

### Highlights - *Ghana Gold Exploration*

## Maiden Resource Estimate Completed for the Kpali Gold Prospect

- Maiden Resource Estimate for the Kpali prospect totals 2.9mt @ 1.1g/t gold for 107,200 ounces
- Kpali resource remains open and displays increasing grade and the strongest mineralisation at depth
- Total gold resources in Ghana increased 29% to 361,700 ounces following the addition of Kandia and updates to the mineral resources for the Akoko and Kandia deposits

## Ghana RAB drilling completed with 405 RAB holes drilled for 8,097m

- RAB drilling on the Wa Gold Project for the 2013/14 dry season totalled 1,262 RAB holes for 29,861m
- This work successfully identified the Kpali East gold anomaly and also intersected a number of new graphitic schist horizons that are currently being assessed along with a detailed review of the Company's Kambale graphite deposit that hosts an Inferred Resource of 14.4mt @ 7.2% C (graphitic carbon) for 1.03mt contained graphite.

### Corporate

End of quarter cash of \$0.309M. Castle received an additional \$0.13M R&D refund post quarter end and also holds two million Merah shares (ASX:MEH) representing a 6.1% holding in MEH. Castle has 128.5M shares on issue

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Capital Structure  
Quoted Shares: 128.5 million  
Unlisted Options: 1.05m @ 40c

ASX Code: CDT

Board Members  
Michael Ashforth  
Non Executive Chairman

Michael Ivey  
Managing Director & CEO

Campbell Ansell  
Non Executive Director

Des Kelly  
Company Secretary

## Wa Project (Castle Minerals 100%)

Exploration on the Company's Wa Project in north west Ghana focussed on the new gold discoveries at Bundi and Kpali. RAB drilling at Wa South continued up to the beginning of the wet season with 405 RAB holes drilled for 8,097m. At Kpali a maiden resource estimate was completed.

Kpali was discovered in 2013 and represents the sixth green fields gold discovery made by Castle in Ghana. Gold mineralisation at Kpali starts a few metres below the surface and it is expected that with further drilling the resource will be materially increased as the deposit remains open and displays increasing grade and the strongest mineralisation at depth.

An Inferred Mineral Resource of 107,200 ozs has been estimated for Kpali as per the summary in Table 1. As a result Castle's total gold inventory for its Ghana Projects has increased by 29% to 362,000 ounces due to the inclusion of maiden resource estimate for Kpali and updates to the mineral resources for the Akoko and Kandia deposits.

Table 1: Kpali Deposit June 2014 Mineral Resource Estimate (All Inferred, 0.5g/t Au Cut-off)

Type	Tonnes t	Au Cut g/t	Au Uncut g/t	Au Cut Ounces	Au Uncut Ounces
Oxide	365,000	1.0	1.0	11,500	12,200
Fresh	2,549,000	1.2	1.2	95,700	97,500
<b>Total</b>	<b>2,914,000</b>	<b>1.1</b>	<b>1.2</b>	<b>107,200</b>	<b>109,700</b>

