

CASTLE COMPLETES OVERSUBSCRIBED \$1.52M PLACEMENT

Funds to Accelerate Existing Multi-Commodity Projects and Grow Battery Minerals Exposure

- Heavily oversubscribed placement completed to raise \$1.52M (before costs) from professional and sophisticated investor clients of Peak Asset Management.
- Funds will enable Company to advance its project incubator strategy and increase its exposure to the fast evolving battery minerals sector.
- Company now well-positioned to accelerate towards drilling several of its projects in Australia and Ghana:
 - **Kambale**, Ghana's only known graphite deposit;
 - **Earaheedy** zinc-lead project, adjacent to the **Rumble Resources Ltd** (ASX: RTR) Chinook-Magazine discovery;
 - **Polelle** gold project, south of the fast growing Side Well project of **Great Boulder Resources** (ASX: GBR) and adjacent to the Tea Well project of unlisted "AI-enhanced" explorer, **SensOre Pty Ltd**,
 - **Beasley Creek** gold project, in a very under-explored region of the Pilbara, is supported by the GSWA EIS program which will co-fund three diamond core holes.

Castle Managing Director, Stephen Stone said ***"Today's heavily oversubscribed \$1.52 million placement to top-up existing working capital places Castle on a strong footing to accelerate towards the drilling phase several projects it has been incubating with the ultimate intention of confirming 'flag-ship' status at one or more of these."***

"The recently completed Kambale graphite project test work was very encouraging and, as well as advancing that to the next stage, Castle is on the look-out to increase its exposure to the fast-evolving battery minerals exploration sector."

"The Company's licence adjacent to the very interesting Earahedy zinc-lead project of Rumble Resources Ltd ticks many of the same geological boxes, whilst the Polelle gold project is south of the fast growing Side Well project of Great Boulder Resources and adjacent to the Tea Well project of unlisted "AI-enhanced" explorer, SensOre Pty Ltd. At Beasley Creek in the Pilbara, Castle has been building a strong case to test for structurally-controlled, orogenic gold mineralisation."

"Existing shareholders and new investors can therefore look forward to a strong news flow and series of investment catalysts over coming months."

Castle Minerals Limited (ASX: CDT) (“Castle” or the “Company”) advises that it has received firm commitments from professional and sophisticated investors to subscribe for 126,843,833 fully paid new ordinary shares in the Company (“New Share”) at an issue price of \$0.012 per share to raise \$1,522,126 before costs (“Placement”).

Each New Share will have an attaching option exercisable at \$0.022 each, expiring on 31 December 2023 (“New Option”) on a 1:3 basis,. The Company will apply for quotation of the New Options on the ASX. The rights and liabilities of the New Options are set out in Appendix A.

Use of proceeds

The net proceeds of the placement will be aggregated with existing working capital of ~\$1.3 million to enable the Company to further its project incubator strategy and increase exposure to the fast-evolving battery minerals exploration sector.

Castle will accelerate several of the projects towards the drilling phase with the ultimate intention of confirming ‘flag-ship’ status at one or more of these assets:

- The recent **Kambale graphite project** test work was very encouraging (refer ASX release 21 September 2021) and, as well as moving that asset to the next stage, Castle will also look to increase its exposure to the fast evolving battery minerals sector;
- The Company’s ground holding adjacent to the **Earaheedy zinc-lead project** of **Rumble Resources Ltd** (refer RTR ASX release 2 June 2021) ticks many of the right geological boxes for the discovery of SEDEX-style mineralisation;
- The **Polelle gold project**, east of Meekatharra, is south of the fast growing Side Well project of **Great Boulder Resources** and adjacent to the Tea Well project of unlisted “AI-enhanced” explorer, **SensOre Pty Ltd** (refer GBR ASX release of 28 September 2021 and SensOre website); and
- At **Beasley Creek** in the Pilbara Castle has been building a strong case to test for structurally-controlled, orogenic gold mineralisation in a region that has received minimal attention for gold or base metals (refer ASX release 5 August 2021).

A proportion of the funds raised will be used for general working capital purposes.

Lead Manager

Peak Asset Management acted as Lead Manager to the Placement. It will be paid a fee of six percent on the funds raised under the Placement and 10,000,000 options exercisable at \$0.022 each, expiring on 31 December 2023 (“LM Options”). The Company will apply for quotation of the LM Options on the ASX. The rights and liabilities of the LM Options are set out in Appendix A.

Placement Details

The Placement price represents a 12.02% discount to the fifteen-day volume weighted average price on the ASX of \$0.0134 per share up to 24 September 2021.

The New Shares will be issued under the Company’s existing capacity pursuant to ASX Listing Rule 7.1 (53,593,752 New Shares) and ASX Listing Rule 7.1A (73,250,081 New Shares).

The New Options and LM Options will be issued under the Company’s existing capacity under ASX Listing Rule 7.1 (42,281,277 New Options + 10,000,000 LM options).

Quotation for New Shares, New Options and LM Options will be sought on or around 4 October 2021.

