# Exploring the Largest Landholding in Ghana

AFRICA DOWNUNDER

Perth August 2011

Castle Minerals Limited

# History and Overview

- Exploring in Ghana since 2006- ASX: **CDT**
- Largest Landholder with >11,000km$^2$
- 2011 our most successful year with three greenfields gold discoveries in **last six months**
- Proven the prospectivity of our land holding
- Preparing for a bigger 2011/12 field season
- Well funded with $7.5M

# Board and Key Management

**Michael Ivey** - *Chairman, MD & CEO*

Geologist, 25 years corporate, technical, exploration and mine development experience
Former CEO of 300Koz pa Australian gold producer. 2002 Gold Mining Journal Mining Executive of the Year

**Michael Ashforth** - *Non Executive Director*

Executive director of Macquarie Capital. Former MD of Gresham Advisory Partners and partner of Freehills.

**Campbell Ansell** - *Non Executive Director*

Chartered Accountant with long term involvement in resources sector having held numerous public, private & government board positions.

**Des Kelly**- *Secretary*

Des Kelly has over 30 years financial and corporate management experience focused mainly in the resources sector and provides corporate and administration management expertise to a number of publicly listed companies

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**Haydn Hadlow**- *Exploration Manager*

Haydn Hadlow is a geologist with more than 25 years Australian and international gold exploration and resource management experience having previously held senior roles with IAMGOLD Corporation, Placer Dome Asia Pacific and Pancontinental Limited

**Ed Mills** - *Supervising Geologist Ghana*

Geologist, with MSc from Rhodes University . Extensive exploration and mining experience in Ghana, DRC , Rwanda and Australia

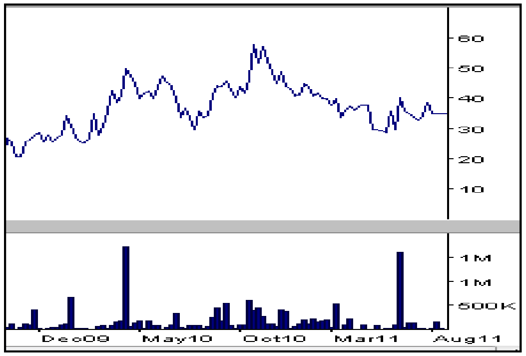
**Paul Amoako-Atta** - *Ghana Representative and Geological Consultant*

Geologist, formerly Ghana Geological Survey and Ghana Minerals Commission. Principal of Terrex Limited a Ghana Based geological consultancy

# Castle Market Statistics

Castle Minerals Limited

- Issued Shares 113.5m
- Options (35c Dec 2011 and 40c) 4.55m
- Market Cap (@35c) $40m
- Cash (Sep 2011) $7.5 m




| | % Issued Capital |
|---|---|
| Azumah Resources | 13.4% |
| Lujeta Pty Ltd | 8.9% |
| Harper | 7.5% |
| Bridgelane Pty Ltd | 6.7% |
| HSBC Custody Nominees | 6.6% |
| M Ivey Pty Ltd | 4.6% |
| Mr Henry Wiechecki | 4.5% |
| Resources Capital Fund Vlp | 3.8% |
| Bluestar Resources Limited | 3.3% |
| Ivoryrose Holdings Pty Ltd | 2.6% |
| Top 20 | 74.2% |

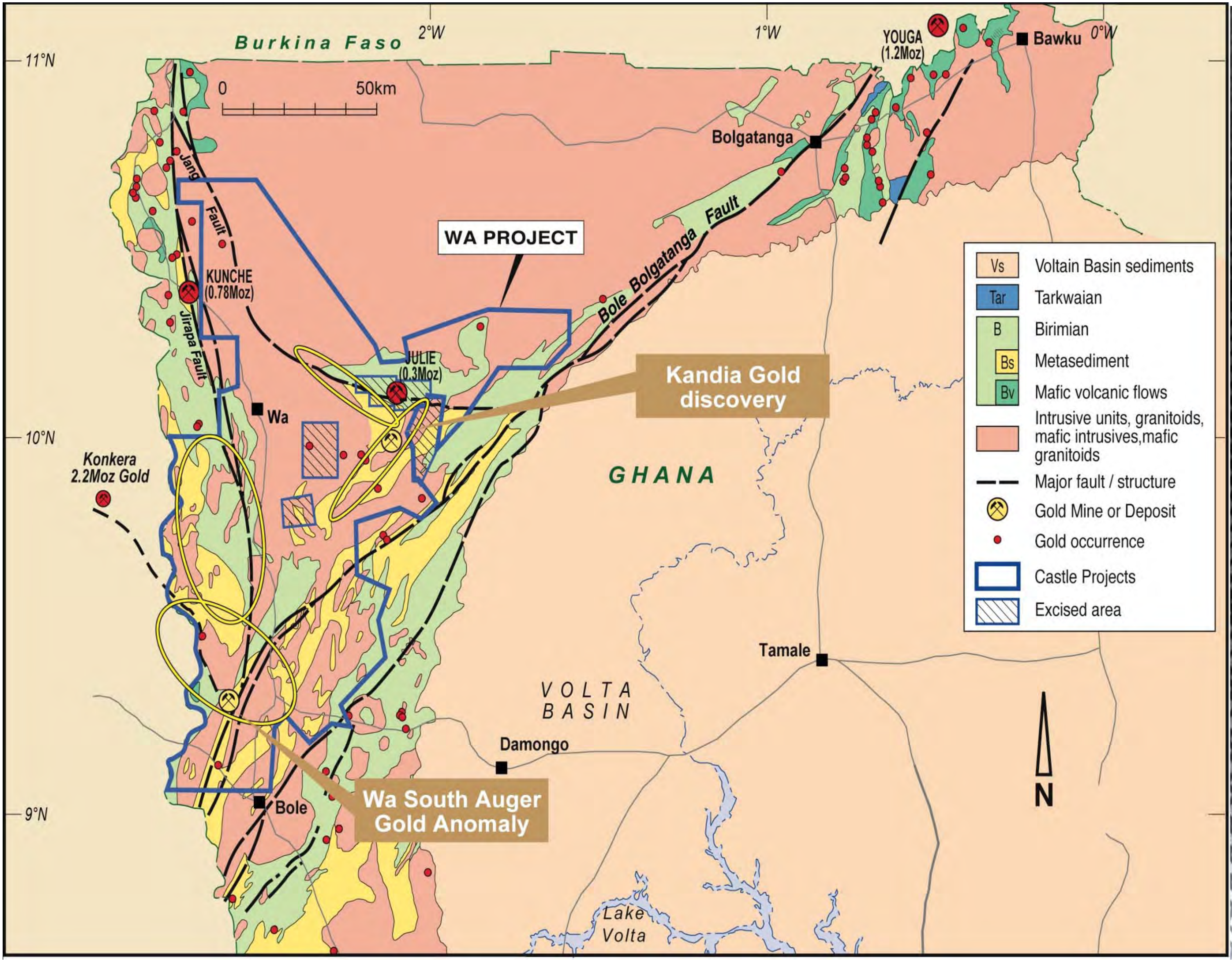
Tight Capital Structure
Register includes;
Seamans Capital (Boston)
Resource Capital Funds VLP (Denver)

