

7th March 2013



ASX Announcement

Gold Resource at Julie West Prospect Increased

Castle Minerals Limited (ASX: CDT) is pleased to announce that the total gold resource for the Julie West Prospect in NW Ghana has increased **by 24% to 487,100t @ 4.4 g/t gold for 69,000 ounces.**

The increase comes from the completion of a maiden resource estimate for the high grade Danyawu deposit that contains 72,100t @ 5.5g/t gold with 85% of these high grade ounces contained within 50m of the surface.

Definition of this shallow resource was achieved within three months of the RC drilling work being completed. Initial bottle roll leach tests on RC samples indicate that the mineralisation is likely to be free milling with high recoveries via conventional crushing and cyanidation.

Castle's Managing Director, Mr Mike Ivey, said; "Danyawu is the second high grade vein deposit discovered at Julie West by Castle. These are high value ounces being so close to surface and we have a number of other vein targets currently being investigated in the area.

Gold mineralisation at Danyawu remains open down plunge and occurs within a laminated quartz reef that has intruded granodiorite and mafic host rocks. It is considered geologically similar to Castles' Julie West Gold deposit (415,000t @ 4.2g/t gold) located 2km to the south.

Elsewhere within Castle's Wa gold project in north-west Ghana, RAB drilling using Castle's own drill rig is continuing with a +40,000m program testing 26 of more than 60 gold targets identified within the larger Wa Project area.

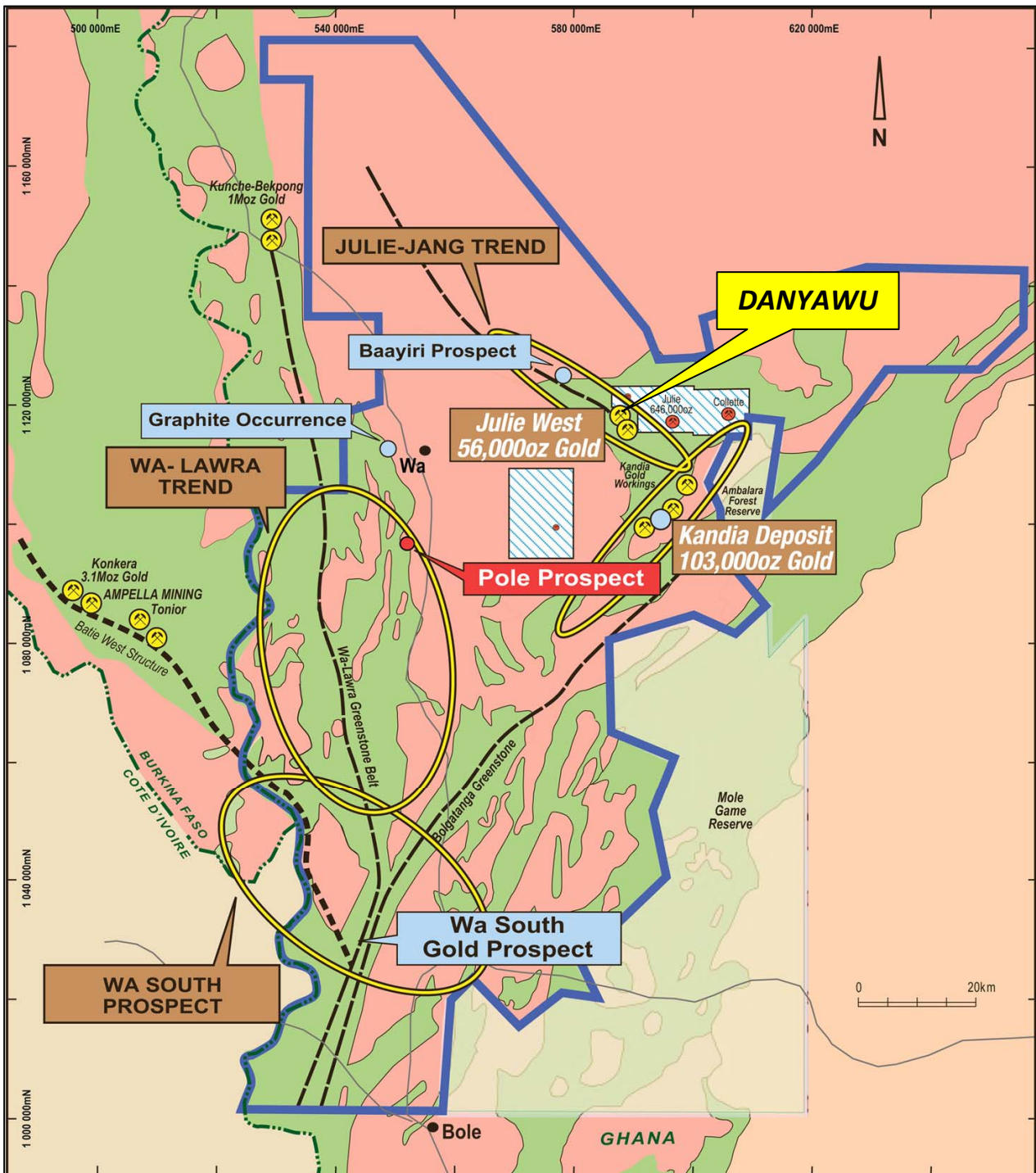
For further information please contact:

Michael Ivey
Managing Director & CEO
+618 9322 7018

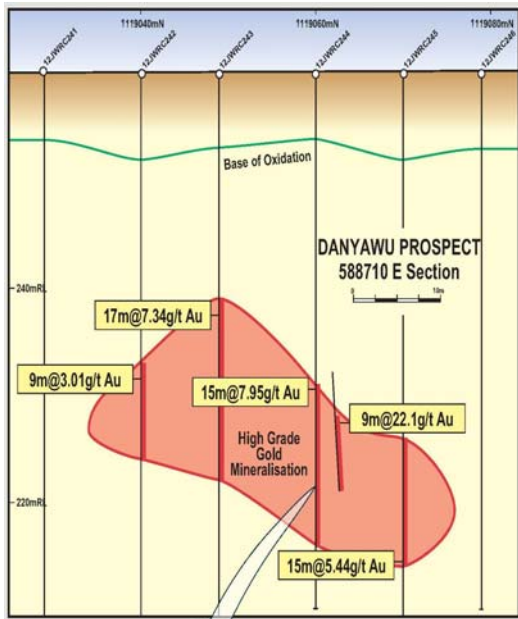
About Castle:

Castle Minerals listed on the Australian Stock Exchange in May 2006 (ASX code 'CDT') and has since acquired the rights to six mineral projects in Ghana, West Africa including Akoko, Antubia, Bansa, Bondaye, Opon Mansi (application) and Wa covering more than 11,000km².

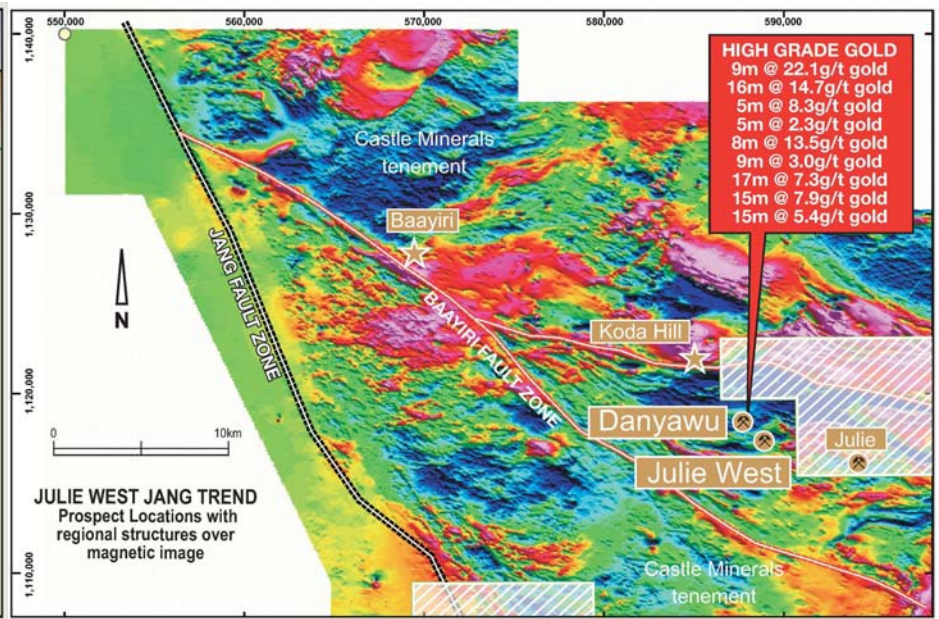
All granted projects are 100% owned by Castle Minerals (subject to Ghanaian Government right to a free-carried 10% interest). Castle's corporate objectives are exploration and development of its six projects in Ghana and the acquisition and exploration of other mineral resource opportunities, particularly 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.