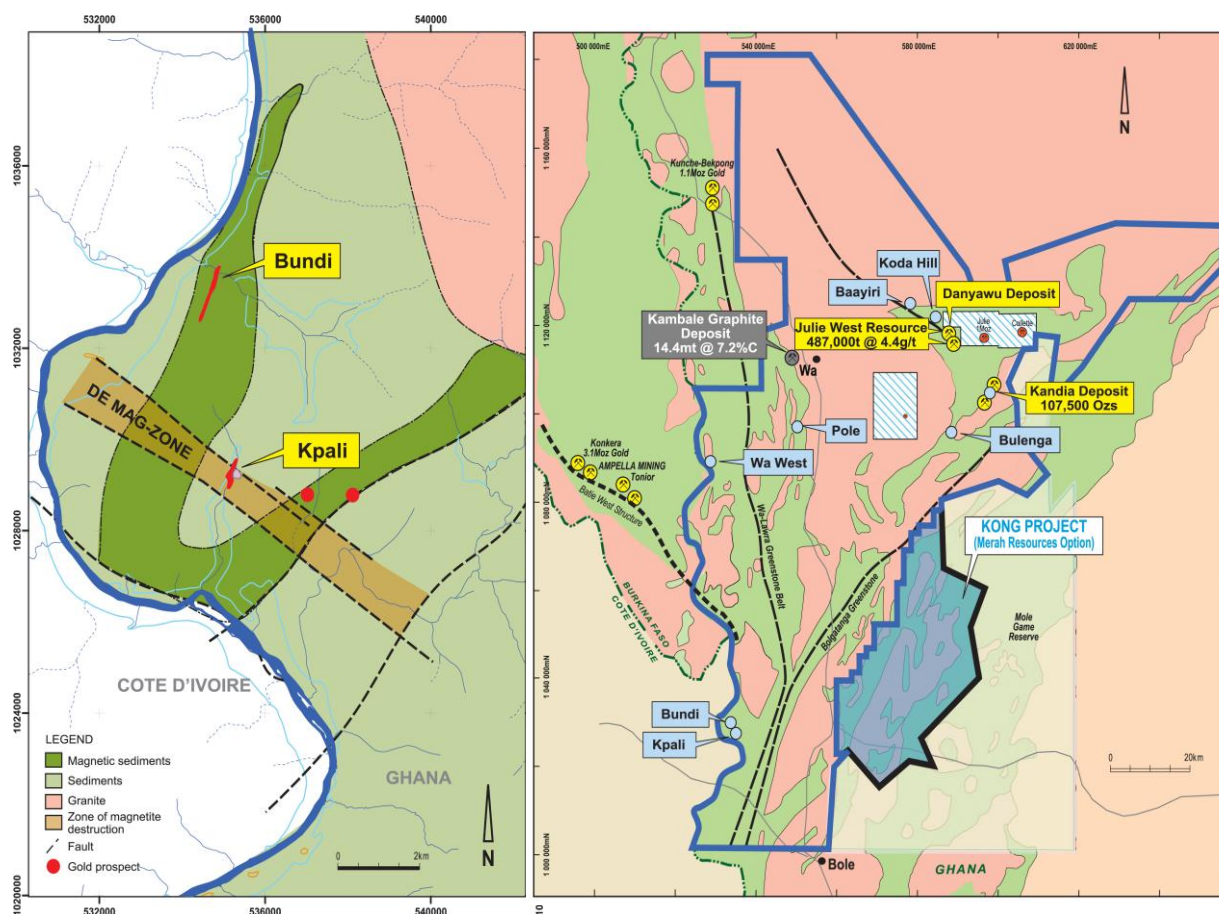


Figure 1: Wa Project prospects and location of Bundi and Kpali prospects in NW Ghana

