

Highlights

Wa Project

- Scoping studies on the **Julie West** gold vein were completed with the following outcomes;
 - ▶ 250,000 tonnes @ 4.9g/t gold captured in US\$600 Whittle shell
 - ▶ Leach processing scenario generates operating surplus of A\$23M
 - ▶ Cash costs under A\$375 per ounce
 - ▶ Waste to ore ratio of 6.6:1
 - ▶ Max pit depth of 50m
- Exploration defines three new gold veins
- Option exercised to formerly acquire 100% of Wa Project
- Ground position increased by 3,000km²

Akoko Project

- JORC Code Mineral Resource estimates for Akoko North and South deposits total **2mt @ 1.6g/t gold for 102,000 ounces**
- Infill, step out and deeper drilling proposed for Akoko North, South and West targets
- Akoko “granite” style target with soil values up to 25g/t gold proposed to be drilled

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Capital Structure
Quoted: 58.90 million
Unlisted Options: 6 million 35c
1 million 25c

ASX Code: CDT

Board Members
Michael Ivey
Chairman, MD & CEO
Campbell Ansell
Non Executive Director
Michael Ashforth
Non Executive Director
Dennis Wilkins
Company Secretary

WA PROJECT

(Castle Minerals 100%)

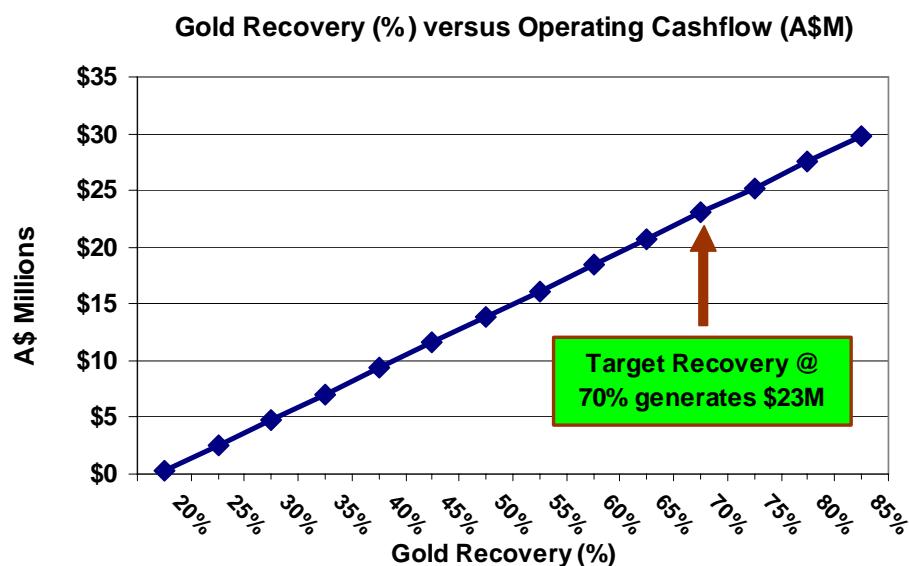
The Julie West gold vein was discovered by Castle in June 2008, exploration since then has led to a gold resource of 415,000 tonnes @ 4.2g/t gold being established for a total of 56,200 ounces.

A scoping study including open pit optimisation using Whittle Four-X™ software captured 250,000t @ 4.9 g/t gold within an open pit to a maximum depth of 50m. The project generates a \$23 million operating surplus assuming a heap leach processing route with the high grade quartz ore being crushed and stacked on site and achieving 70% recovery. The very fine and disseminated nature of the gold along laminations in the quartz vein provides encouragement that this process route may be economically feasible, certainly the crushed quartz ore should provide excellent permeability.

