

19th May 2011

ASX Announcement



Auger Drilling Defines Large Gold Anomaly at Wa South

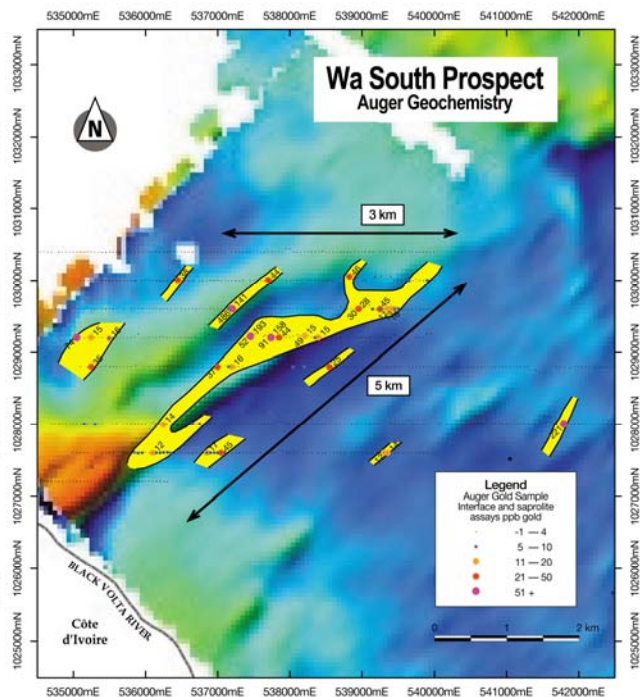
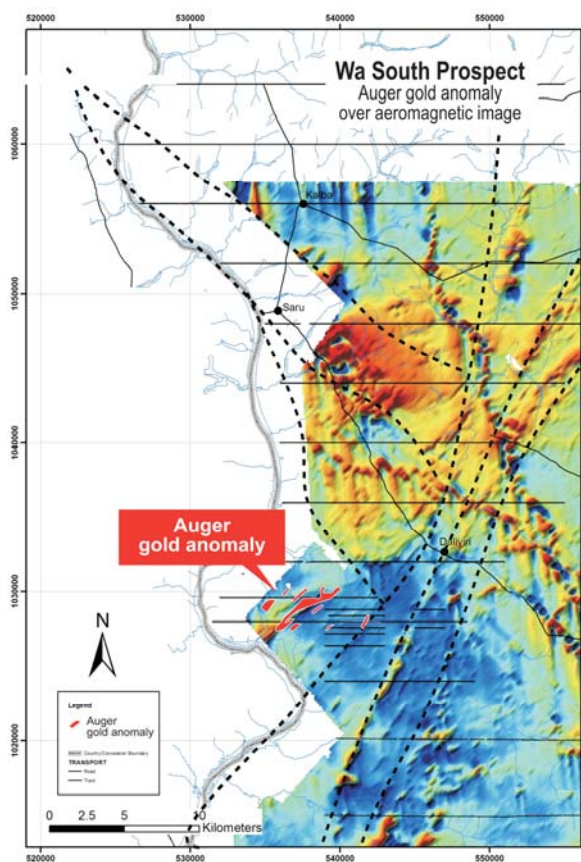
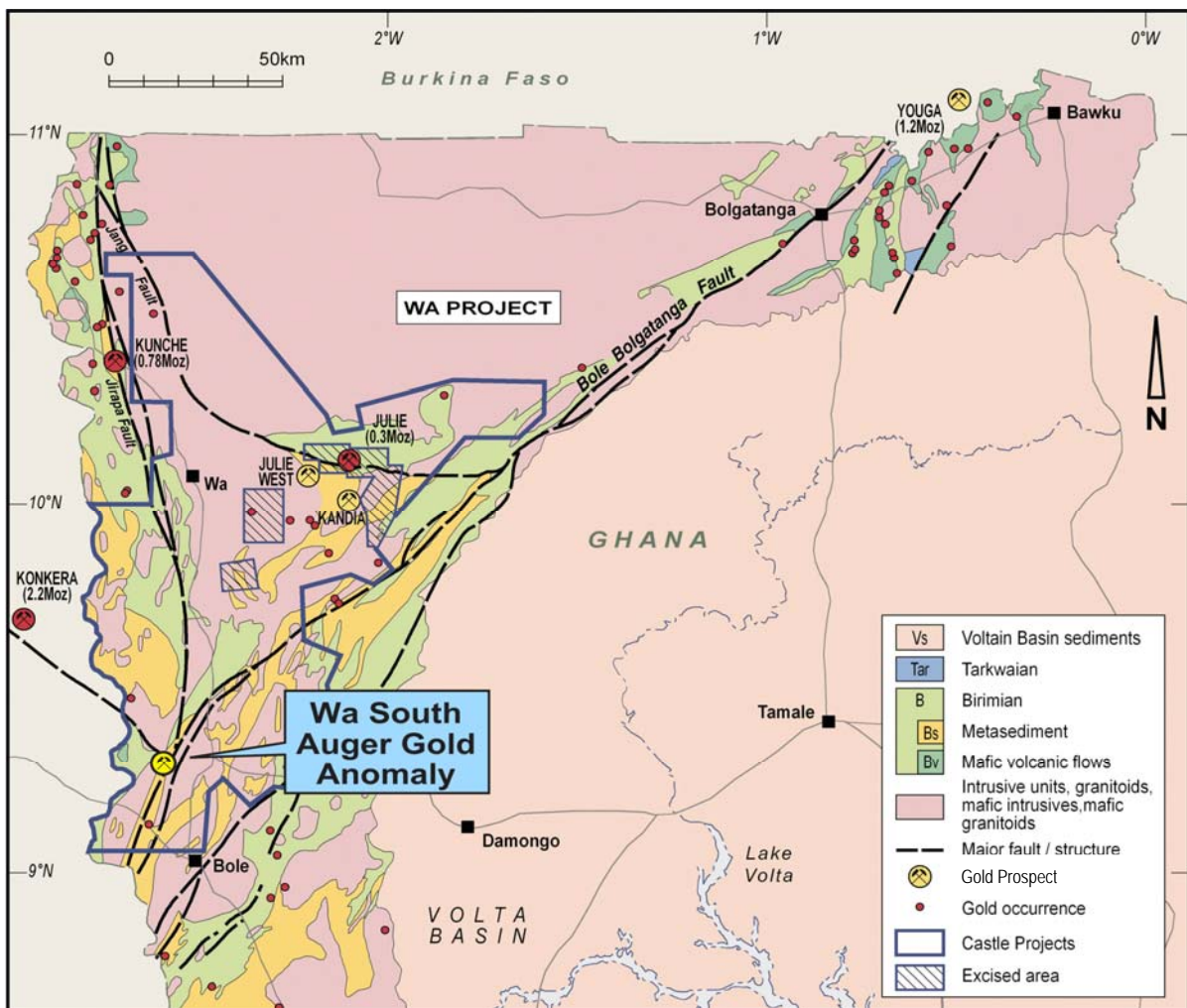
- ❖ **Auger drilling defines a widespread zone of open ended gold anomalism over a 5km x 3km area**
- ❖ **RAB drilling has commenced as a first test of these results**
- ❖ **Anomalies sit in an excellent structural position south of an internal granite and near the intersection of two greenstone belts and near the interpreted extension of the Batie West shear zone**
- ❖ **Extensional and infill auger drilling is ongoing**