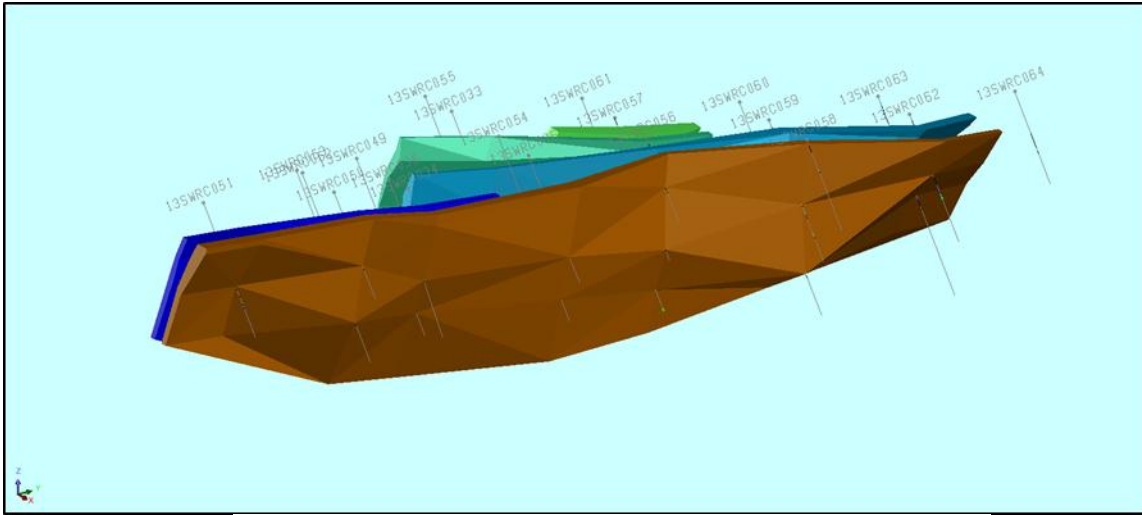


Figure 2: Kpali RC Drilling and Resource Wireframes

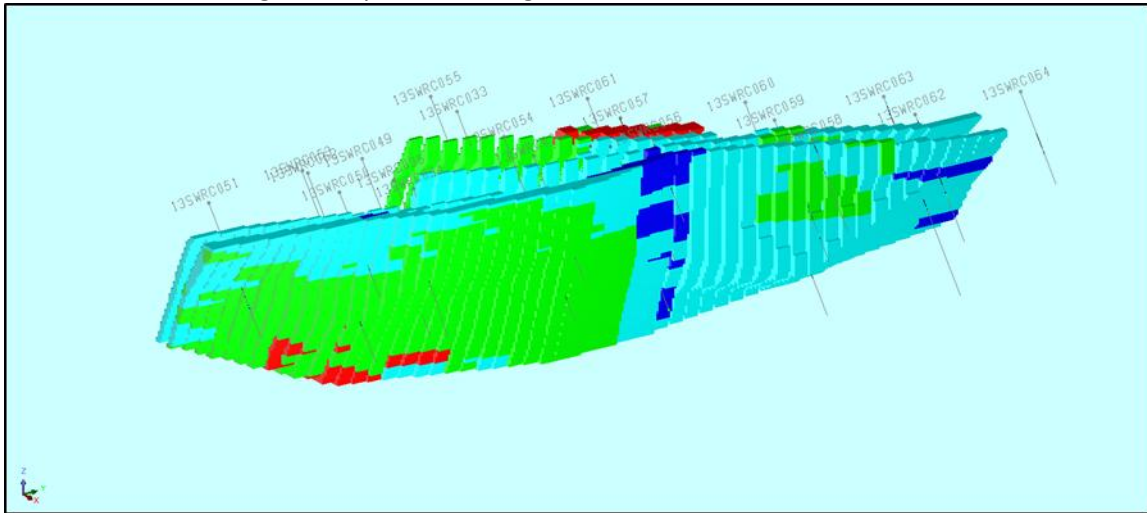


Figure 3: Kpali RC Drilling and Resource Block Model

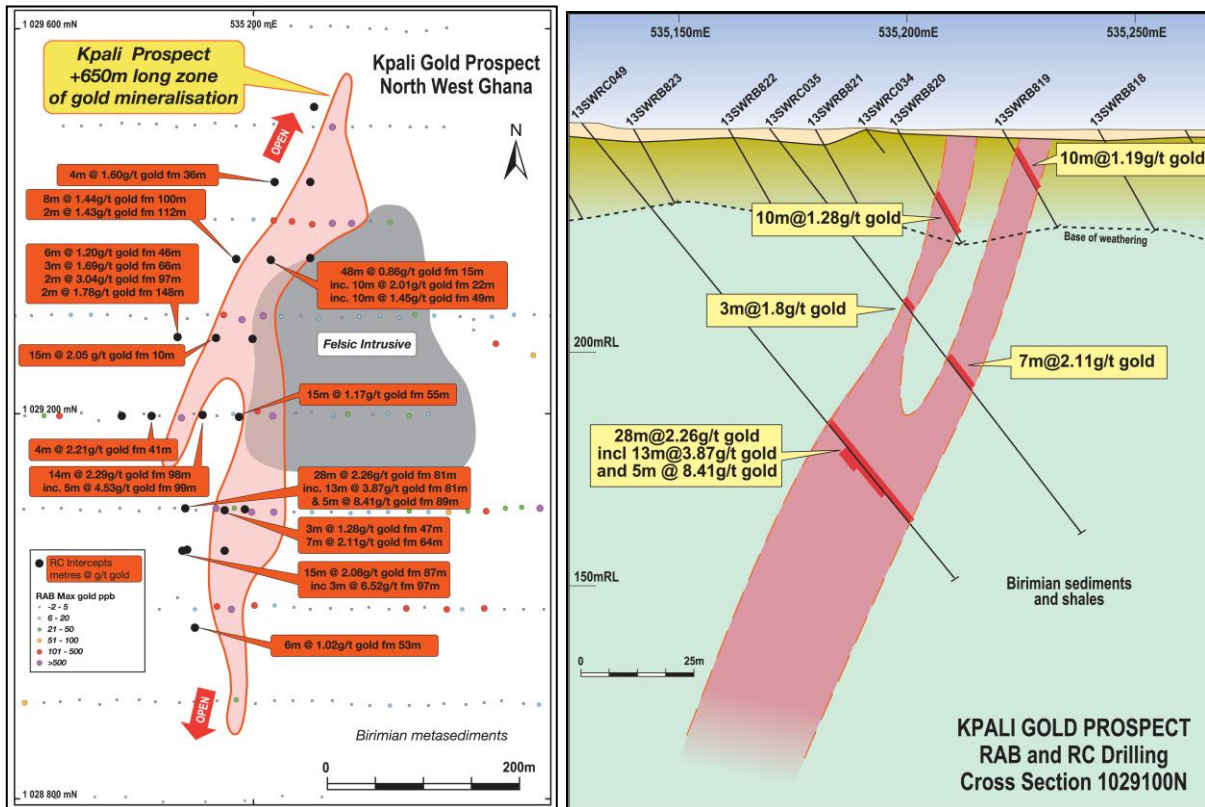


Figure 4: Kpali drill hole plan and intercepts and drill cross section on 1029 100N

## Resource Estimate Summaries

The total gold inventory for Castle's Ghana Projects has increased by 29% to 362,000 ounces due to the inclusion of the maiden resource estimates for Kpali and updates to the mineral resources for the Akoko and Kandia deposits.

Resource summaries for all Mineral Resource Estimates are presented below in Table 2 (Some totals may not add exactly due to rounding). Full resource parameters can be found in CDT ASX Release of 2/7/2014.

Table 2 : Mineral Resource Estimates for the Wa and Akoko Gold Projects

Wa Project	Indicated			Inferred			Total			Lower Cutoff
	Tonnes t	Au g/t	Au Ounces	Tonnes t	Au g/t	Au Ounces	Tonnes t	Au g/t	Au Ounces	
Julie West	383,000	4.2	52,100	32,000	4.0	4,100	415,000	4.2	56,200	1.0
Danyawu	72,000	5.5	12,800				72,000	5.5	12,800	1.0
Kandia 8000 Zone				229,000	1.8	13,400	229,000	1.8	13,400	1.0
Kandia 4000 Zone	1,772,000	1.0	57,700	777,000	0.9	21,500	2,549,000	1.0	79,200	0.5
Kpali				2,914,000	1.1	107,200	2,914,000	1.1	107,200	0.5
<b>Wa Project Total</b>	<b>2,227,000</b>	<b>1.7</b>	<b>122,600</b>	<b>3,952,000</b>	<b>1.2</b>	<b>146,200</b>	<b>6,178,000</b>	<b>1.4</b>	<b>268,900</b>	

Akoko Project	Indicated			Inferred			Total			Lower Cutoff
	Tonnes t	Au g/t	Au Ounces	Tonnes t	Au g/t	Au Ounces	Tonnes t	Au g/t	Au Ounces	