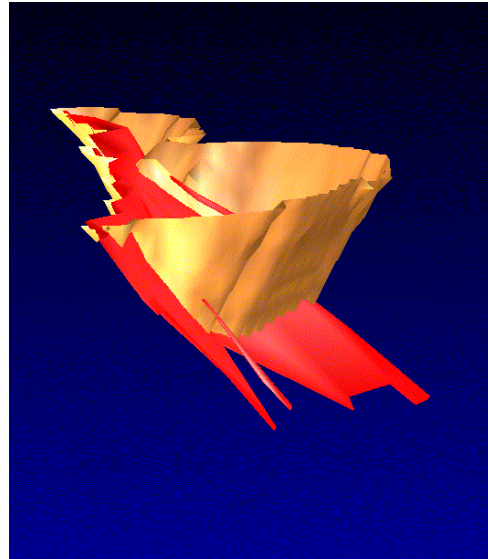
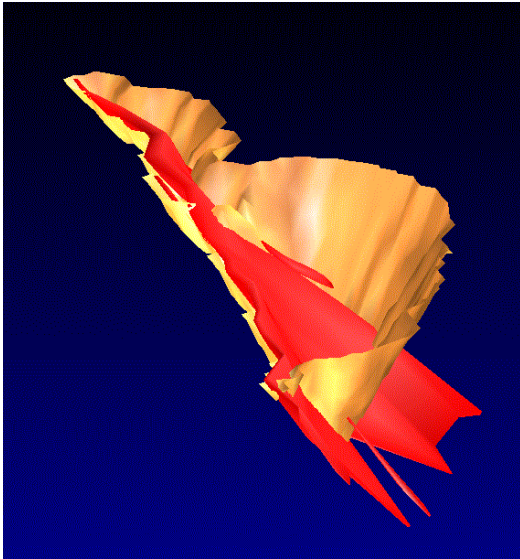
Key assumptions and outcomes for the scoping study are presented below:

\$US600 shell captures		250,000 tonnes @ 4.9g/t gold
Cash Cost		US\$285/oz (A\$ 356/oz)
Operating Surplus		US\$ 18.4M (A\$23M)
Gold sale price		US\$ 950 per ounce
Processing Cost and Admin		US\$16.25/tonne ore
Mine supervision, haulage, rehab, grade control and		
Load and Haul, Drill and Blast		US\$12.24/tonne ore
Process recovery	Surface to 245m RL	80%
	Below 245m RL	56%
Overall slope angles		60°
Mining dilution		20%
Govt. royalty		3%

This development and processing scenario indicates robust cash flows and whilst highly sensitive to metallurgical recovery, a processing recovery of 20% produces a break even operating result. Detailed process metallurgical testwork is proposed to be undertaken in tandem with applications to the Ghana Minerals Commission for mining and processing approvals.



Julie West gold recoveries versus operating cashflow



Isometric images of Julie West quartz vein (red) and US\$600 Whittle Shell outline (gold)

