa Project in north west Ghana. Zones up to 50m true width have been reported and the zones are interpreted to have at least 1km strike extents.

Significant results from 1m RAB hole samples include:

KBRB 03	28m @ 10.4%C	from 9m
KBRB 05	24m @ 11.5%C	from surface
	inc. 14m @ 16.5%C	from 9m
KBRB 06	21m @ 7.7% C	from 12m
KBRB 10	38m @9.8% C	from surface
	inc. 18m @14.7%C	from 3m
KBRB 12	48m @9.8%C	from surface
	inc. 24m @12.9%C	from 13m
KBRB 16	31m @9.3% C	from 5m
	inc. 27m @10.1%C	from 9m
KBRB 57	34m @11.3%C	from 12m
	inc. 11m @15.7%C	from 7m

Castle's Managing Director, Mr Mike Ivey, said; "The wide zones of graphitic material intersected are very encouraging and provide excellent potential for Castle to quickly define a large near surface high quality graphite resource. The current strong interest in graphite and high graphite prices suggests that this prospect may hold significant value for Castle."

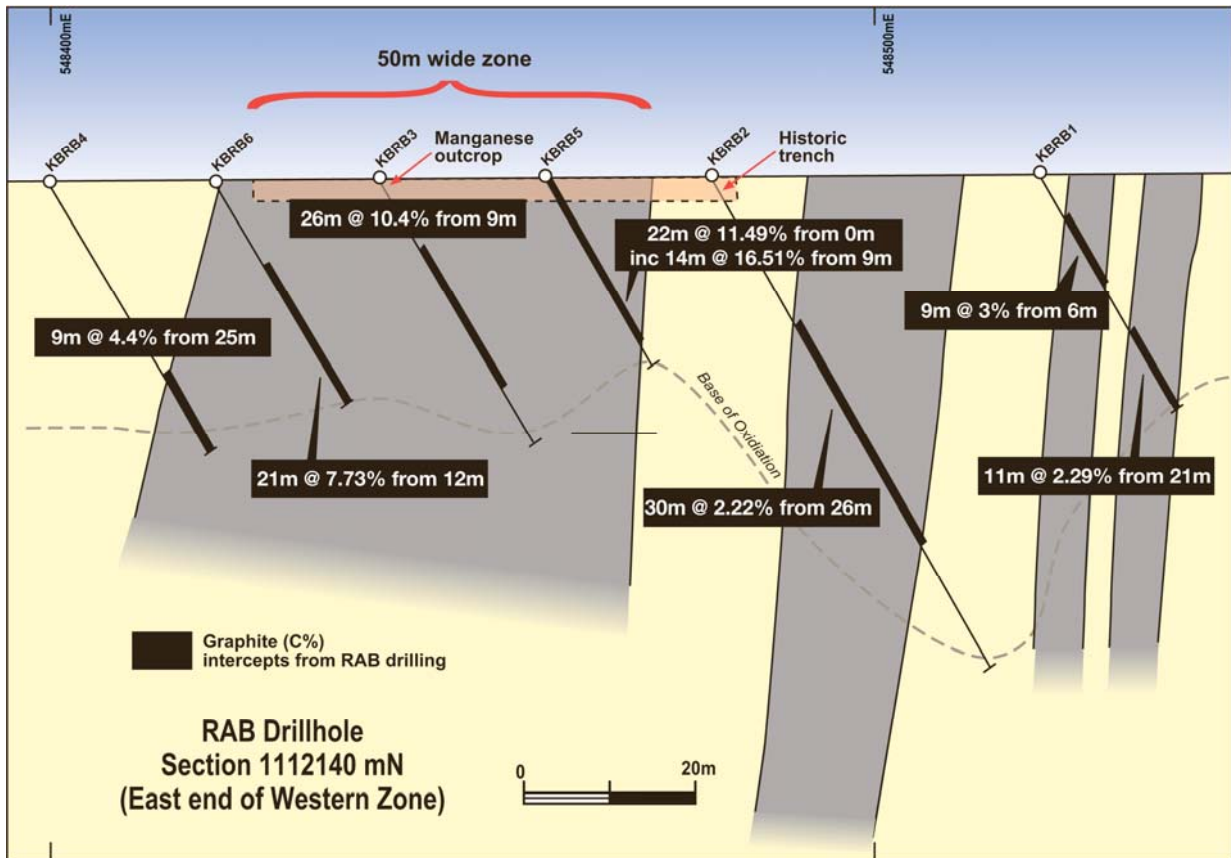
An RC rig is being secured to commence further drilling as soon as possible. This work will also include sample collection for metallurgical testing and flake sizing.