Castle Minerals Limited (ASX: CDT) is pleased to announce that auger geochemical drilling has defined a substantial gold anomaly at the Wa South prospect in north west Ghana.

Castle's Managing Director, Mr Mike Ivey, said "this is a significant gold target. Our bedrock and interface auger sampling has successfully defined a large robust gold anomaly in a very interesting geological setting near the intersection of two greenstone belts. Our exploration strategy is once again generating greenfield targets of considerable scale and provides much encouragement that the rocks within our larger Wa Project are capable of hosting world class gold deposits. Our exploration effort in this area is still in its infancy and we have a very large area to explore with unlimited potential".

The auger drilling followed a large, but wide spaced, conventional soil sampling program that tested Birimian greenstone sequences along the Bolgatanga and Wa-Lawra greenstone belts and the interpreted intersection point of the Batie West shear zone. This work defined several strong zones of gold in soils but was considered only partially effective due to the mixed regolith and alluvial material that covers a large part of the prospect area. A 20,000m auger program commenced in 2011 with the aim of defining areas of bedrock gold mineralisation.

This program has successfully outlined multiple north east trending zones within Birimian sediments and volcanoclastics with the core anomaly covering a 5km x 3km area. RAB drilling has now commenced and represents the first ever drilling in the area.

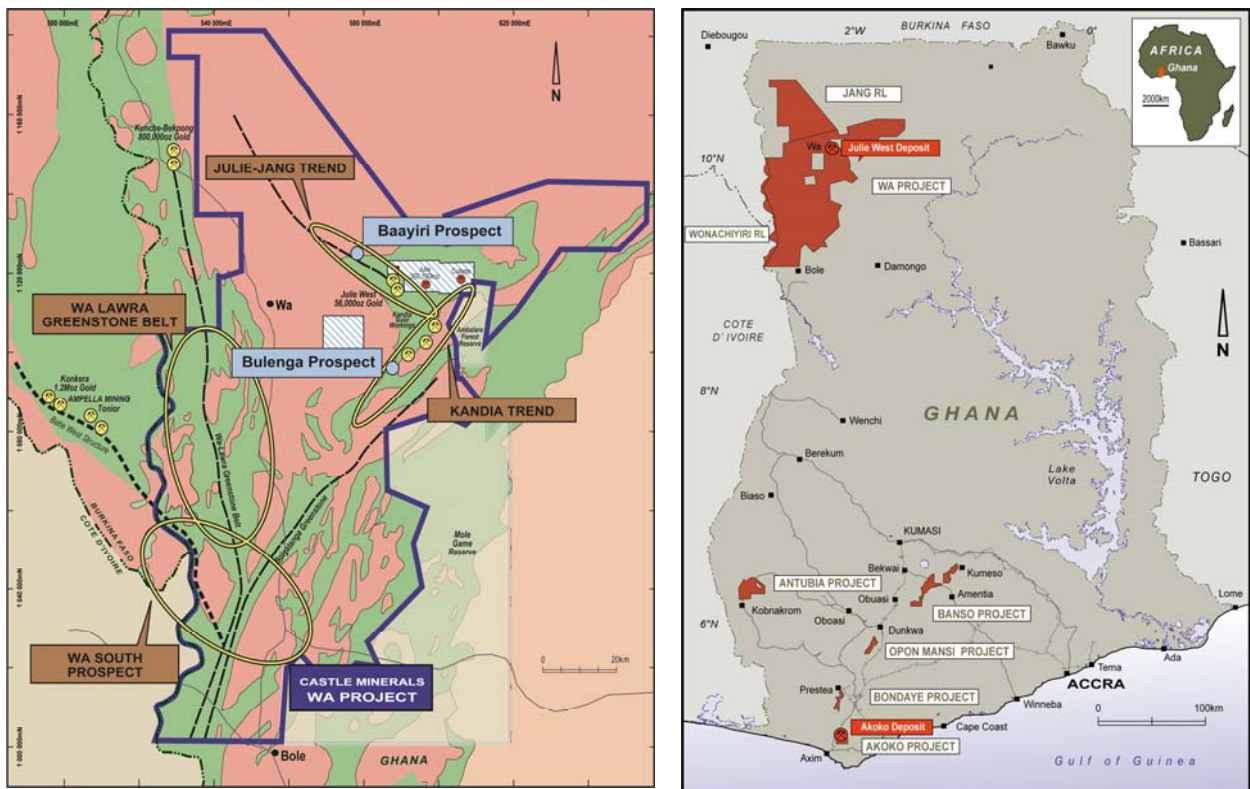


5 x 3km bedrock auger anomaly at Wa South prospect.

The Wa Project in north-west Ghana covers over 10,000km² where exploration is focussing on four regional scale prospect corridors. At the Wa South prospect auger drilling has defined a substantial gold target on the southern end of an internal granite that may also be influenced by structures associated with the NW trending Batié West shear zone and the Wa-Lawra and Bolgatanga greenstone belts.



Site photos of Wa South prospect showing area of auger anomaly; note the grey alluvial soil cover.



Castle's Wa Project in north-west Ghana where three drill rigs are operating, testing four prospect corridors.

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Auger drilling was completed on 400m spaced lines with samples collected from the soil/saprolite interface and the bottom of hole. Gold analysis was undertaken by Intertek Laboratories, Tarkwa Ghana using ~1kg samples with gold analyses using 50g aqua regia with AAS finish to 1ppb detection limit.

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 report of the matters based on his information in the form and context in which it appears.