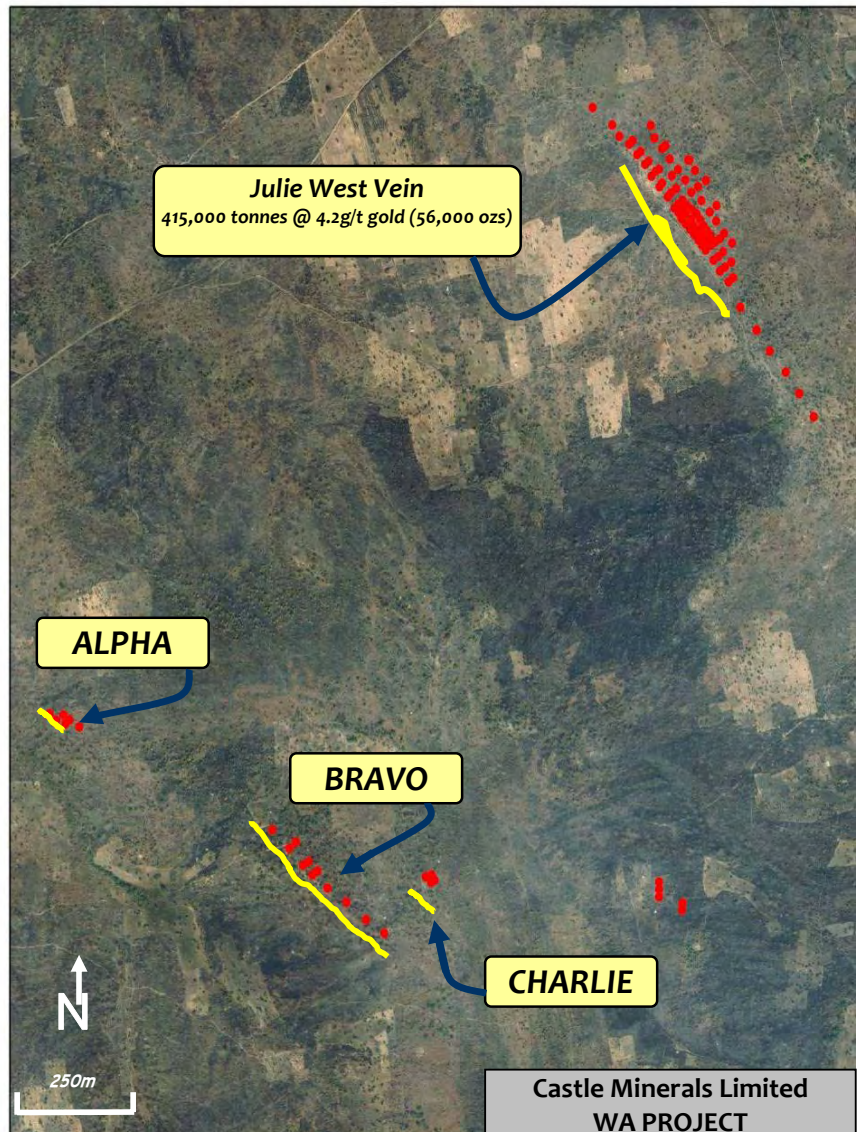
Three new gold veins defined

Exploration drilling during the quarter confirmed the presence of three mineralised open ended quartz reefs 2km south west of the Julie West vein. Thirty six holes were drilled for a total of 2,059m testing a number of vein targets and soil anomalies.

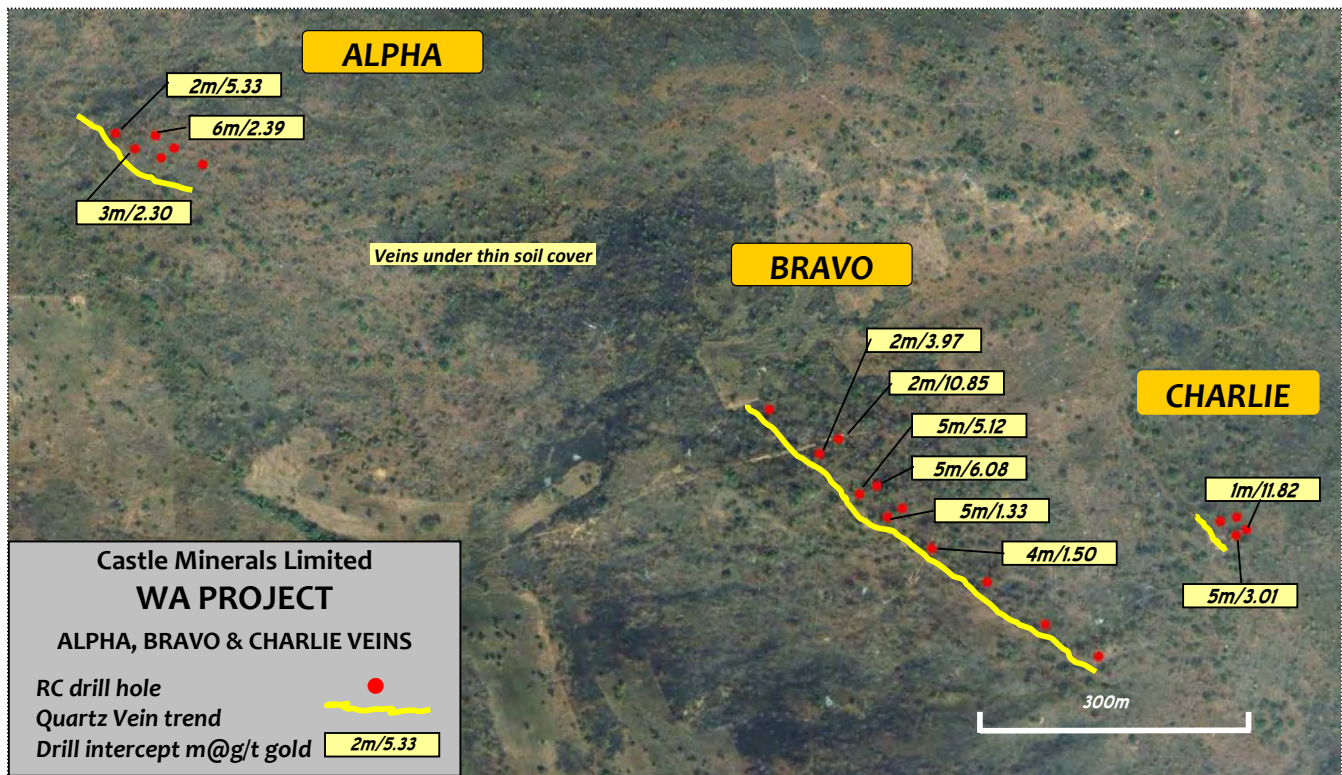
Three quartz veins (Alpha, Bravo and Charlie) have been confirmed to host high grade gold mineralisation that outcrops or commences very close to the surface. All veins are open ended and are similar in style to the Julie West vein. Down dip and strike extents remain to be tested.