Akoko North	448,000	1.6	22,500	517,000	2.8	45,900	965,000	2.2	68,400	0.8
Akoko South				575,000	1.3	24,400	575,000	1.3	24,400	0.8
<b>Total</b>	<b>448,000</b>	<b>1.6</b>	<b>22,500</b>	<b>1,092,000</b>	<b>2.0</b>	<b>70,300</b>	<b>1,540,000</b>	<b>1.9</b>	<b>92,800</b>	

Total Ghana Projects	Indicated			Inferred			Total		
Wa Project	2,227,000	1.7	122,600	3,952,000	1.2	146,200	6,178,000	1.4	268,900
Akoko Project	448,000	1.6	22,500	1,092,000	2.0	70,300	1,540,000	1.9	92,800
<b>Total</b>	<b>2,675,000</b>	<b>1.7</b>	<b>145,100</b>	<b>5,044,000</b>	<b>1.3</b>	<b>216,500</b>	<b>7,718,000</b>	<b>1.5</b>	<b>361,700</b>

The Kandia gold resource was re-estimated for the 4000 Zone. Since the 2011 resource estimate, further RC drilling was undertaken with the objective of defining depth extensions to the mineralisation. A total of 7 new holes were drilled, and two existing RC holes were deepened. Geology and assay results from those holes have now been incorporated into the deposit model. Several of the holes did not intersect mineralisation where expected. This has resulted in reduced depth extent to the mineralisation compared to the 2011 estimate, with a resulting downgrade of the tonnage and contained gold of the deposit with a reduction of 14,800 ozs. There has been no change to the 8000 Zone resource where there was no additional drilling. All other resource parameters remain unchanged from the previous estimate. A summary of the revised Mineral Resource for the deposit is shown in Table 3. The previous estimate is shown in Table 4.

