

OVERSUBSCRIBED PLACEMENT & SHARE PURCHASE PLAN TO RAISE UP TO \$2 MILLION



ASX & Media Release

ASX Code: CDT
13 October 2020

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Board:

Michael Atkins
Chairman

Stephen Stone
Managing Director

James Guy
Non-Executive Director

Company Secretary:
Jade Styants

Capital Structure:

Ordinary Shares: 486.5M
Unlisted Options: 15.5M

- **Oversubscribed placement of new shares at \$0.01 per share to raise \$1 million, subject to shareholder approval at AGM.**
- **Share Purchase Plan to raise up to a further \$1 million¹ at \$0.01 per share.**
- **Funds will be used primarily to progress exploration at the Company's Western Australia gold projects, to provide greater flexibility to respond to new opportunities and for general working capital purposes.**

Castle Minerals Limited (ASX: CDT) ("Castle" or the "Company") advises that it has received firm commitments from professional and sophisticated investors to subscribe for 100,000,000 fully paid new ordinary shares in the Company at an issue price of \$0.01 per share to raise \$1,000,000 before costs ("Placement").

The Placement, which was heavily oversubscribed, is subject to obtaining shareholder approval at the Company's upcoming Annual General Meeting which is expected to be held on or around 19 November 2020.

Share Purchase Plan

The Company advises that it intends to offer eligible shareholder the opportunity to participate in a Share Purchase Plan ("SPP") to raise up to \$1,000,000¹ before costs.

Under the SPP, 100,000,000 fully paid ordinary shares will be offered at the Placement issue price of \$0.01 per share to eligible shareholders who have a registered address in Australia and New Zealand on the record date, being 5.00pm (WST) on Monday, 12 October 2020.

Eligible shareholders will be entitled to acquire up to \$30,000 of shares under the SPP.

The SPP issue price equates to approximately a 14.85% discount to the 5-day volume weighted average market price of the Company's Shares as traded on the ASX immediately prior to the announcement of the SPP.

Participation in the SPP is optional but will provide eligible shareholders with an opportunity to increase their shareholding without paying brokerage fees or other transaction costs, irrespective of the size of their shareholding.

Full details of the SPP, including the offer letters and the application form, will be dispatched to eligible shareholder by their preferred method on or about Monday, 19 October 2020. A copy of the SPP documentation will also be lodged on the ASX announcement platform.

Use of Funds

The net proceeds of the Placement and the SPP will be used primarily to progress exploration at the Company's Western Australia gold projects, to provide greater flexibility to respond to new opportunities and for general working capital purposes.

The shares to be issued under the Placement and Share Purchase Plan will rank equally in all respects with existing ordinary shares. Following completion of the Placement and the Share Purchase Plan the total number of ordinary shares on issue in Castle will be 686,539,091.

Share Purchase Plan Timetable ²

SPP Event	Date
Record Date	5.00pm (WST) Monday, 12 October 2020
Announcement of SPP Lodgement of Appendix 3B on ASX	Tuesday, 13 October 2020
Dispatch of SPP Offer Booklet & release to the ASX	Monday, 19 October 2020
Opening date of SPP offer	Monday, 19 October 2020
Closing Date	5.00pm (WST) Monday, 2 November 2020
Announcement of results	Wednesday, 4 November 2020
Expected date of issue of Shares Lodgement of Appendix 2A on ASX	Thursday, 5 November 2020

- (1) As the SPP is not underwritten, the Company may raise more or less than this amount. Subject to compliance with the ASX Listing Rules, if the SPP raises more than \$1,000,000, the Board of Castle may decide in their absolute discretion to accept applications (in whole or in part) that result in the SPP raising more than \$1,000,000. If Castle decides to conduct a scale-back of applications, for example because the aggregate amount applied for under the SPP exceeds Castle's requirements, the scale-back would be applied on a pro-rata basis to shareholdings of participating eligible shareholders at the record date for the SPP.
- (2) The above timetable is indicative only and subject to change. The commencement and quotation of shares on ASX issued under the SPP is subject to confirmation from the ASX. Subject to the requirements of the Corporations Act, the ASX Listing Rules and other applicable rules, Castle reserves the right to amend this timetable at any time, including extending the period for the SPP or accepting late applications, either generally or in particularly cases, without notice.

Lead Manager

GTT Ventures Pty Ltd ("GTT") is lead manager to the Placement and will be paid a fee of six percent on the funds raised under the Placement and in addition, subject to shareholder approval at the upcoming AGM, will be issued with 10,000,000 options exercisable at \$0.02 each, expiring on 30 June 2022 ("Options"). In the event the resolution to approve the issue of the Options is not passed at the AGM, Castle has agreed to pay GTT \$50,000 in lieu of the Options.