The new veins are interpreted to strike over a 1,200m long area before disappearing under thin soil cover. It is likely that the veins either continue under cover and/or other veins exist in the project area.

The area is known to host numerous other veins that on preliminary evaluation appear to be of similar style and provide further valid exploration targets.



Drilling the on-strike extensions to the Julie West vein intersected varying amounts of vein material; however gold mineralisation reported was of low tenor. The vein remains open along strike and drilling has yet to determine the limits of the vein.



Exercise of Option with Newmont Ghana Gold

In 2007 Castle signed an option agreement with Newmont Ghana Gold Limited (NGGL) to acquire a 100% interest in the 8,200 km² Wa project. Castle was required to spend a minimum of US\$300,000 on project expenditure within 12 months of the approval of the agreement by the Ghana Minister of Mines. Castle met the minimum work expenditure within the time provided in the agreement and during the quarter exercised its option to acquire a 100% interest in the project by meeting the expenditure commitment and issuing 600,000 options in Castle Minerals Ltd with an exercise price of \$0.30 per share to NGGL.

Metallurgical Testwork

Metallurgical testwork was completed on Julie West oxide and primary samples. The metallurgical testwork was developed by METS and performed by Australian Metallurgical & Mineral Testing Consultants (AMMTEC) in Perth. The testwork programme was performed on five reverse circulation (RC) drilling chips. Two RC composite samples were formed from the samples supplied representing an oxide and primary sample. Head assay gold analysis was performed for each composite and the composite treated to evaluate the gold recoverable by gravity and the gold recoverable by carbon in leach (CIL) processing.

Julie West Project – Testwork summary

	Element	Oxide	Primary
Head Assay, g/t	Gold	44.8	10.2
	Silver	7.5	<2
Calculated Head Assay, g/t	Gold	49.2	8.3
	Silver	6	1.7
Gravity Recovery, %	Gold	8.11	18.2
	Silver	8.04	16.2
Gravity plus 24 hour leach, %	Gold	94.7	62.7
	Silver	90.7	70
Gravity plus 48 hour leach, %	Gold	96.4	69.7
	Silver	93.3	71.2