Leveraged to exploration success

Directors/Founders ~22%

# Project Locations

- Largest land holder in Ghana
- 6 exploration projects covering ~11,000 $km^2$
- Two gold discoveries in 2008
- Three discoveries in 2011
- Focus on Akoko and Wa projects


Burkina Faso
2°W
1°W
0°W
11°N
10°N
9°N
YOUGA
(1.2Moz)
Bawku
0
50km
Bolgatanga
Jang
Fault
WA PROJECT
Bole Bolgatanga Fault
KUNCHE
(0.78Moz)
Jirapa Fault
JULIE
(0.3Moz)
Kandia Gold
discovery
Wa
Konkera
2.2Moz Gold
GHANA
Tamale
VOLTA
BASIN
Damongo
Bole
Wa South Auger
Gold Anomaly
Lake
Volta
N
Vs
Voltain Basin sediments
Tar
Tarkwaian
B
Birimian
Bs
Metasediment
Bv
Mafic volcanic flows
Intrusive units, granitoids,
mafic intrusives,mafic
granitoids
Major fault / structure
Gold Mine or Deposit
Gold occurrence
Castle Projects
Excised area

# Wa Project

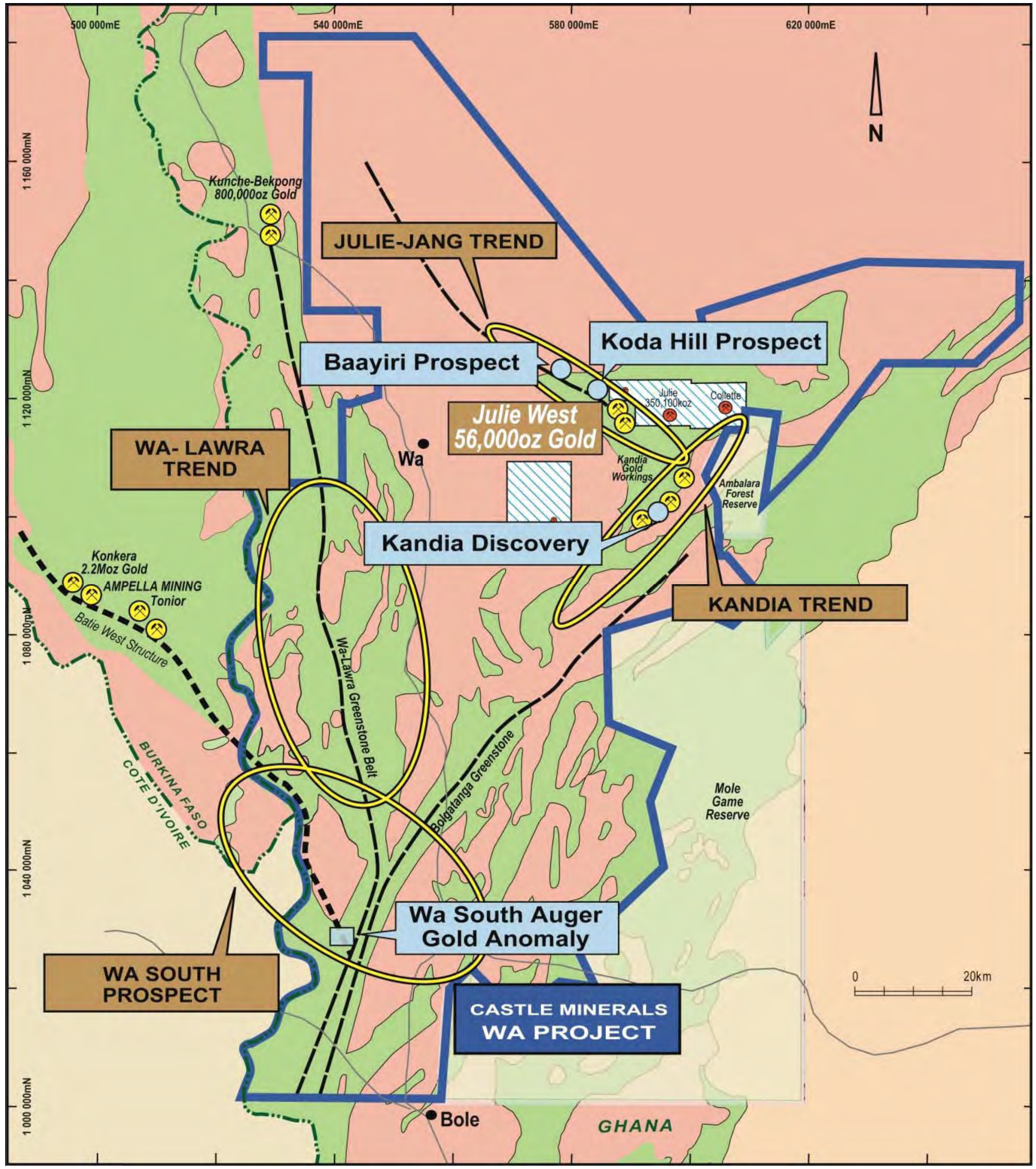
- ~10,000km$^2$
- Good title - 3 RL's, 17 PL's/PLA's
- acquired Nov 2007
- No historic minerals drilling
- Julie West defined 2009, (415,000t @ 4.2g/t)
- 4 advanced regional exploration areas

