

Castle Acquires Pilbara Gold Interests



ASX & Media Release
ASX Code: CDT
11 October 2017

- 80% interest in two Exploration Licence Applications at Coolyia Creek, 40km South West of Marble Bar
- Prospective Hardey Formation conglomerate horizon and Mt. Roe Basalt identified by GSWA mapping

Castle Minerals Limited (ASX:CDT) is pleased to advise that it has secured the rights to acquire an 80% interest in two adjacent exploration licence applications encompassing the prospective basal conglomerate horizon of the Hardey Formation and its unconformable contact with the underlying Mt. Roe Basalt as mapped by the Geological Survey of Western Australia (GSWA)(Fig1).

The applications comprise a total of four blocks (12.8km²) at Coolyia Creek, 40km southwest of and easily accessed from Marble Bar in the East Pilbara region of Western Australia (ELAs 45/4965 and 4975) (Coolyia Creek Project).

The prospector applicants for ELA45/4965 have advised Castle that metal detecting by them on the area being applied for has located a number of gold nuggets (exact location, number, size, gold content and appearance unknown and not independently confirmed as yet). Generally, this area and its surrounds are known to amateur fossickers for gold but until recently no geological context has been applied to gold occurrences in the area.

The GSWA has described the Hardey Formation conglomerate horizon in the area as "Cobble to boulder conglomerate, rounded clasts of Mt Roe Basalt in a range of matrix of quartzofelspathic sand and mafic volcanic detritus". The Hardey Formation and Mt Roe Basalts sit at the base of the Fortescue Group stratigraphy that is widespread throughout the Pilbara region.

The acquisition has been made purely on the basis of the georeferencing of the applications over the GSWA mapping and satellite imagery. No systematic exploration for gold has been undertaken on the licences. Castle's geologist will shortly visit the site to verify the GSWA mapping, whether or not the mapped conglomerate is gold bearing and (or otherwise) to validate the prospector comments on the presence of anomalous gold and gold nuggets.

There is considerable geological conjecture as to the origin of paleo-placer gold in the Pilbara region. It is known to occur in the Hardey conglomerate and/or a stratigraphically lower conglomerate horizon occurring at the base of the Mt Roe basalt itself. These occurrences are distinct from gold associated with other styles of mineralisation such as epithermal quartz vein hosted gold.

Suite 2 / 11 Ventnor Ave
West Perth WA 6005

PO Box 437
West Perth WA 6872
Tel: +618 9322 7018

ACN 116 095 802

www.castleminerals.com
info@castleminerals.com

Registered Office:

Suite 5 / 95 Hay Street
Subiaco WA 6008

Ghana Office:

PO Box CT9,
East Cantonments,
Near NAFTI
Accra, Ghana
Tel: +233 21 771 889

Share Registry Enquiries:

Security Transfer Registrars P/L
PO Box 535
Applecross
WA 6953
Tel: (08) 9315 2333
Fax: (08) 9315 2233
www.securitytransfer.com.au

Capital Structure:

Quoted Shares: 170M
Performance Rights: 6M

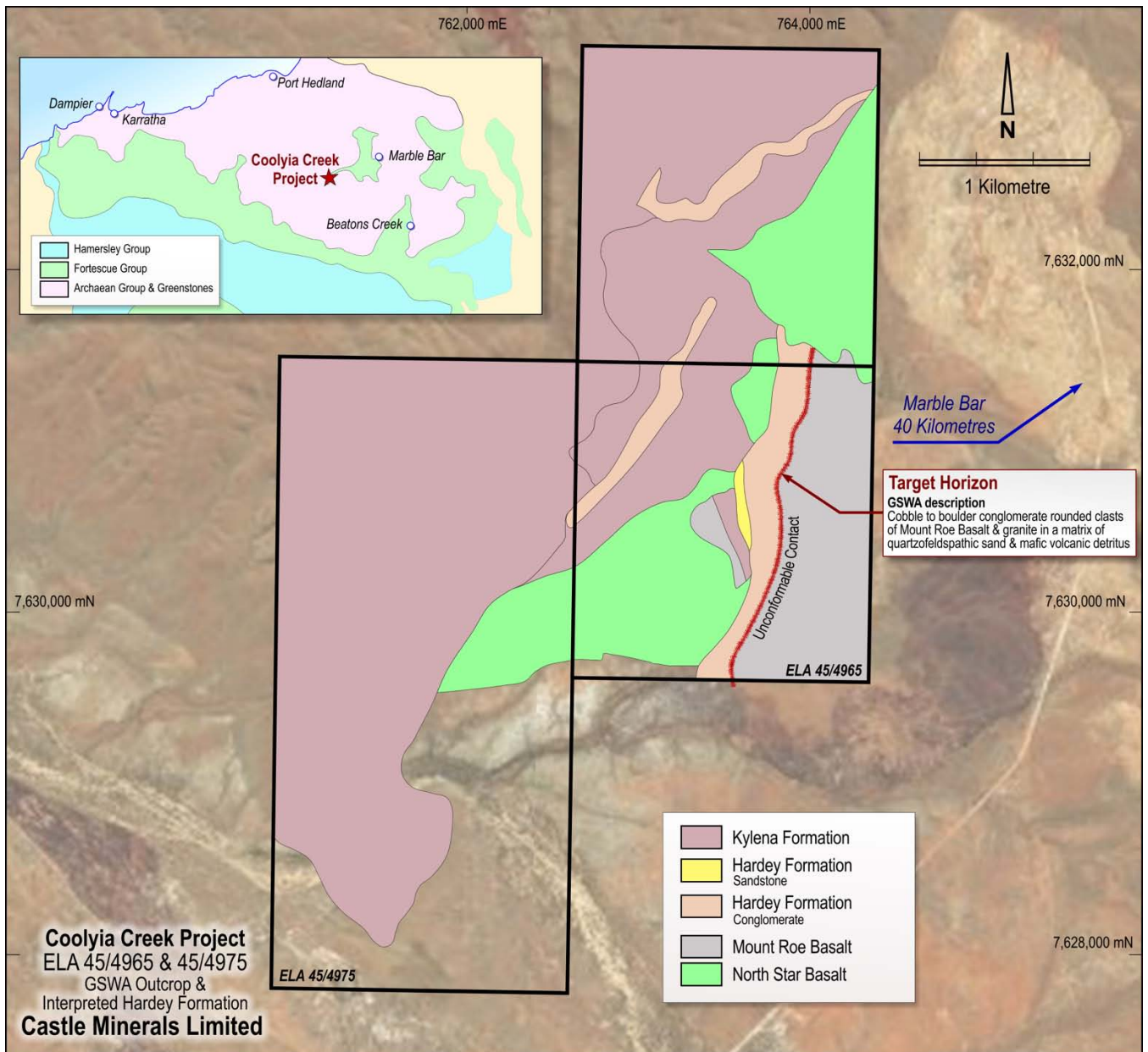
Board:

Michael Atkins
Chairman

Stephen Stone
Executive Director

Ian Hobson
Non-Executive Director &
Company Secretary

Figure 1: Simplified geological map showing location of Coolyia Creek licences, the GSWA mapped Hardey Conglomerate and its prospective unconformable contact with the underlying Mt Roe Basalt



Transaction

Castle will pay two prospector applicants for the single block E45/4965 \$20,000 cash for the right to have transferred to it an 80% interest in the licence upon its grant and will also reimburse their application fees. The vendors will be free carried to a decision to mine and will also receive 1% net smelter royalty on all mineral production. The licence was applied for on 20th July 2017 and its grant is expected within several weeks, subject to successful native title negotiations.

The four block ELA 45/4975 (one block overlaps E 45/4965 and is later in time) has been acquired from another party on similar terms other than the consideration is the issue of 2,000,000 ordinary Castle shares. These will remain in voluntary escrow until the licence is granted.

Comment

“This is an opportunistic transaction by Castle and indicative of its strategy to broaden its activities and geographic exposure. It is nevertheless based on sound geological research supported by government mapping which has confirmed the presence of the prospective Hardey Formation Conglomerate stratigraphy.” said Castle Managing Director, Stephen Stone.

“Castle’s geologists will shortly travel to site to determine if the area meets its geological expectations, to undertake first-pass reconnaissance rock chip sampling, metal detecting and mapping with a view to planning follow-up programmes upon licence grant”.

Cautionary Statement

The Coolyia Gold Project is considered to be of very early stage, grass roots exploration status. The information in this release that relates to pebble conglomerates was obtained from Geological Survey of Western Australia (GSWA) 100,000:1 sheet series geological mapping. Castle has not completed a comprehensive historical review and/or the appropriate verification process relating the prospectivity of the GSWA mapped conglomerates to any occurrence of gold. No Competent Person has done sufficient work to determine if gold is present on the licences applied for or to confirm the mapping by the GSWA or generally in accordance with JORC Code 2012. Investors are therefore cautioned against placing any reliance on any information provided in this release until the appropriate verification process and exploration evaluation has been undertaken and reported under JORC Code 2012. It is possible that following further evaluation and/or exploration work that the confidence in the information used to identify and acquire an interest in the area of interest may be reduced when reported under JORC Code 2012. No work other than a desk-top review or low-impact reconnaissance mapping and sampling can be undertaken until the licences are granted which amongst other things requires the consent of the Minister, or an Officer of the department acting with the authority of the Minister, and is also subject to the statutory Native Title notification and negotiation period.

There are no material exploration results in this release and there is also no requirement for a JORC Code, 2012 Edition table.

Stephen Stone

Executive Director

stone@castleminerals.com

+61 (0) 418804564

About Castle Minerals Limited

Castle Minerals listed on the Australian Stock Exchange in May 2006 (ASX: CDT) and is headquartered in Perth, Western Australia . It has a large tenure position in Ghana, West Africa, a country with a long history of gold exploration and mining. Its licence holdings host several advanced stage gold prospects including Kpali and Kandia in Ghana’s emerging Upper West region. Both of these have open-ended resources delineated. Several other areas present relatively early stage exploration targets within highly prospective Birimian geological terrane.

Competent Persons Statement

The scientific and technical information in this Report that relates to the geology of the deposits and exploration results is based on information compiled by **Mr Stephen Stone**, who is a Director of Castle Minerals Limited. Mr Stone is a Member of the Australian Institute of Mining and Metallurgy and has sufficient experience which 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 2012 Edition of the ‘Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves’. Mr Stone is the Qualified Person overseeing Castle’s exploration projects and has reviewed and approved the disclosure of all scientific or technical information contained in this announcement that relates to the geology of the deposits and exploration results.

Forward Looking Statement

Statements regarding Castle’s plans, forecasts and projections with respect to its mineral properties and programmes are forward-looking statements. There can be no assurance that Castle’s plans for development of its mineral properties will proceed as currently expected. There can be no assurance that Castle will be able to confirm the presence of Mineral Resources or Ore Reserves, that any mineralisation will prove to be economic or that a mine will successfully be developed on any of Castle’s mineral properties. The performance of Castle may be influenced by a number of factors which are outside the control of the Company, its Directors, staff or contractors.