Table 3: Kandia Deposit June 2014 ID2 Mineral Resource Estimate

Type	Indicated			Inferred			Total		
	Tonnes t	Au g/t	Au Ounces	Tonnes t	Au g/t	Au Ounces	Tonnes t	Au g/t	Au Ounces
Oxide	126,000	1.0	4,000	50,000	1.3	2,100	176,000	1.1	6,000
Fresh	1,645,800	1.0	53,800	955,800	1.1	32,900	2,602,000	1.0	86,600
<b>Total</b>	<b>1,772,000</b>	<b>1.0</b>	<b>57,700</b>	<b>1,006,000</b>	<b>1.1</b>	<b>34,900</b>	<b>2,778,000</b>	<b>1.0</b>	<b>92,700</b>

Table 4: Kandia Deposit December 2011 ID2 Mineral Resource Estimate

Type	Indicated			Inferred			Total		
	Tonnes t	Au g/t	Au Ounces	Tonnes t	Au g/t	Au Ounces	Tonnes t	Au g/t	Au Ounces
Oxide	131,300	1.0	4,100	51,000	1.3	2,100	183,000	1.1	6,200
Fresh	1,841,500	1.0	58,700	1,327,200	1.0	42,500	3,169,000	1.0	101,200
<b>Total</b>	<b>1,973,000</b>	<b>1.0</b>	<b>62,900</b>	<b>1,379,000</b>	<b>1.0</b>	<b>44,600</b>	<b>3,351,000</b>	<b>1.0</b>	<b>107,500</b>

Note: For both the 2014 and 2011 estimates, a 0.5g/t Au cut-off has been used for the 4000 Domain, and a 1.0g/t Au cut-off has been used for the 8000 Domain

The Akoko North Gold Resource was re-estimated to incorporate geology, assay data and bulk density data from four diamond drill holes that have been drilled subsequent to the 2011 resource update.

Geology and assay results from those holes have largely confirmed the previous interpretation. Bulk density data from the core has also been analysed and new bulk density parameters were derived for the Akoko North estimate and have also been applied to the Akoko South deposit. The new density parameters are significantly lower than the values assumed for the previous estimates (eg oxide density of 1.78t/m<sup>3</sup> compared to 2.1t/m<sup>3</sup> previously), resulting in a downgrade of the tonnage and contained gold of the deposits (reduction of 10,500 ozs).

A summary of the revised Mineral Resources for the deposits is shown in Table 5. The previous estimates are shown in Table 6.

**Table 5 : Akoko Project June 2014 Mineral Resource Estimate 0.8g/t Au Cut-off**

Deposit	Indicated			Inferred			Total		
	Tonnes t	Au g/t	Au Oz	Tonnes t	Au g/t	Au Oz	Tonnes t	Au g/t	Au Oz
Akoko North	448,000	1.6	22,500	517,000	2.8	45,900	965,000	2.2	68,400
Akoko South				575,000	1.3	24,400	575,000	1.3	24,400
<b>Total</b>	<b>448,000</b>	<b>1.6</b>	<b>22,500</b>	<b>1,092,000</b>	<b>2.0</b>	<b>70,300</b>	<b>1,540,000</b>	<b>1.9</b>	<b>92,800</b>

**Table 6: Previous Estimates Akoko North (2011) and Akoko South (2009) 0.8g/t Au Cut-off**

Deposit	Indicated		Inferred		Total		
	Tonnes t	Gold g/t	Tonnes t	Gold g/t	Tonnes t	Gold g/t	Gold Ounces
Akoko North	525,000	1.6	578,000	2.7	1,103,000	2.2	77,400
Akoko South			610,300	1.3	610,300	1.3	25,900
<b>Total</b>	<b>525,000</b>	<b>1.6</b>	<b>1,188,300</b>	<b>2.0</b>	<b>1,713,300</b>	<b>1.9</b>	<b>103,300</b>

## Wa South RAB Drilling

RAB drilling at Wa South continued up to the beginning of the wet season with 405 RAB holes drilled for 8,097m during the quarter. Total 2013/14 dry season RAB drilling on the Wa Gold Project totalled 1,262 RAB holes for 29,861m.

This drilling targeted high priority VTEM targets, a belt of possibly folded magnetically active sediments that hosts the Bundi and Wa gold prospects and a distinct NW-SE de-magnetised zone considered highly prospective for gold and base metal mineralisation.