Wa-Lawra Belt

South Wa

Julie West – Jang

Kandia



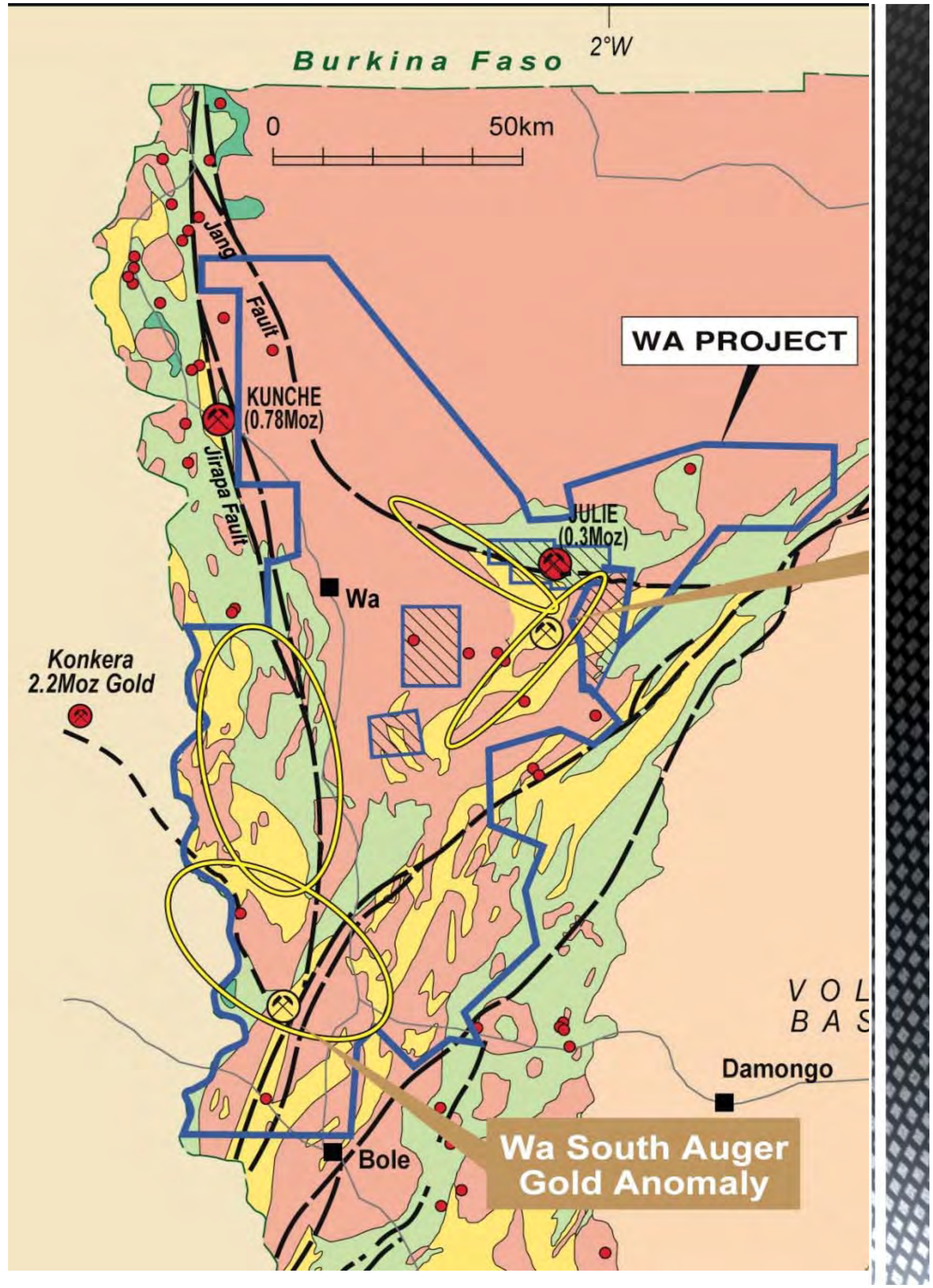
# Wa Project – Wa-Lawra Trend

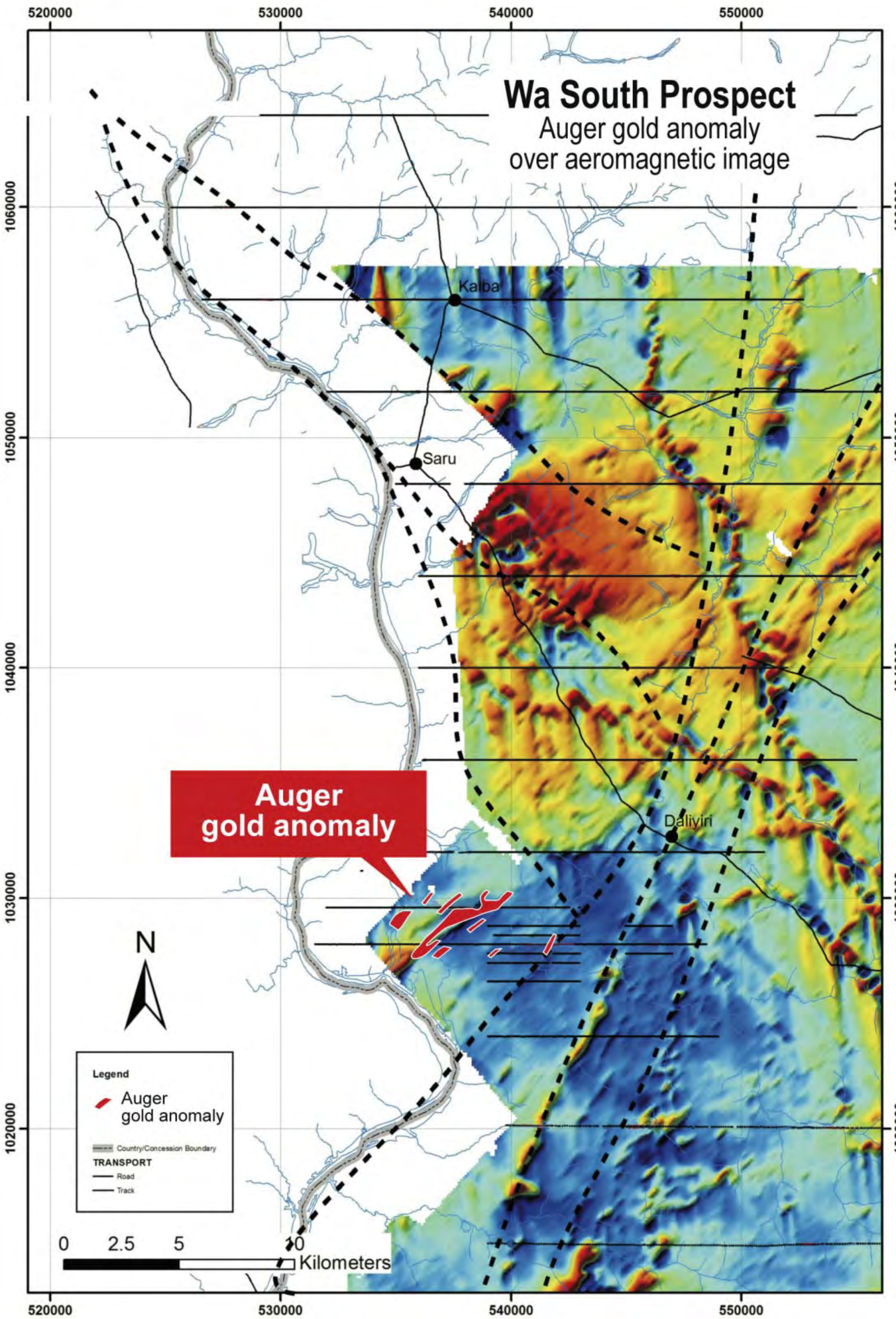
- Wa-Lawra trend (~70 strike km) has same stratigraphy as ~800,000 oz Kunche Bepkong deposits
- Never drilled
- Western area adjacent to Black Volta has variable alluvial cover sequences
- Conventional soils sampling largely ineffective
- Auger and RAB/Aircore drilling required as first test
- 25,000m initial RAB program proposed for 2011/12