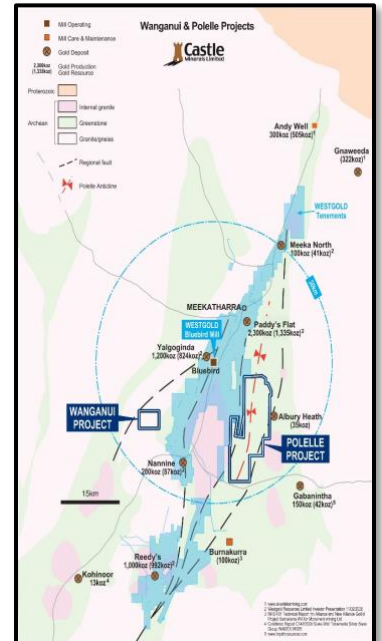
As far as the Company is aware, no securities were issued or agreed to be issued to a related party or otherwise a person referred to in ASX Listing Rule 10.11.

Authorised for release to ASX by the Board of Castle Minerals Limited:

Stephen Stone
 Managing Director
 stone@castleminerals.com
 +61 (0)418 804 564

About Castle Minerals Limited

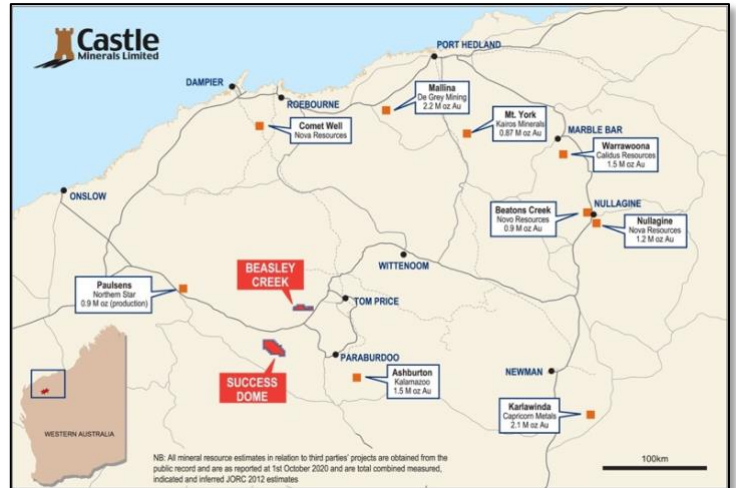
Castle Minerals is an Australian Securities Exchange (ASX: CDT) listed and Perth, Western Australia headquartered company with interests in several projects in Western Australia and Ghana that are prospective for gold, base metals, graphite and other minerals.



The **Earaheedy Basin** project comprises applications for seven exploration licence encompassing terrane prospective for base and precious metals in the Earaheedy and Yerrida basins base metals provinces. The project comprises the **Withnell, Terra Rossa** and **Tableland** sub-projects. The Withnell application is adjacent to the evolving Chinook-Magazine zinc-lead project of Rumble Resources Ltd (ASX: RTR). The four Terra Rossa applications are immediately east of the Thaduna copper deposit.

The **Beasley Creek** project lies on the northern flanks of the Rocklea Dome in the southern Pilbara. The strategy is to define orogenic-style, structurally controlled gold targets within the various Archean sequences. These lie immediately above and below the 16km east-west striking conglomerate horizons which had been the initial focus of exploration by Castle. The sheared granite - greenstone contact and the "Paulsen Gold Mine" type setting within the gabbro/dolerite units that intrude the Hardey Sandstone in the northern part of the project area, are of particular interest.

The **Success Dome** project is a recent application for an exploration licence in the Ashburton structural corridor and is located midway between the Paulsen’s and Ashburton gold deposits. It is prospective for gold and base metals. More locally, Success Dome lies immediately adjacent to the southern margin of the Hamersley Basin and 40km southwest of Castle’s Beasley Creek gold project. Major thrust faults and sub-parallel shear zones highlighted in the regional magnetic and gravity data, combined with additional detailed geophysics data from previous explorers, brought this available area to Castle’s attention.



The **Polelle** project (E51/1843, 162.5km²), 25km south of Meekatharra and 7km southeast of the operating Bluebird Mine, hosts a mainly obscured and minimally explored greenstone belt. The belt is comprised of a combination of prospective lithological units and major structural features including the Albury Heath shear which hosts the Albury Heath deposit (Inferred Resource of 528,000t at 2.09g/t Au for 35,479oz Au) immediately adjacent to the east boundary of Castle’s licence. Aeromagnetic’s have indicated that the southwest trending Albury Heath shear and a splay structure are traceable onto the Polelle project area for some 12km.

At the **Wanganui** project (E51/1703, 18.4km²), 33km south-west of the active Meekatharra mining centre and 15km south-west of the operating Bluebird gold mine, the opportunity is to test for down-plunge and along strike extensions to the existing Main Lode North and South deposits, as well as for other similar targets. The Main Lode mineralisation, which can be intermittently traced for at least 1km, is one of at least four structurally related mineralised zones.