The graphite occurrence was first noted by Russian geologists whilst prospecting for manganese in the 1960's. 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)*".

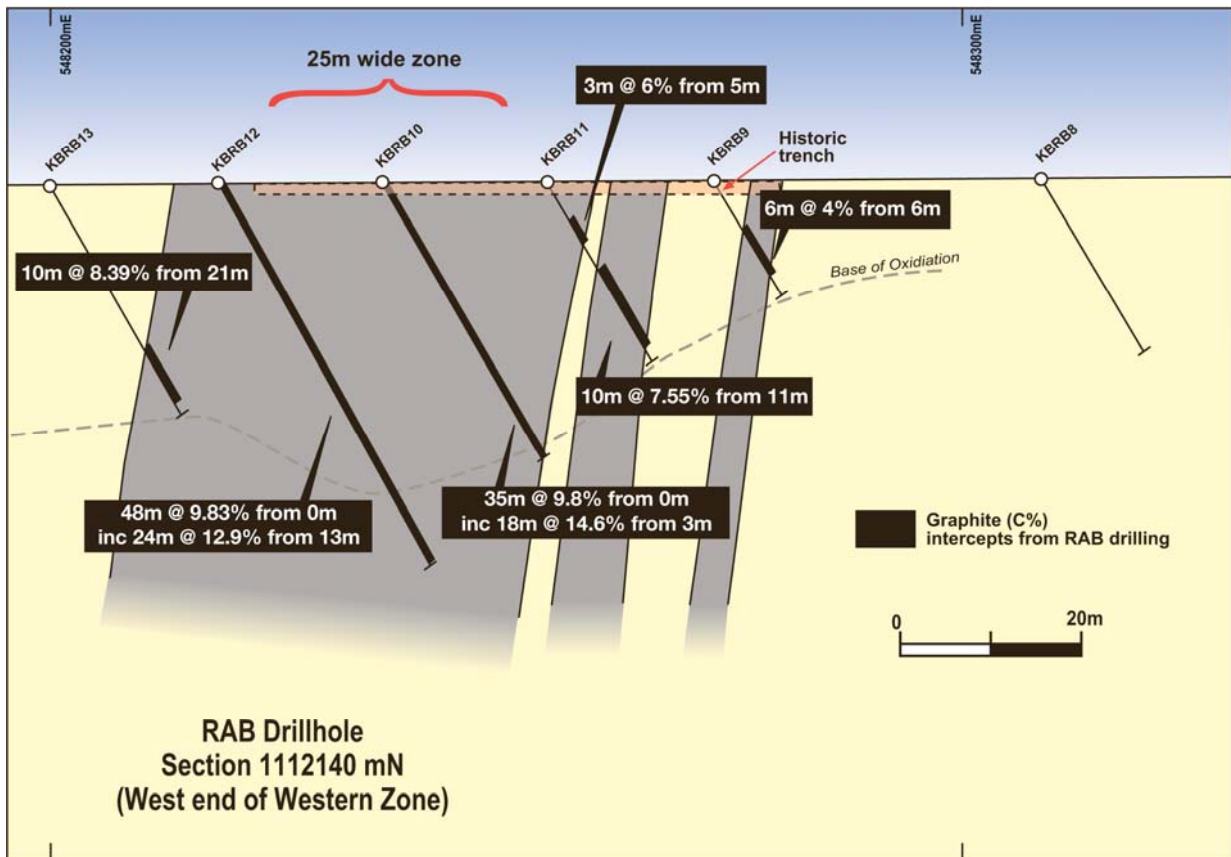
The RAB drilling has only tested the oxide component of the graphitic zones and all intercepts remain open at depth and along strike.