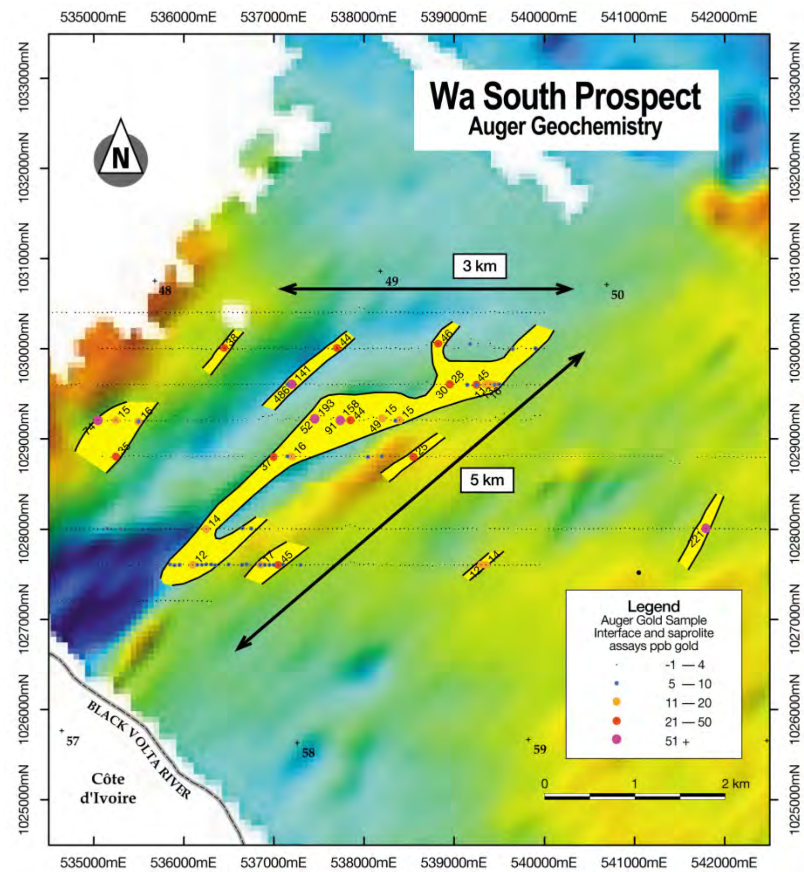
# Wa South

- Intersection of Wa-Lawra and Bolgatanga greenstone belts
- Extension of Batie West structure
- No pre Castle drilling
- Soil anomaly confirmed and refined by auger drilling
- 112 aircore holes on 3 lines completed June 2011 as first test of the 5km x 3km auger anomaly
- Birimian sediments intersected in all holes
- Assays awaited