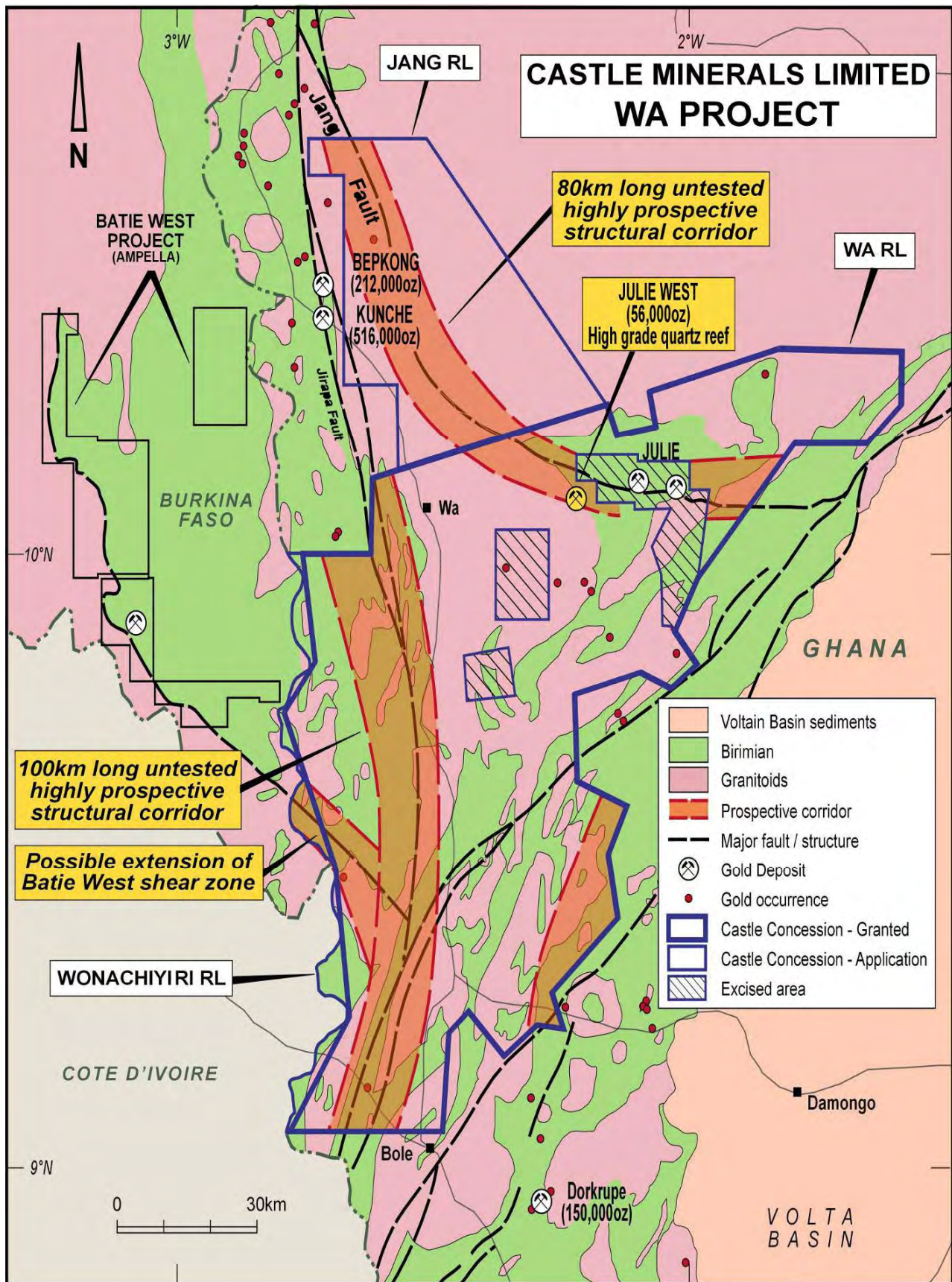
This testwork indicates that the oxide ore is free milling and presents few issues, however the primary ore may have a refractory component and should be subject to more testwork. Bulk Leach Extractable Gold (BLEG) testwork by Castle on 20 individual drill samples (oxide and primary) reported an average recovered grade of 92.3% for a 24 hour leach. Further testwork is required to establish the exact metallurgical characteristics of the primary mineralisation.

New Ground Acquired

An application (**Jang RL**) was made over a 2,000km² area north of Wa covering 80 strike kilometres of the Jang Fault. The Jang Fault extends north from the Julie West gold deposit and is not known to have been previously explored for gold mineralisation. It forms a highly prospective structural corridor considered capable of hosting high grade quartz vein hosted gold mineralisation.

An application was also made along the western margin of the Wa project. Known as **Wonachiyiri**, this application covers Birimian greenstone rocks of the Wa-Lawra belt and interpreted extensions of structures associated with gold mineralisation in neighbouring Burkina Faso, including possible strike extensions of Ampella Minerals Batie West project.

The Wonachiyiri RL along with the Company's Wa RL provides over 100 strike kilometres of Birimian greenstone that has very limited exploration undertaken to date. It represents a highly prospective target capable of hosting large scale gold deposits.



AKOKO PROJECT

(Castle Minerals 100%)

During the quarter a total JORC Code compliant Resource Estimate for the Akoko project was completed totalling **2mt @ 1.6g/t gold for 102,000 ounces**.