END OF TRADING HALT

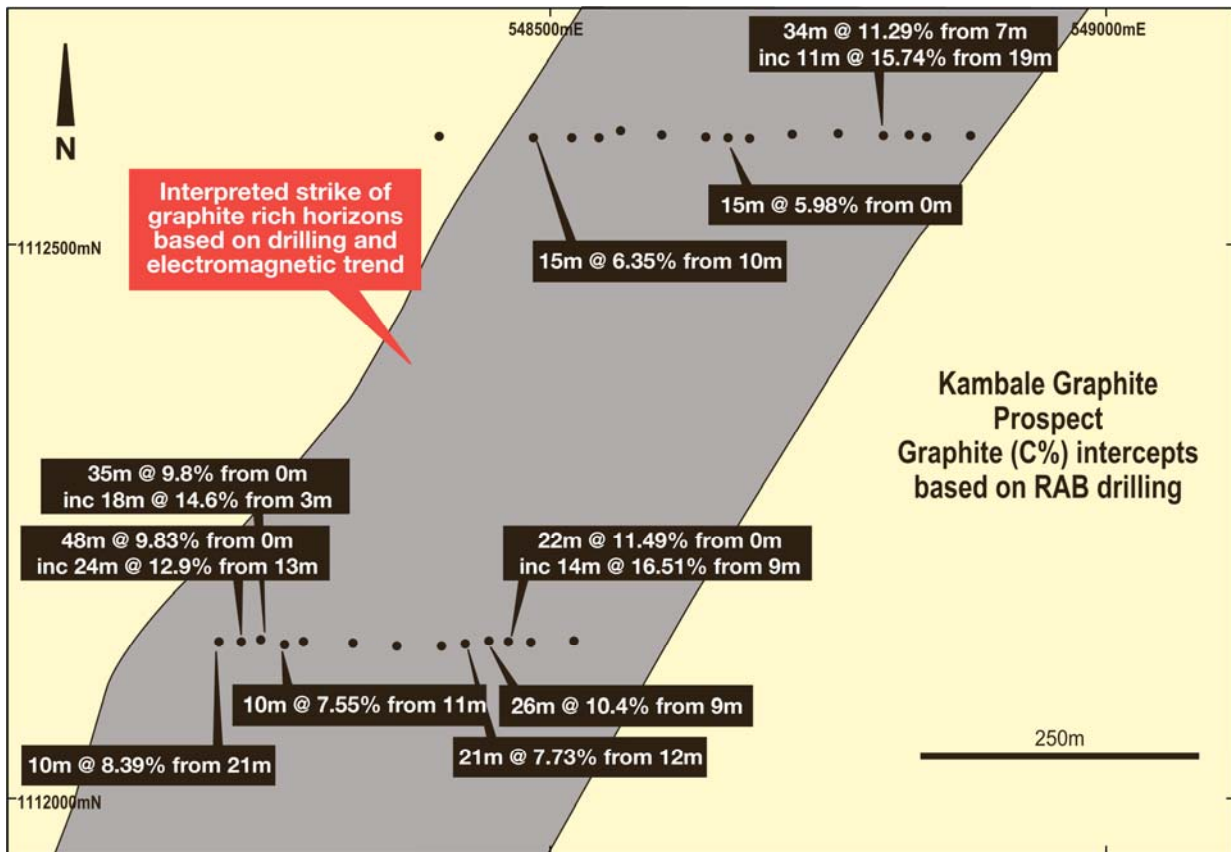
This announcement brings to an end the Trading Halt requested by the Company 8th May 2012