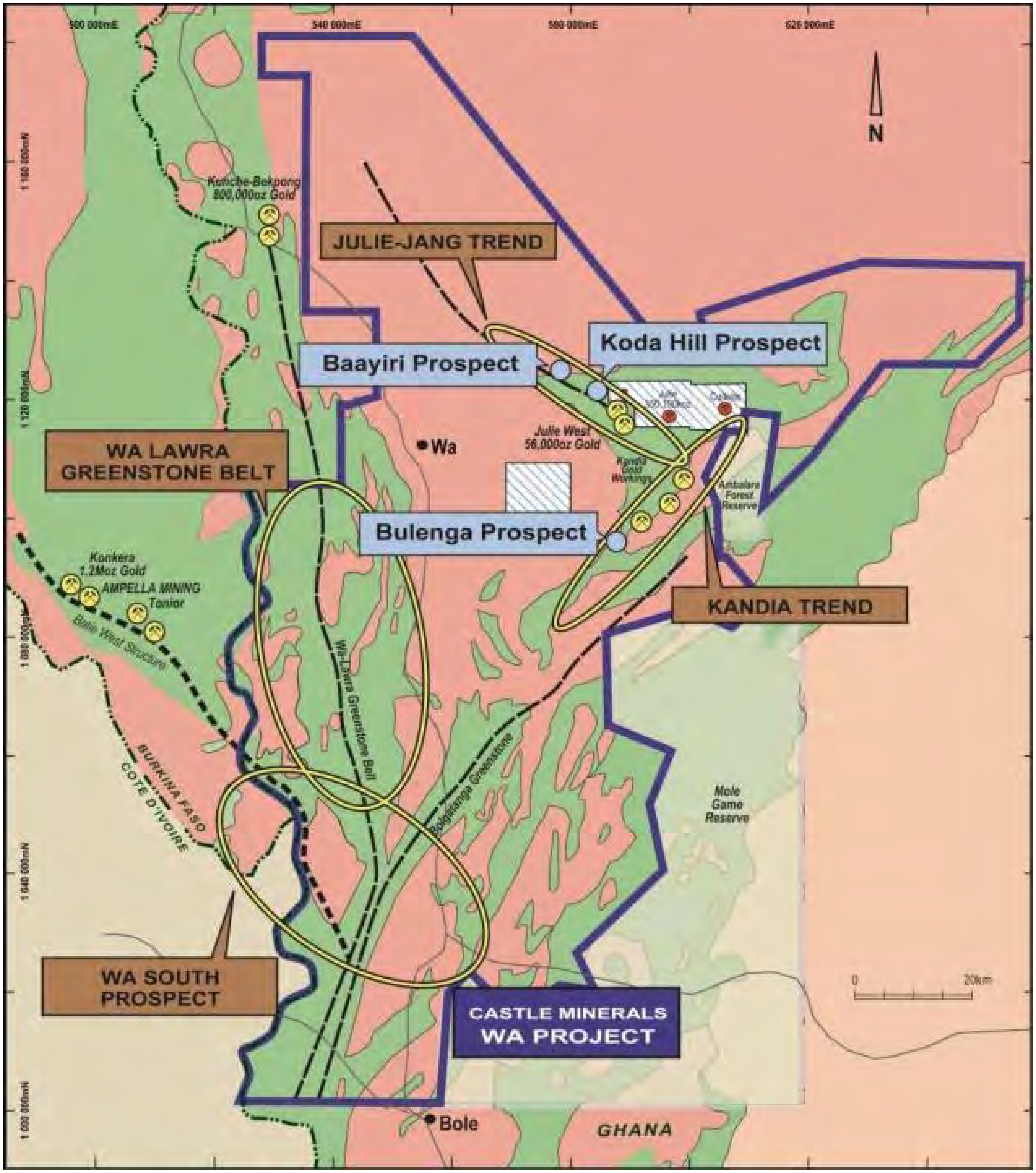




520000
530000
540000
550000
Wa South Prospect
Auger gold anomaly
over aeromagnetic image
1060000
1050000
1040000
1030000
1020000
Kalba
Saru
Daliyiri
Auger
gold anomaly
N
Legend
Auger
gold anomaly
Country/Concession Boundary
TRANSPORT
Road
Track
0 2.5 5 10
Kilometers

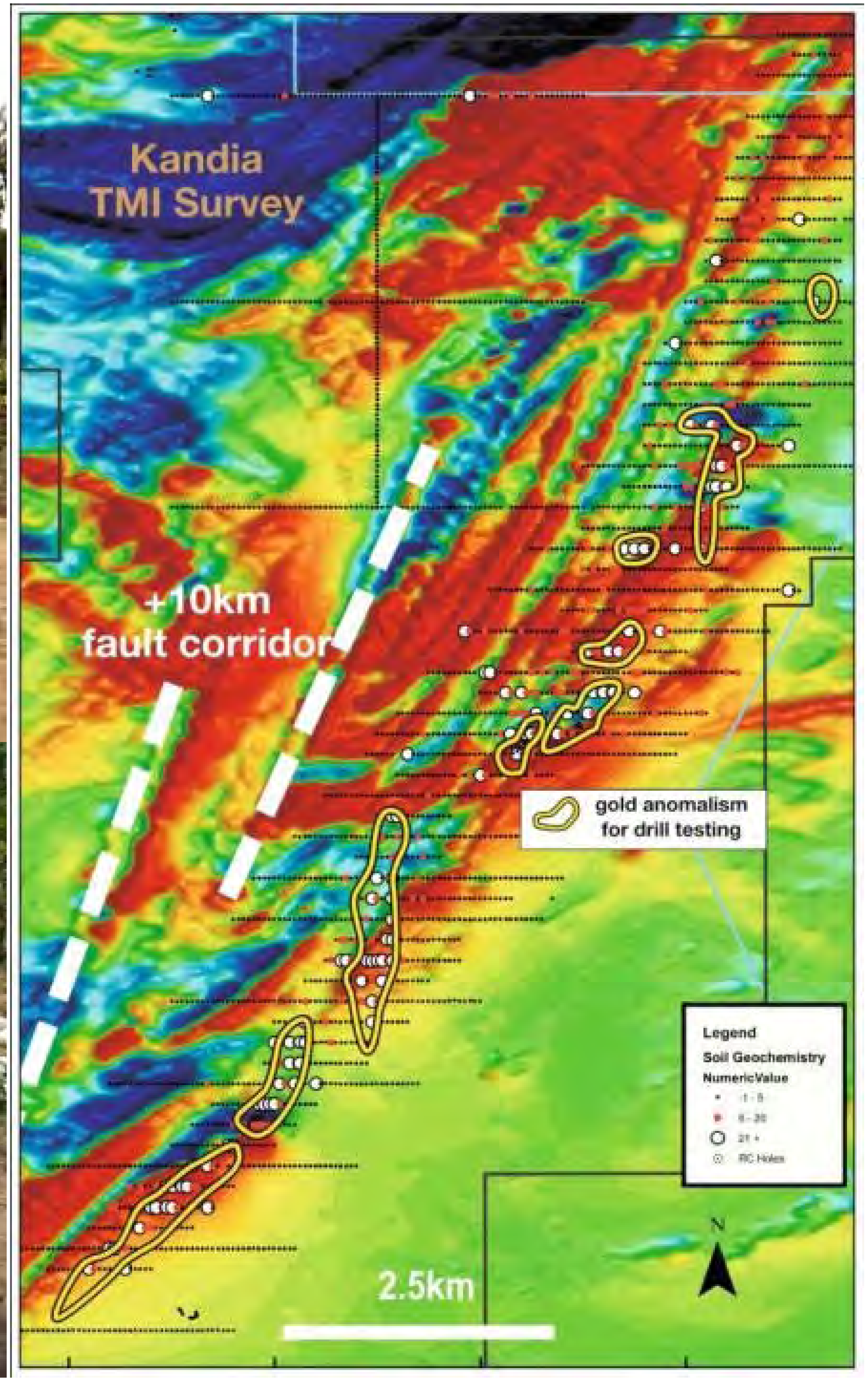
535000mE
536000mE
537000mE
538000mE
539000mE
540000mE
541000mE
542000mE
1033000mN
1032000mN
1031000mN
1030000mN
1029000mN
1028000mN
1027000mN
1026000mN
1025000mN
Wa South Prospect
Auger Geochemistry
N
3 km
5 km
BLACK VOLTA RIVER
Côte
d'Ivoire
Legend
Auger Gold Sample
Interface and saprolite
assays ppb gold
-1 — 4
5 — 10
11 — 20
21 — 50
51 +
0
1
2 km

