

4<sup>th</sup> April 2013



## **ASX Announcement**

# **Castle Signs Option Agreements with Merah Resources**

Castle Minerals Limited (ASX:**CDT**) is pleased to announce that it has signed option agreements with Merah Resources Limited (ASX:**MEH**) to acquire Castle's 100% interest in the Antubia and Kong gold Projects located in Ghana.

Under the key terms of the agreements, Merah must (subject to statutory approvals) issue up to 6 million Merah shares to Castle for each project in three equal tranches based on (i) tenement grant and/or ministerial consent; (ii) definition of a JORC resource and (iii) completion of a PFS and mining lease grant.

Merah must also make staged cash payments to Castle totalling \$270,000 and commit to spending a minimum \$350,000 per annum on exploration.

Castle's Managing Director, Mr Mike Ivey said, "We are very pleased to have reached agreement with Merah that will allow renewed exploration activity over these two projects whilst providing significant upside for Castle shareholders through a substantial equity position in Merah".

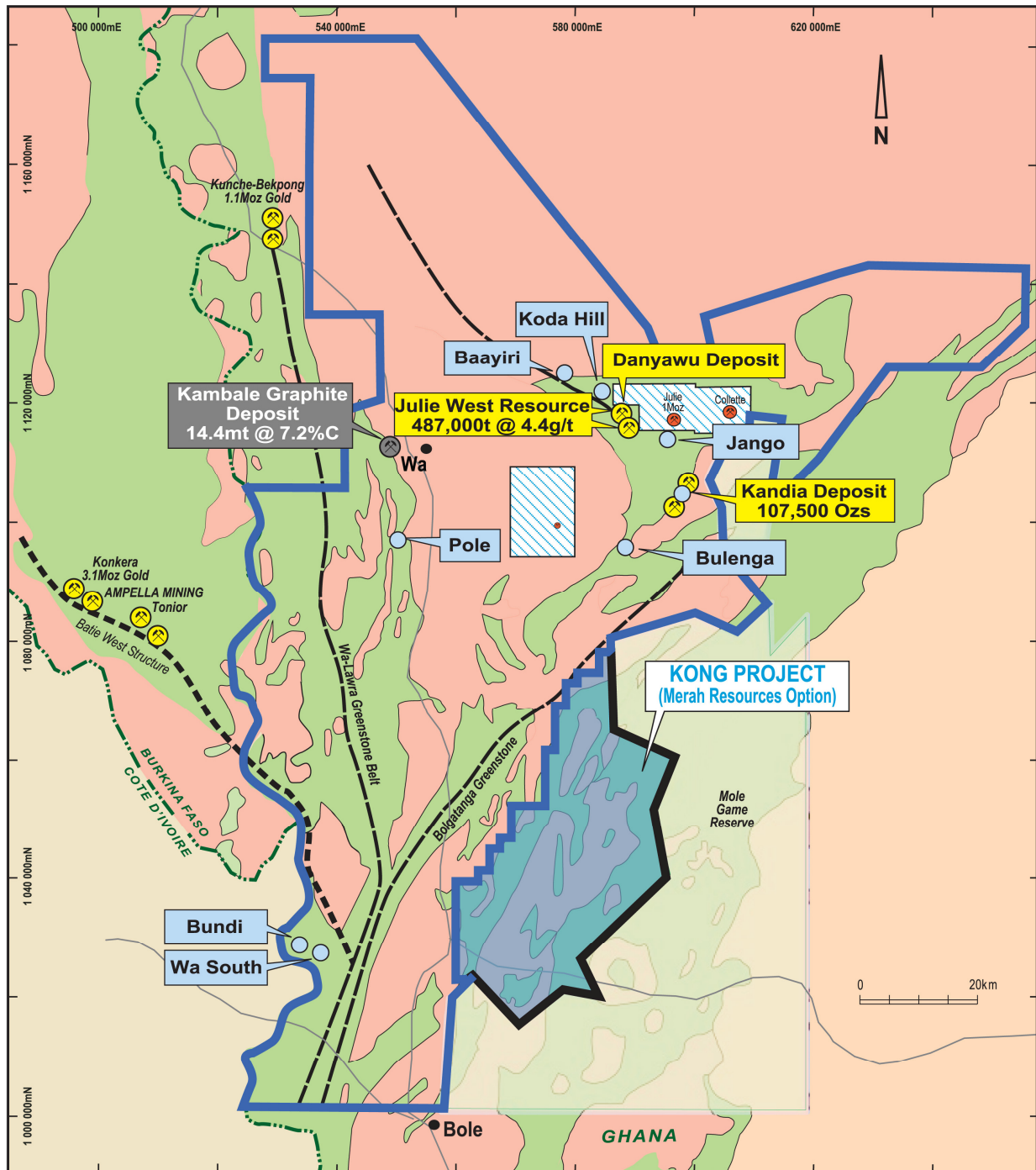
Castle will maintain its exploration focus on its Wa Project in north-west Ghana, where it is continuing with a +40,000m drill program testing 26 of more than 60 gold targets identified within the larger Wa Project area.

For further information please contact:

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Castle's Ghana Projects



Castle's 10,000 km<sup>2</sup> Wa Project in north-west Ghana. The 1,200 km<sup>2</sup> Kong Project is located on the south east edge of the Project area.

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 11,000km<sup>2</sup>.

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.

## About Merah Resources:

Merah Resources Limited is a resources and energy company whose primary purpose is to define further mineralisation on its existing projects and identify, review and acquire potential new resources and energy based projects in Australia and overseas. The Board and management of the Company have technical, operational, legal and corporate expertise in mineral exploration, finance, project acquisition, development and operations in listed public companies.

The company also owns 100% of the Mt Adamson Project located 28kms west of Leinster, Western Australia and secured an option to earn an 80% interest in the Bounty and McAuley Projects located 5kms north of the Mt Adamson Project.

The company is actively exploring the three West Australian project areas in the immediate term by targeted and cost effective work programmes with the objective of discovering mineralisation that has the potential to be defined as a JORC Code compliant mineral resource.

The company intends to continue to identify, evaluate and if warranted, acquire additional resource projects and assets in Australia and/or overseas if the Board considers that they have the potential to add Shareholder value.

The company will be looking to acquire these additional interests by way of direct project acquisition, farm in, joint venture or direct equity in the project owners, and may include minerals or prospectivity for minerals other than gold and base metals.

*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.*