Final drill data is currently being assessed, to date this work has defined a strong new gold target at Kpali East (refer CDT ASX Release 20/3/2014) and a number of other gold anomalies that are currently being evaluated. In addition, a number of the VTEM targets tested intersected graphitic schists. Graphitic schists are highly conductive and likely explain the VTEM anomalies. The schist units are currently being assessed for their graphite potential. To date the RAB holes have only been assayed for gold and base metals. The Wa Project is known to host graphite deposits and 60km to the north Castle's Kambale graphite deposit, hosts an Inferred Resource of 14.4mt @ 7.2%C (graphitic carbon) for 1.03mt contained graphite (refer CDT ASX release 24/7/2012).



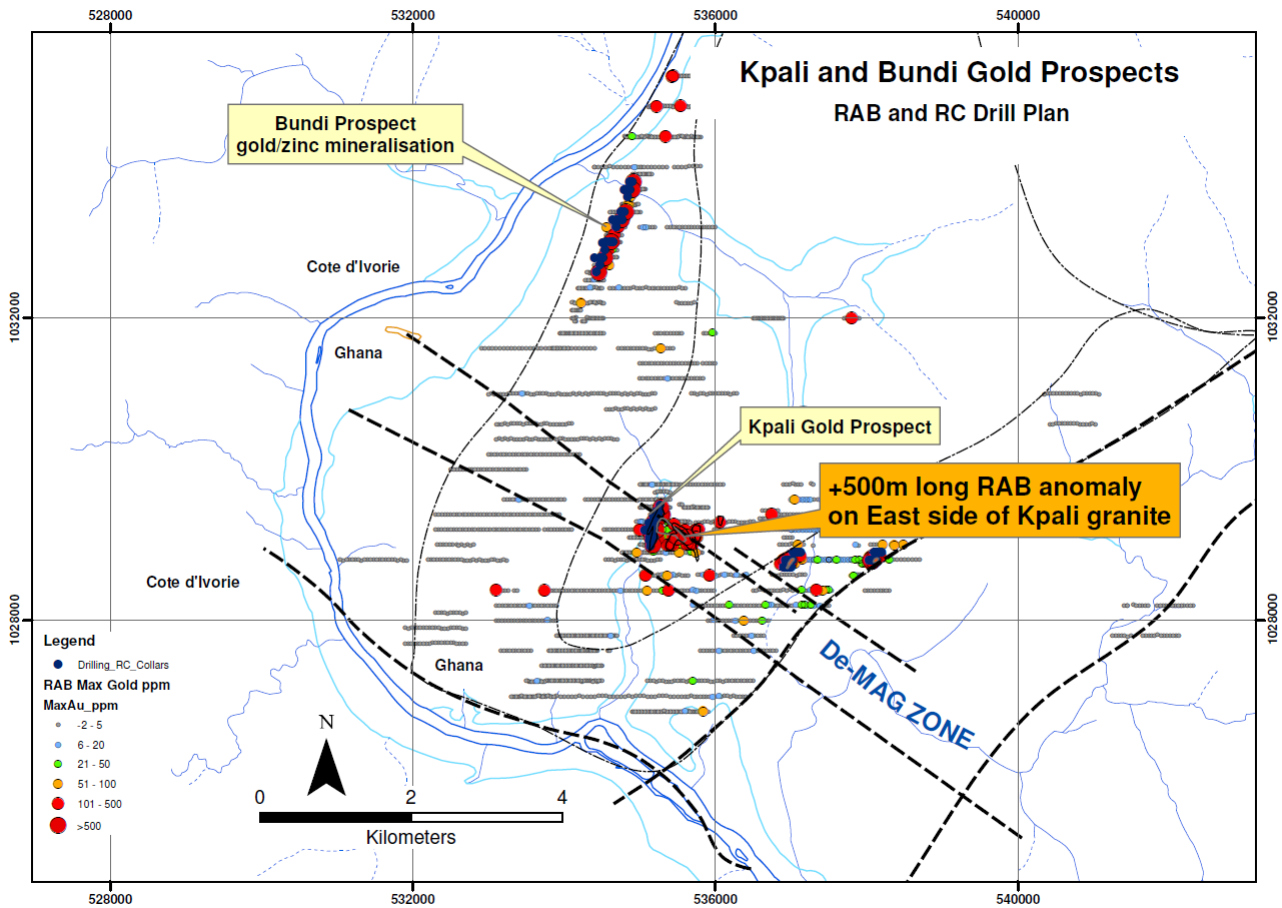


Figure 5: RAB drill hole plan for the Wa South area that shows the recently discovered Bundi and Kpali deposits and the newly defined Kpali East gold anomaly

## Antubia and Kong Projects

In March 2013 Castle signed option agreements with Merah Resources Limited (ASX:MEH) to acquire Castle's 100% interest in the Antubia and Kong gold Projects.