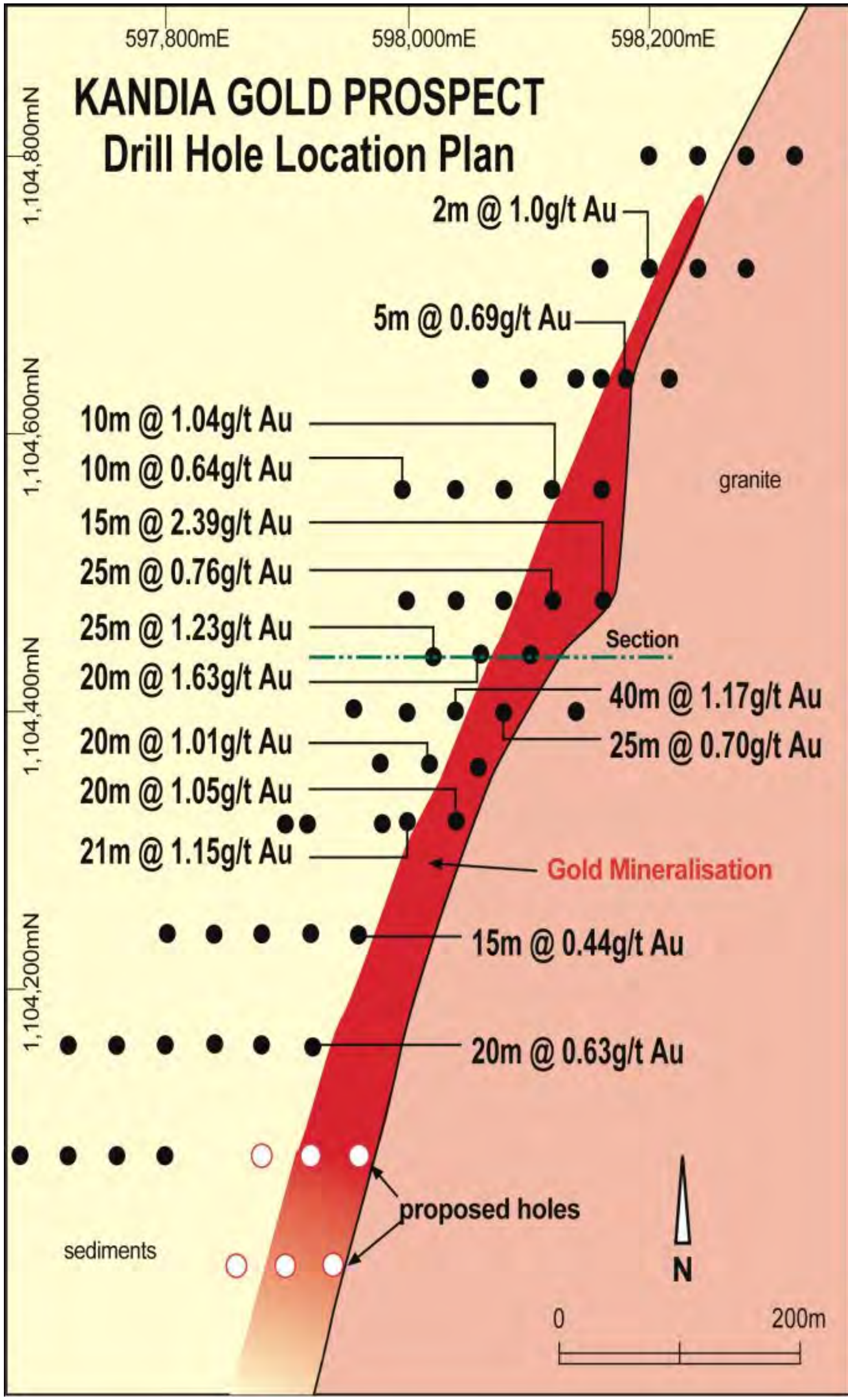




# Kandia Trend

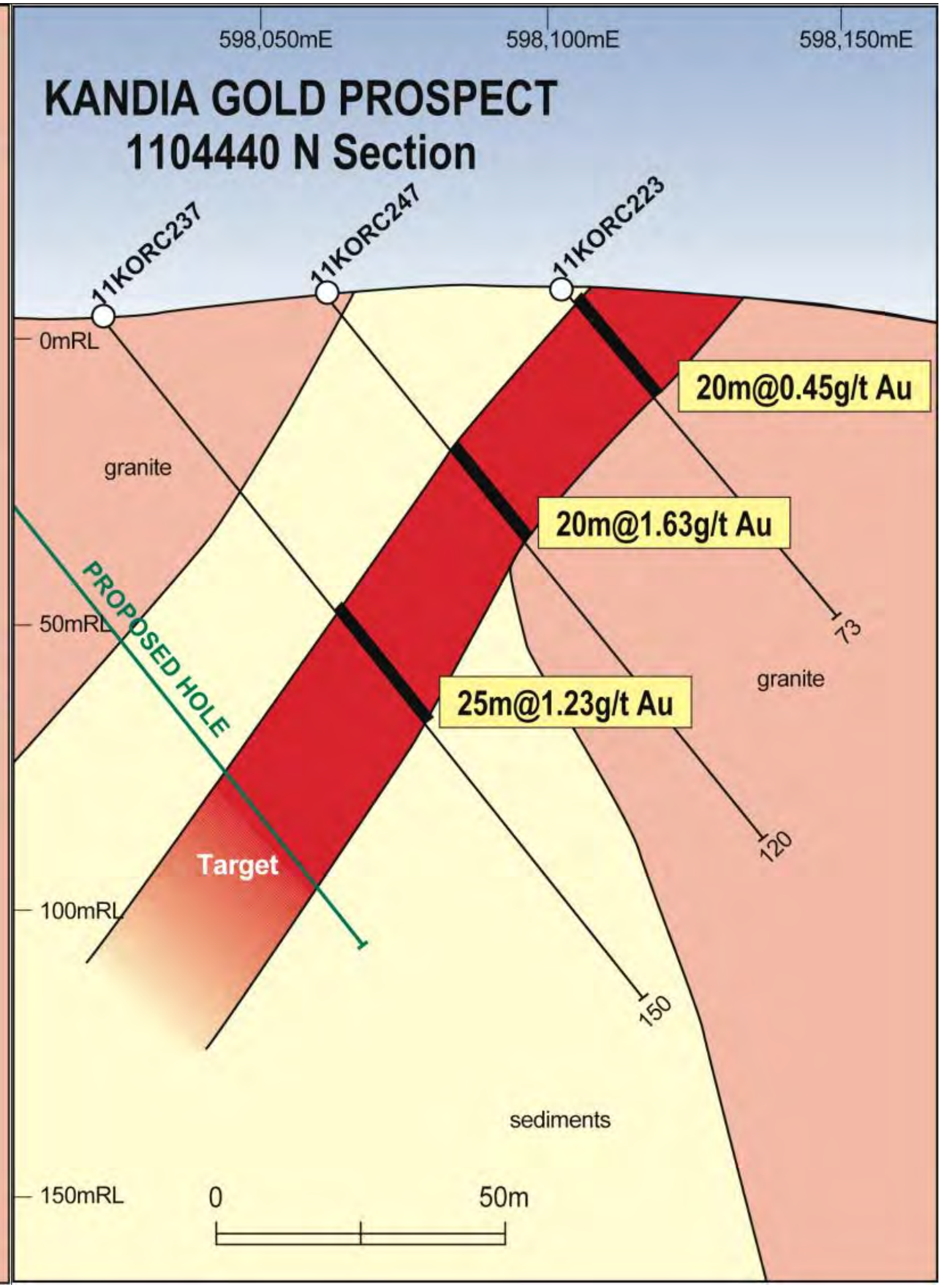
- Previously unknown area of active artisanal gold workings identified in May 2010
- Granite/sediment contact
- 9 discrete geochemical anomalies defined over 12km of strike
- Geophysical survey extended to cover Kandia Trend
- 15,000m RC drilled