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



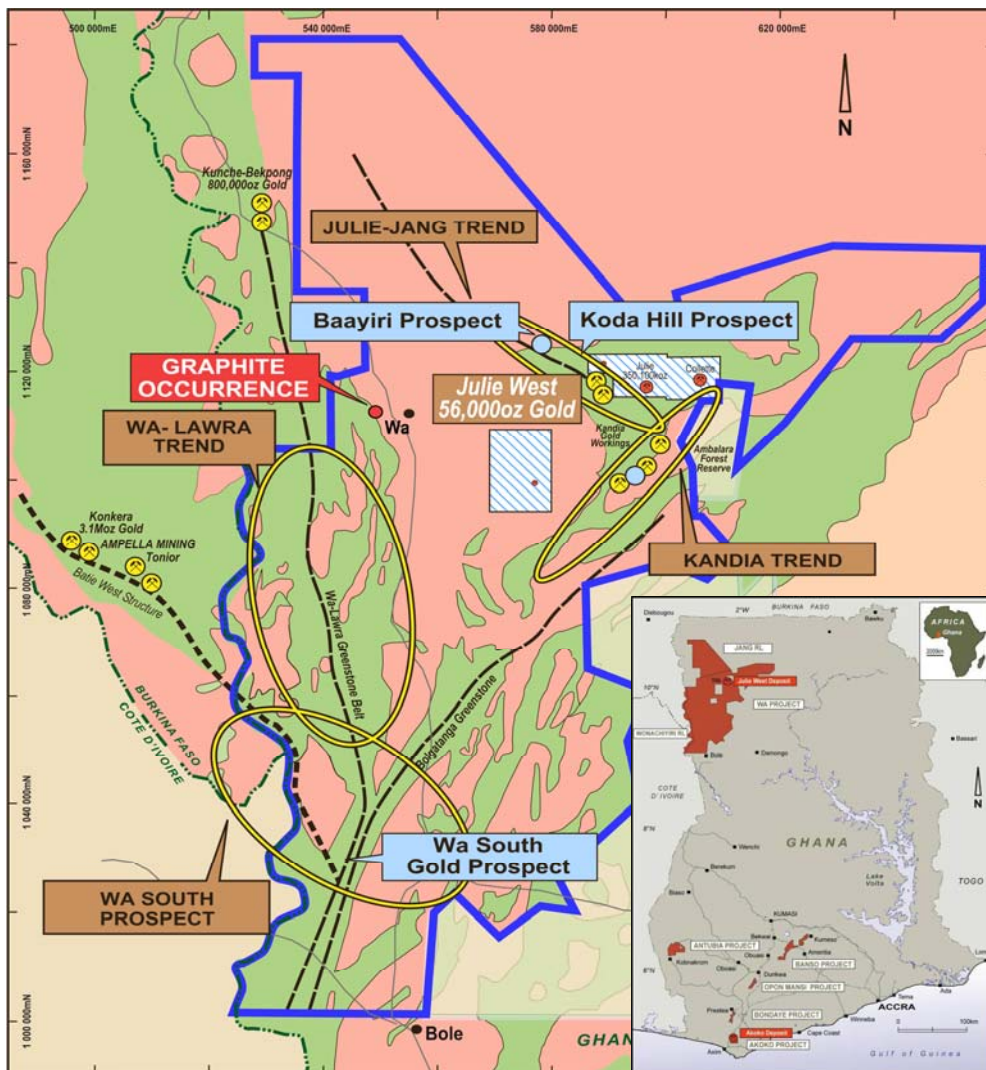
Western RAB traverse showing two wide zones of outcropping graphitic schist



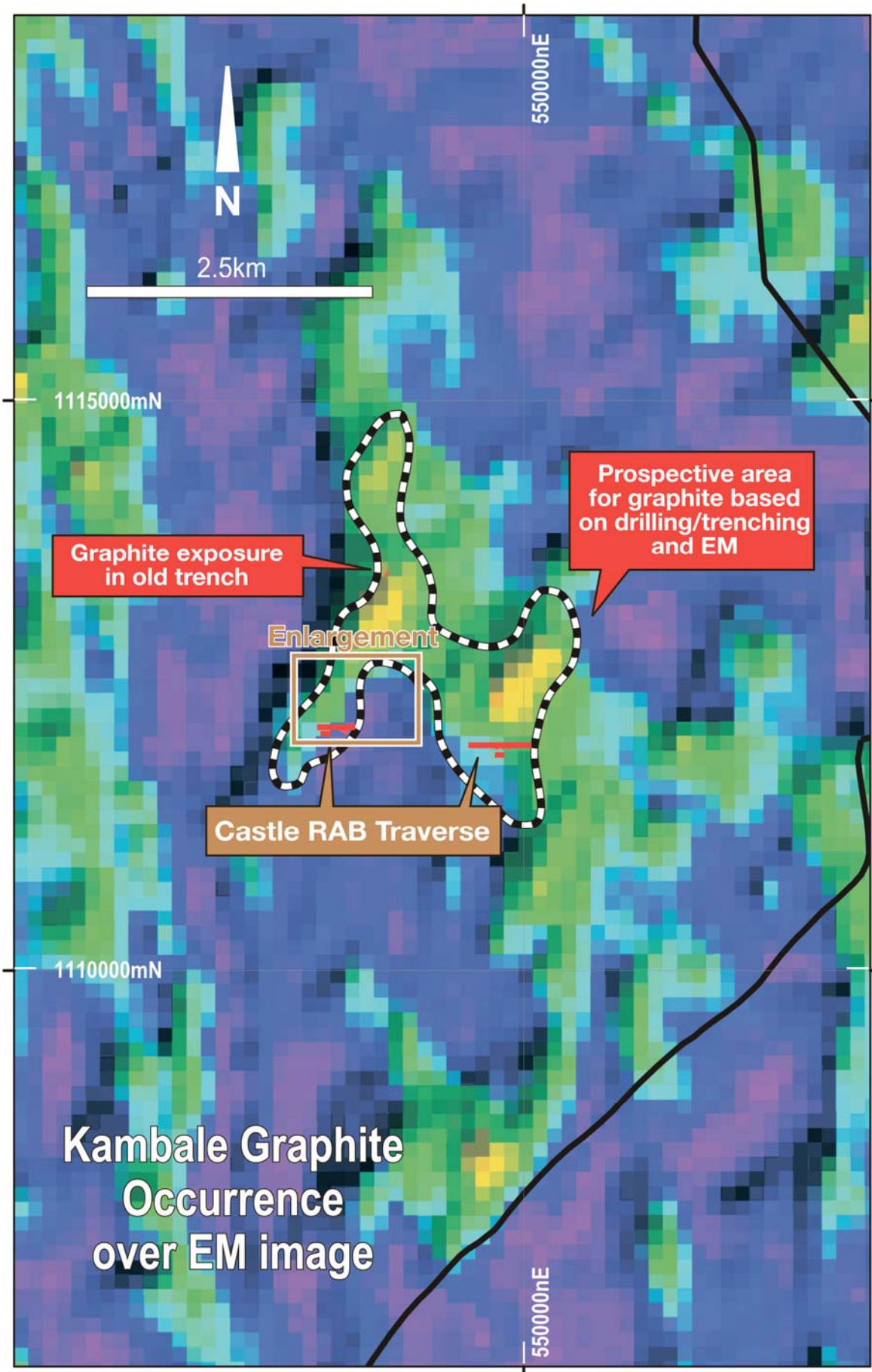
Drill sample of high grade graphitic rich schist from hole KBRB 03