Shareholder approval for the issue of the Placement Shares and the Options will be sought at the Company's upcoming AGM, which is expected to be held on or around 19 November 2020.

Authorised for release to ASX by the Board of Castle Minerals Limited:

Stephen Stone
 Managing Director
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About Castle Minerals Limited

Castle Minerals is an Australian Stock Exchange (ASX: CDT) listed and Perth, Western Australia headquartered company with interests in several projects in Western Australia and Ghana that are prospective for gold and other minerals.

At the **Wanganui** project (E51/1703, 18.4km²), 33km south-west of the active Meekatharra mining centre and 15km south-west of the operating Bluebird gold mine, the opportunity is to test for down-plunge and along strike extensions to the existing Main Lode North and South deposits, as well as for other similar targets. The Main Lode mineralisation, which can be intermittently traced for at least 1km, is one of at least four structurally related mineralised zones.

The **Polelle** project (E51/1843, 144.5km²), 25km south of Meekatharra and 7km southeast of the operating Bluebird Mine, hosts a mainly obscured and minimally explored greenstone belt comprising a combination of prospective lithological units and major structural features. This includes the Albury Heath shear which hosts the Albury Heath deposit (Inferred Resource of 528,000t at 2.09g/t Au for 35,479oz Au) immediately adjacent to the east boundary of the licence. Aeromagnetics have indicated that the southwest trending Albury Heath shear is traceable onto the Polelle project area for some 7.5km.

The **Beasley Creek** project lies on the northern flanks of the Rocklea Dome in the southern Pilbara. The strategy is to define structurally controlled gold targets within the various Archean sequences. These lie immediately above and below the 16km east-west striking conglomerate horizons which had been the initial focus of exploration by Castle. The sheared granite - greenstone contact and the “Paulsen Gold Mine” type setting within the gabbro/dolerite units, that intrude the Hardy Sandstone in the northern part of the project area, are of particular interest.

The **Success Dome** project is a recent application for an exploration licence in the Ashburton structural corridor and is located midway between the Paulsen’s and Ashburton gold deposits. It is prospective for gold and base metals. More locally, Success Dome lies immediately adjacent to the southern margin of the Hamersley Basin and 40km southwest of Castle’s Beasley Creek gold project. Major thrust faults and sub-parallel shear zones highlighted in the regional magnetic and gravity data, combined with additional detailed geophysics data from previous explorers, brought this available area to Castle’s attention.

In **West Africa**, Castle has a substantial and contiguous tenure position in Ghana’s Upper West region. Ghana has a long history of gold exploration and mining with several world-class gold mining operations owned by Tier 1 mining companies. Castle’s Ghana licence holdings encompass extensive tracts of highly prospective Birimian geological terrane, the host to many of West Africa’s and Ghana’s multi-million-ounce gold mines.

Castle also retains a 4% net smelter precious metal royalty over the adjacent Julie West licence that was sold to Azumah Resources Limited and which comprises a key component of Azumah’s Wa Gold Project.

Cautionary Statement

All of Castle’s projects in Australia are considered to be of grass roots or of relatively early stage exploration status. There has been insufficient exploration to define a Mineral Resource. No Competent Person has done sufficient work in accordance with JORC Code 2012 to conclusively determine or to estimate in what quantities gold or other minerals are present. It is possible that following further evaluation and/or exploration work that the confidence in the information used to identify areas of interest may be reduced when reported under JORC Code 2012.

Forward Looking Statement

Statements regarding Castle’s plans, forecasts and projections with respect to its mineral properties and programmes are forward-looking statements. There can be no assurance that Castle’s plans for development of its mineral properties will proceed as currently expected. There can be no assurance that Castle will be able to confirm the presence of Mineral Resources or Ore Reserves, that any mineralisation will prove to be economic or that a mine will be successfully developed on any of Castle’s mineral properties. The performance of Castle may be influenced by a number of factors which are outside the control of the Company, its Directors, staff or contractors.

Competent Persons Statement

The scientific and technical information in this Report that relates to the geology of the deposits and exploration results is based on information compiled by Mr Stephen Stone, who is Managing Director of Castle Minerals Limited. Mr Stone is a Member of the Australian Institute of Mining and Metallurgy and has sufficient experience which 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 Edition of the 'Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves'. Mr Stone is the Qualified Person overseeing Castle's exploration projects and has reviewed and approved the disclosure of all scientific or technical information contained in this announcement that relates to the geology of the deposits and exploration results.