# Kandia Artisanals Workings


Kandia
TMI Survey
+10km
fault corridor
gold anomalism
for drill testing
Legend
Soil Geochemistry
NumericValue
2.5km
N



597,800mE
598,000mE
598,200mE
1,104,800mN
1,104,600mN
1,104,400mN
1,104,200mN
KANDIA GOLD PROSPECT
Drill Hole Location Plan
2m @ 1.0g/t Au
5m @ 0.69g/t Au
10m @ 1.04g/t Au
10m @ 0.64g/t Au
15m @ 2.39g/t Au
25m @ 0.76g/t Au
25m @ 1.23g/t Au
20m @ 1.63g/t Au
20m @ 1.01g/t Au
20m @ 1.05g/t Au
21m @ 1.15g/t Au
Section
40m @ 1.17g/t Au
25m @ 0.70g/t Au
granite
Gold Mineralisation
15m @ 0.44g/t Au
20m @ 0.63g/t Au
proposed holes
sediments
N
0
200m

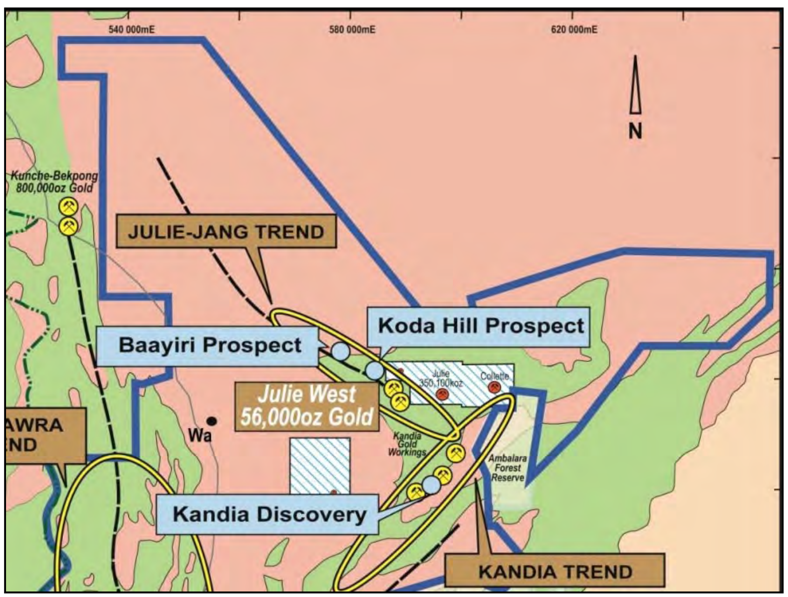
598,050mE
598,100mE
598,150mE
KANDIA GOLD PROSPECT
1104440 N Section
11KORC237
11KORC247
11KORC223
0mRL
50mRL
100mRL
150mRL
20m@0.45g/t Au
20m@1.63g/t Au
25m@1.23g/t Au
granite
PROPOSED HOLE
Target
73
120
150
sediments
0
50m