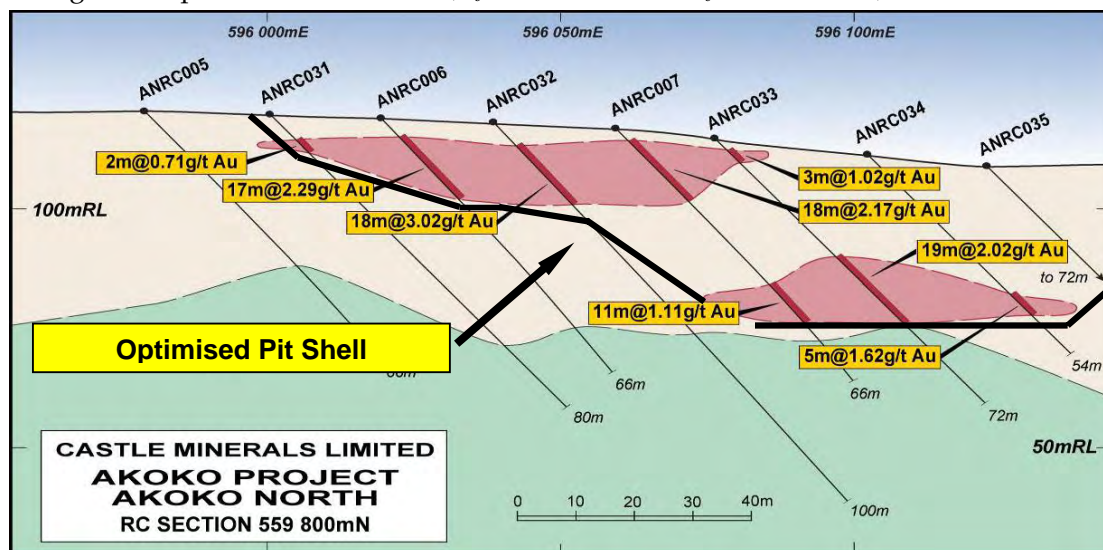
The Akoko Project is located 25km south of Tarkwa in south west Ghana in the prolific gold producing Ashanti belt. Gold mineralisation was first discovered on this greenfields project by Castle in late 2007. Since that time Castle has undertaken five RC drill programs and defined substantial oxide gold mineralisation. Runge Limited (Perth) has completed an independent resource estimate for the Akoko South and Akoko North gold deposits and estimated a total Indicated and Inferred Mineral Resource of 102,000 ounces.

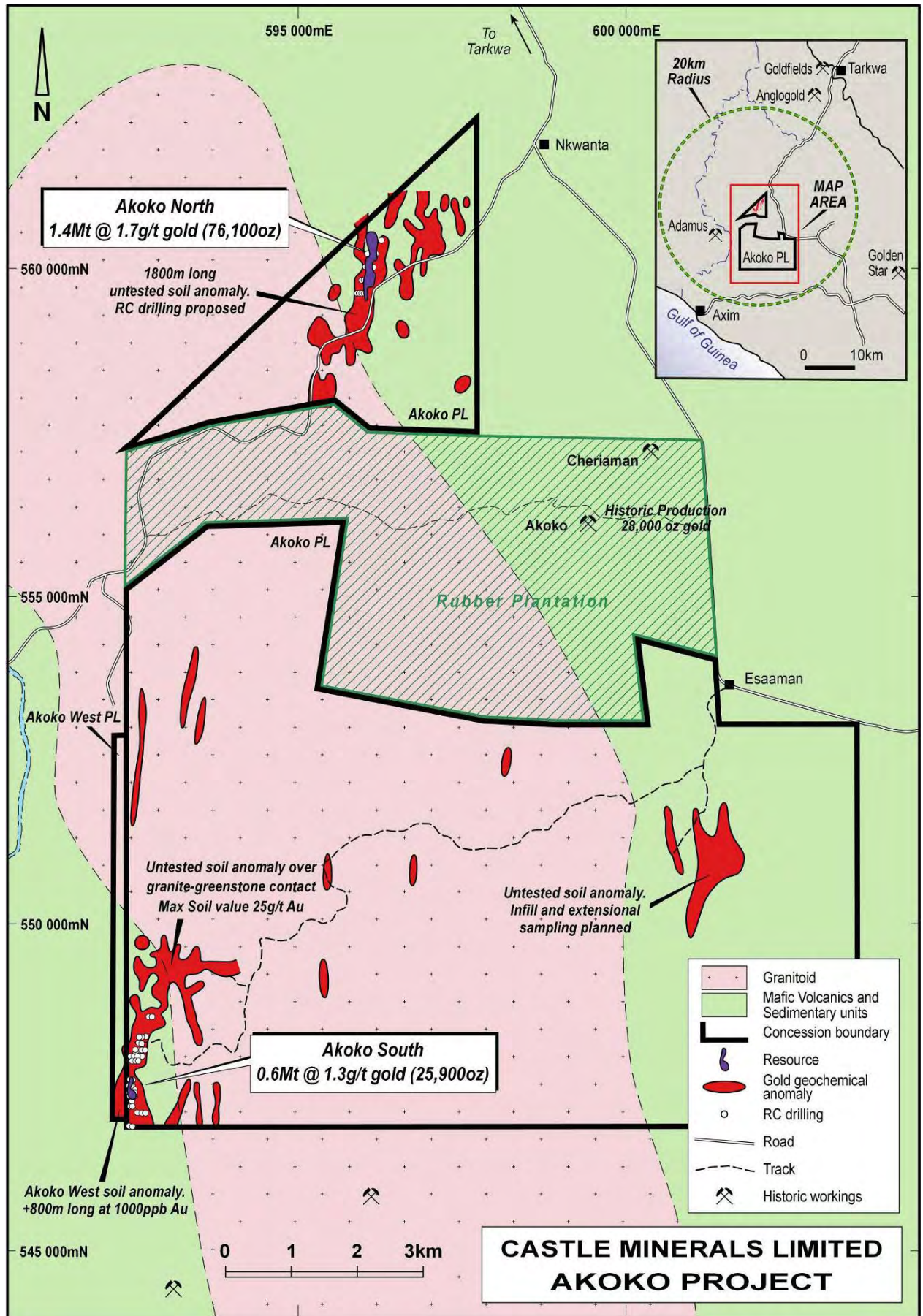
The Akoko gold resources have excellent potential to be substantially increased. Potential for additional oxide mineralisation exists along strike of each deposit and testing for primary mineralisation has yet to be undertaken.