Wa Project Geology and Prospect Locations



Danyawu RC cross section



Danyawu prospect location on magnetic image

February 2013 Indicated Mineral Resource Estimate (1.0g/t Au Cut-off)

Type	Indicated		Inferred		Total		
	Tonnes t	Au g/t	Tonnes t	Au g/t	Tonnes t	Au g/t	Au Ounces
Oxide	700	2.5	0	0.0	700	2.5	100
Transitional	4,600	3.6	0	0.0	4,600	3.6	500
Fresh	66,800	5.7	0	0.0	66,800	5.7	12,200
Total	72,100	5.5	0	0.0	72,100	5.5	12,800

Mineral Resource Summary for the Danyawu Gold Deposit

Wa Project	Indicated			Inferred		Total		
	Tonnes t	Au g/t	Au Ounces	Tonnes t	Au g/t	Tonnes t	Au g/t	Au Ounces
Julie West	383,000	4.2	52,100	32,000	4.0	415,000	4.2	56,200
Danyawu	72,100	5.5	12,800			72,100	5.5	12,800
Total	455,100	4.4	64,900	32,000	4.0	487,100	4.4	69,000

Mineral Resource Summary for the Julie West Prospect Area

Resource Statement and Parameters

Danyawu February 2013 Mineral Resource (1.0g/t Au Cut-Off Grade)

Class	Tonnes t	Au g/t	Au Ounces
Measured	-	-	-
Indicated	72,100	5.5	12,800
Inferred	-	-	-
Total	72,100	5.5	12,800

The resource estimate was completed using the following parameters:

- The Mineral Resource estimate for the Danyawu Gold (Au) deposit was completed during February 2013 by RungePincocKMinarco Limited (RPM) for Castle Minerals Limited (CDT). The deposit is located within CDT's larger Wa Project area and lies approximately 45km east of the town of Wa in north western Ghana. The Danyawu Prospect is situated within the Julie West Prospecting Licence.
- The resource estimate complies with recommendations in the Australasian Code for Reporting of Mineral Resources and Ore Reserves prepared in 2004 by the Joint Ore Reserves Committee (JORC), therefore it is suitable for public reporting. Competent Person sign off is provided by CDT. The RPM Mineral Resource is summarised in the above Table.
- The resource has a 90m strike extent from 588,670mE to 588,760mE. The vertical extent of the resource is 90m from surface at 260mRL to 170mRL.
- Drill holes used in the resource estimate included 27 reverse circulation holes for a total of 276m within the resource wireframes. The total database contained 50 records for a total of 3,557m of drilling and sampling.
- Drilling density varied from 20m by 10m to 40m by 20m over the deposit. Drill holes were oriented in three major directions, 180 azimuth at -50⁰, 000 azimuth at -50⁰ and vertical).
- Samples were collected at 1m intervals via a riffle splitter at the time of drilling and then stored off site. These were used to prepare 5m 'spear' composites which were submitted to the laboratory. If the 5m composite returned an assay greater than 0.1g/t Au, the individual 1m samples in the interval were assayed. The exception was the logged quartz vein, where the original riffle split 1m sample was sent directly to the laboratory.
- Samples were sent to Transworld Laboratory and SGS Laboratories in Tarkwa, Ghana for analysis. Samples were prepared by drying, crushing to -6mm and then pulverising to <75 microns (-200 mesh). Analysis for Au was by 50g Fire Assay with an atomic absorption spectrometry (AAS) finish.
- Quality control samples were collected on a regular basis and the results have been reviewed by RPM and deemed satisfactory.
- Drillhole collars have been surveyed by Coffey Mining (Coffey) using a Sokkia Stratus DGPS to an accuracy of 10mm except for the final 8 vertical holes that are yet to be surveyed.
- Down hole surveys were completed for all angled holes using a single shot Eastman camera.
- Wireframes were constructed using cross sectional interpretations based on a nominal 0.3g/t Au cut-off grade and the percentage of observed quartz. Interpretations were based on those supplied in hardcopy form by CDT.
- Samples within the wireframes were composited to even 1.0m intervals. High grade cuts of 50g/t and 2.5g/t Au were determined for Object 1 and Object 2 respectively based on statistical analysis and applied to the 1m composite values.
- A Surpac block model was used for the estimate with a block size of 10m NS by 10m EW by 5m vertical with sub-cells of 1.25m by 1.25m by 0.625m.
- Inverse Distance Squared (ID2) interpolation with an oriented 'ellipsoid' search was used for the estimate. A first pass radius of 30m and a second pass of 60m were used with a minimum number of samples of 10 and 6 respectively. All the resource blocks were filled in the two passes.

- No bulk density test work has been completed. A bulk density of 2.0 was assigned to oxide material, 2.4 t/m³ was assigned to the quartz vein within the transitional material and 2.75 t/m³ assigned to the fresh material. These values were supplied by CDT and are considered reasonable for this style of mineralisation.
- The Mineral Resource was classified largely as Indicated due to structural and grade continuity within mineralised lodes and the adequate drill hole spacing of 20m by 10m and 40m by 20m.

Competent Person Statement

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

Information in this announcement that relates to Gold 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 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 Ivey consents to the inclusion in the announcement of the matters based on the information in the form and context in which it appears.