In **Ghana, West Africa**, Castle has a substantial and contiguous tenure position in the country’s Upper West region. Ghana has a long history of gold exploration and mining with several world-class gold mining operations owned by Tier 1 mining companies. Castle’s Ghana licence holdings encompass large tracts of highly prospective Birimian geological terrane, the host to many of West Africa’s and Ghana’s multi-million-ounce gold mines.

Castle retains a **4% net smelter precious metal royalty** over the adjacent Julie West licence, a key component of Azumah Resources Limited’s Wa Gold Project.

The Ghana project area is also host to the evolving **Kambale** graphite project where test work has produced a 96.4% total carbon fine-flake concentrate at an 88% recovery.

Cautionary Statement

All of Castle’s projects in Australia are considered to be of grass roots or of relatively early stage exploration status. There has been insufficient exploration to define a Mineral Resource. No Competent Person has done sufficient work in accordance with JORC Code 2012 to conclusively determine or to estimate in what quantities gold or other minerals are present. It is possible that following further evaluation and/or exploration work that the confidence in the information used to identify areas of interest may be reduced when reported under JORC Code 2012.

The **Kambale graphite deposit** is at an early stage in its evaluation with little known about how extensive the deposit is or how the graphite quality varies within it. Work to date has been undertaken on an easily accessible area which may or may not be representative of the broader deposit once that is known.

To date, the area investigated at Kambale has produced from weathered samples a fine flake size concentrate of a potentially commercially acceptable grade at a reasonably high recovery. This type of concentrate is presently priced at the lower-end of price ranges as compared to prices for larger flake size concentrates. Definitive test work on fresh material and material from other parts of the deposit has yet to be undertaken.

APPENDIX A – Rights and Liabilities attached to the New Options and LM Options

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| Entitlement | Each option entitles the holder to subscribe for one share in the Company upon exercise of the option. |
| Exercise Price | Subject to any reconstruction of capital, the amount payable upon exercise of each option will be \$0.022. |
| Expiry Date | Each option will expire at 5.00pm (Perth, Western Australian time) on 31 December 2023. An option not exercised before the option Expiry Date will automatically lapse on the option Expiry Date. |
| Exercise Period | The Options are exercisable at any time on or prior to the option Expiry Date. |
| Notice of Exercise | The Company will provide to each option holder a notice that is to be completed when exercising the options (“Notice of Exercise”). The options may be exercised any time before the Expiry Date by providing the Company the Notice of Exercise accompanied by payment in full of the Exercise Price for each option being exercised in Australian currency by electronic funds transfer or other means of payment acceptable to the Company. |
| Exercise Date | A Notice of Exercise is only effective on and from the later of the date of receipt of the Notice of Exercise and the date of receipt of payment of the Exercise Price for each option being exercised in cleared funds. |
| Timing of issue of Shares on exercise | <p>Within 15 Business Days after the Exercise Date, the Company will:</p> <ul style="list-style-type: none"> (a) allot and issue the number of Shares required under the terms and conditions in respect to the number of options specified in the Notice of Exercise and for which cleared funds have been received by the Company; (b) if required, give ASX a notice that complies with section 708A(5)(e) of the Corporations Act, or, if the Company is unable to issue such a notice, lodge with ASIC a prospectus prepared in accordance with the Corporations Act and do all such things necessary to satisfy section 708A(11) of the Corporations Act to ensure that an offer for sale of the Shares does not require disclosure to investors; and (c) if admitted to the Official List of the ASX at the time, apply for official quotation on ASX of the shares pursuant to the exercise of the Options. <p>If a notice delivered under clause (b) above is not effective for any reason to ensure that an offer for sale of the shares does not require disclosure to investors, the Company must, within 20 Business Days after becoming aware that the notice is ineffective, lodge with ASIC a prospectus prepared in accordance with the Corporations Act and do all such things necessary to satisfy section 708A(11) of the Corporations Act to ensure that an offer for sale of the shares does not require disclosure to investors.</p> |
| Shares issued on exercise | Shares issued on exercise of the options will rank equally with the then issued shares of the Company. |
| Quotation of shares issued on exercise | If admitted to the Official List of the ASX at the time, application will be made by the Company to ASX for quotation of the shares issued upon exercise of the options. |
| Reconstruction of capital | If at any time the issued capital of the Company is reconstructed (including consolidation, subdivision, reduction or return of capital), all rights of an |

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| | optionholder are to be changed in a manner consistent with the Corporations Act and the ASX Listing Rules at the time of the reconstruction. |
| Participation in new issues | There are no participation rights or entitlements inherent in the options and holders will not be entitled to participate in new issues of capital offered to shareholders during the currency of the options without exercising the options. |
| Change in exercise price | An option does not confer the right to a change in Exercise Price or a change in the number of underlying securities over which the options can be exercised. |
| Transferability | The options are transferable subject to the terms of the Corporations Act and the ASX Listing Rules and to any restriction or escrow arrangements imposed by ASX or under applicable Australian securities laws. |