Merah has exercised its option to acquire the Antubia Project completed in January 2014 but advised in July 2014 that the Kong agreement has now expired. As a consequence Merah no longer has an option to acquire Castle's legal and beneficial right to the Kong project in Ghana. The Company's option over the Antubia project in Ghana remains unaffected.

Castle holds 2 Million Merah shares (ASX:MEH) that were issued to Castle as part consideration for the Antubia gold project option to purchase. This shareholding represents a 6.1% holding in MEH.

## Corporate

### Cash Position

End of quarter cash of \$0.309M and Castle has a total of 128,492,519 shares on issue. Castle received an additional \$0.13M R&D refund post quarter end. Overhead, corporate and exploration cost reductions continue to be implemented.

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 five mineral projects in Ghana, West Africa including Akoko, Antubia, Bondaye, Opon Mansi (application) and Wa covering more than 11,000km<sup>2</sup>.

The Wa and Akoko projects are 100% owned by Castle Minerals (subject to Ghanaian Government right to a free-carried 10% interest). Bondaye and Opon Mansi are applications and the Antubia Project is subject to a sale agreement with Merah Resources (ASX: MEH). Castle's corporate objectives are exploration and development of its 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.

#### COMPETENT PERSONS STATEMENT

Information in this announcement that relates to Exploration Results and Mineral Resources is based on information compiled by Michael Ivey, Castle Minerals Limited Managing Director, who is a Member of The Australasian Institute of Mining and Metallurgy. Michael Ivey is a permanent consultant to 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 2012 JORC Code. Michael Ivey consents to the inclusion in the report of the matters based on his information in the form and context in which it appears.

#### Summary of Exploration Tenements at 31 March 2014

Location	Tenement Name	Tenement Reference	Percentage Held
Antubia, Ghana	Boizan	PL2/400	100*
Antubia, Ghana	Antubia (Juabeso)	PL2/399	100*
Bondaye, Ghana	Bondaye	Application	100
Akoko, Ghana	Akoko	PL. 2/398	100
Akoko, Ghana	Akoko West	PL. 2/425	100
Opon Mansi, Ghana	Opon Mansi	Application	100
Wa, Ghana	Wonachiyiri	Application	100
Wa, Ghana	Jang	RL. 10/23	100
Wa, Ghana	Julie West	PL. 10/13	100
Wa, Ghana	Wa	RL. 10/13	100
Wa, Ghana	Degbiwu	PL 10/26	100
Wa, Ghana	Bulenga	PL 10/23	100
Wa, Ghana	Charingu	PL 10/25	100
Wa, Ghana	Kandia	Application	100
Wa, Ghana	Baayiri	PL 10/24	100
Wa, Ghana	Kunche Trend 1	Application	100
Wa, Ghana	Kunche Trend 2	Application	100
Wa, Ghana	Sawla	PL.10/34	100
Wa, Ghana	Sawla East	PL.10/32	100
Wa, Ghana	Sawla South	PL.10/29	100
Wa, Ghana	Jandra	PL.10/33	100
Wa, Ghana	Jandra North	PL 10/28	100
Wa, Ghana	Tuna	PL.10/31	100
Wa, Ghana	Jang North	PL.10/30	100
Wa, Ghana	Jang North West	PL.10/27	100
Wa, Ghana	Gbinyiri	RL. 8/27	100
Wa, Ghana	Gurungu	RL. 8/28	100
Wa, Ghana	Jumo	RL. 8/31	100
Wa, Ghana	Chasia	RL. 8/30	100
Wa, Ghana	Perisi	RL. 8/29	100
Wa, Ghana	Funsi	Application	100
Wa, Ghana	Kambale	PL10/47	100

\*Tenements under Option/Sale Agreement to Merah Resources (ASX:MEH) where MEH may acquire a 100% interest

Government of Ghana has the right to acquire a 10% free carried interest in all tenements