Additionally a number of soil anomalies remain untested including a significant anomaly straddling a granite greenstone contact that has reported soil values up to 25 g/t gold.

Akoko Project Total - Akoko North and South Deposits							
Deposit	Indicated		Inferred		Total		
	Tonnes t	Au g/t	Tonnes t	Au g/t	Tonnes t	Au g/t	Au ozs
Akoko South			610,300	1.3	610,300	1.3	25,900
Akoko North	358,000	1.8	1,076,000	1.6	1,434,000	1.7	76,100
Total Akoko Gold Project	358,000	1.8	1,686,300	1.5	2,044,300	1.6	102,000

The Akoko North resource is shallow and either outcrops or comes within a few metres of the surface and 80% is within 50m of surface. Castle is planning to complete further drilling on all its Akoko prospects in the September quarter. In March this year Castle completed an open pit optimisation on the Akoko North deposit with the US\$800/ounce shell capturing an Indicated and Inferred Resource Estimate totalling 1.22 million tonnes @ 1.58g/t gold containing 58,000 ounces. Using a sales (revenue) price of US\$950 per ounce and after allowing for an estimated toll milling fee, the optimisation generated a gross surplus of US\$17 million (refer CDT ASX release of 31 March 2009).





CORPORATE

Castle Minerals Limited is a gold exploration Company with eight projects in Ghana covering more than 9,000km². Castle maintains a very active in-country exploration program, aggressively exploring its gold properties with the aim of discovering and developing a world class gold deposit.

Exploration activities for the September quarter will focus on;

- RC drilling at Akoko Project
- Metallurgical testwork and feasibility studies on Julie West
- Permitting for Julie West

Castle Minerals Limited has 58.90 million fully paid shares, 6 million 35c options and 1 million 25c options on issue as at the date of lodgement of this report. Cash reserves at 30 June 2009 were \$0.8 million.

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The information in this announcement that relates to Mineral Resources is based on information compiled by Mr Paul Payne, who is a Member of The Australasian Institute of Mining and Metallurgy and is a fulltime employee of Runge Limited. Mr Payne 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 Edition of the 'Australasian Code for Reporting Mineral Resources. Mr Payne consents to the inclusion in the report of the matters based on his information in the form and context in which it appears.

The information in this announcement that relates to Exploration Results is based on information compiled by Michael Fowler, Castle Minerals Limited Exploration Manager, who is a Member of The Australasian Institute of Mining and Metallurgy. Michael Fowler 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. Michael Fowler consents to the inclusion in the announcement of the matters based on the information in the form and context in which it appears.

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