Drill cuttings from hole KBRB 12 that reported 48m @ 9.8%C from surface to EOH, including 24m @ 12.9%C from 13m.



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 10,000km² 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 previously 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 11,000km².

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.

Wa Project - Kambale Graphite Prospect - RAB Drilling - Significant Carbon Intercepts

Hole Number	Northing	Easting	mRL	Azimuth	Dip	Hole Depth	Carbon Intercept %
KBBR03	1112140	548440	250	90	-60	37	26 m @ 10.4 % C from 9m
KBBR05	1112140	548460	250	90	-60	26	22 m @ 11.5 % C from surface
							inc. 14 m @ 16.5 % C from 9m
KBBR06	1112140	548420	250	90	-60	32	21 m @ 7.7 % C from 12m
KBBR10	1112140	548240	250	90	-60	37	35 m @ 9.8 % C from surface
							inc. 18 m @ 14.7 % C from 3m
KBBR11	1112140	548260	250	90	-60	25	10 m @ 7.6 % C from 11m
KBBR12	1112140	548220	250	90	-60	43	48 m @ 9.8 % C from surface
							inc. 24 m @ 12.9 % C from 13m
KBBR13	1112140	548200	250	90	-60	32	10 m @ 8.4 % C from 21m
KBBR15	1112500	550180	250	90	-60	25	6 m @ 7.2 % C from 12m
KBBR16	1112500	550140	250	90	-60	36	31 m @ 9.3 % C from 5m
							inc. 27 m @ 10.1 % C from 9m
KBBR17	1112500	550100	250	90	-60	30	24 m @ 3.4 % C from 6m
KBBR33	1112507	550160	250	90	-60	25	13 m @ 6.8 % C from 12m
KBBR34	1112502	550121	250	90	-60	24	12 m @ 7.1 % C from 12m
KBBR57	1112599	548800	250	90	-60	41	34 m @ 11.3 % C from 12m
							inc. 11 m @ 15.7 % C from 7m
KBBR58	1112600	548759	250	90	-60	39	14 m @ 6.4 % C from 24m
KBBR59	1112600	548718	250	90	-60	34	23 m @ 5.0 % C from surface
KBBR62	1112597	548679	250	90	-60	30	7 m @ 7.5 % C from 23m
KBBR67	1112596	548485	250	90	-60	30	15 m @ 6.3 % C from 10m
KBBR70	1112598	548660	250	90	-60	20	15 m @ 6.0 % C from surface

Notes:

Assays reported from 1m samples from Rotary Airblast Drilling (RAB-open hole technique)

No top cut applied.

Carbon analysis by LECO carbon analyser. Analysis performed by ALS Laboratories, Johannesburg SA.

QAQC completed using blanks and duplicates. Two duplicate samples verified by LECO analyser by SGS Perth.

Hole collars picked up by handheld 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.