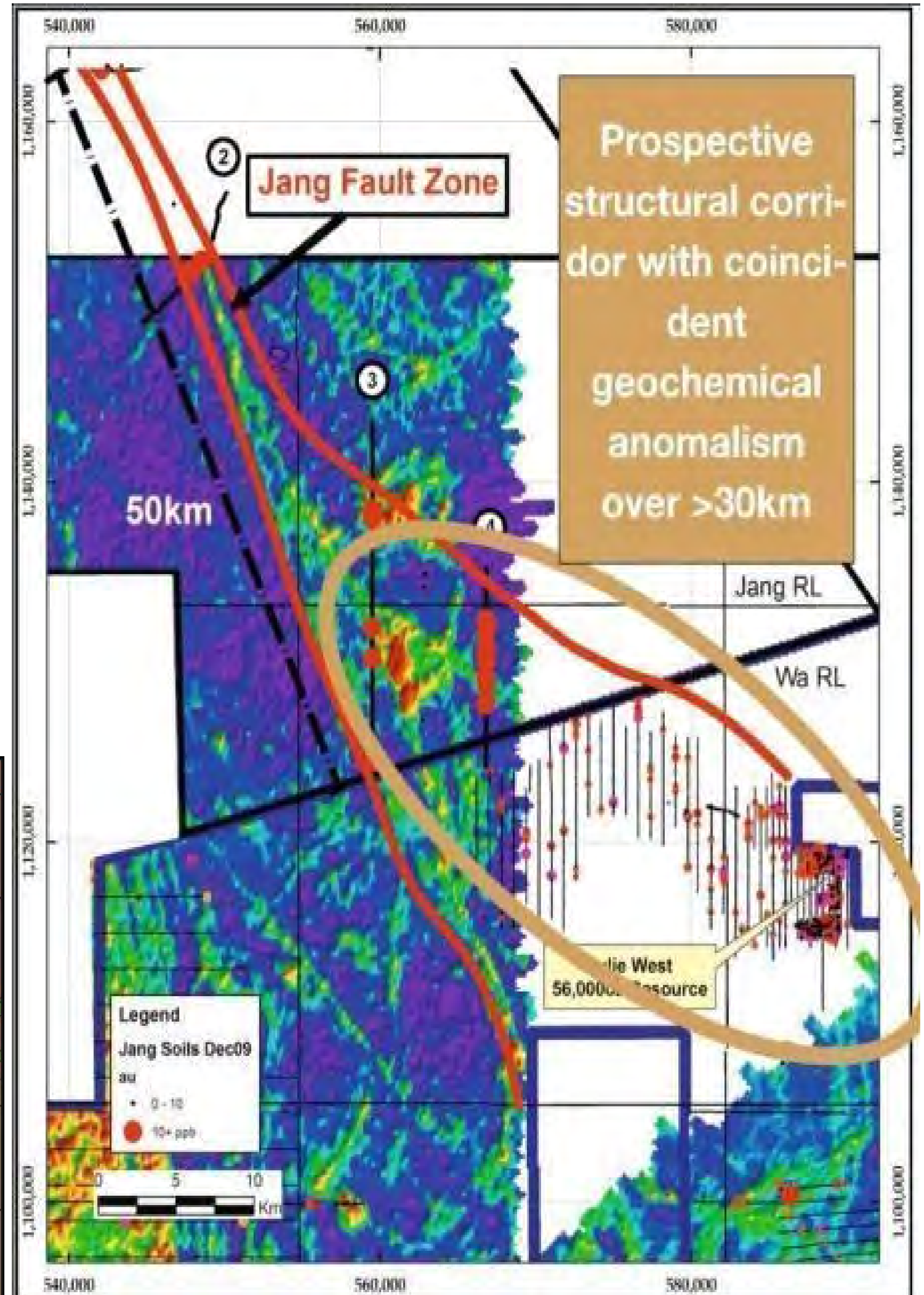
## Kandia Prospect

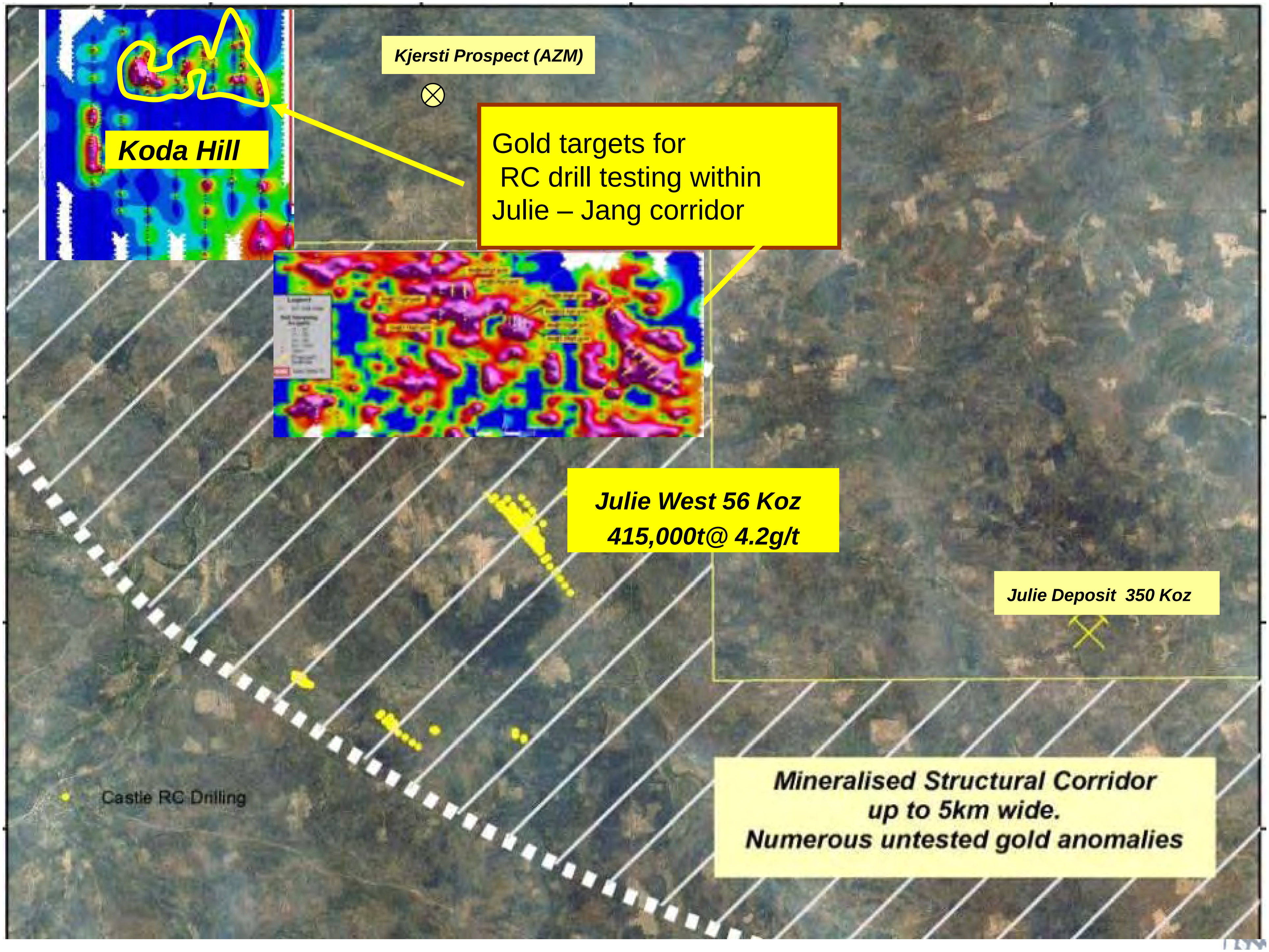
- **Virgin gold discovery** made from drill testing soil anomalism
- RC drilling has confirmed persistent bedrock gold mineralisation **up to 45m wide over +600m of strike. Open to the south and down dip**
- Silica-pyrite alteration within sediments.  Bounded by footwall and hangingwall granites. Evidence for a parallel zone to the west that requires testing
- Excellent potential to define a bulk tonnage sediment hosted gold resource
- **Initial resource calculation** proposed upon receipt of all outstanding assays
- **Numerous other anomalies to test on strike and parallel targets over many strike kilometres**

# Julie West – Jang Corridor

- +50km of anomalous gold geochemistry
- Hosts **Julie West** gold deposit and two new discoveries - **Koda Hill** and **Baayiri**
- 3km west of AZM's Julie deposit
- No historic minerals drilling





Kjersti Prospect (AZM)
Koda Hill
Gold targets for
RC drill testing within
Julie – Jang corridor
Julie West 56 Koz
415,000t@ 4.2g/t
Julie Deposit 350 Koz
Castle RC Drilling
Mineralised Structural Corridor
up to 5km wide.
Numerous untested gold anomalies

# Julie West – Jang Corridor

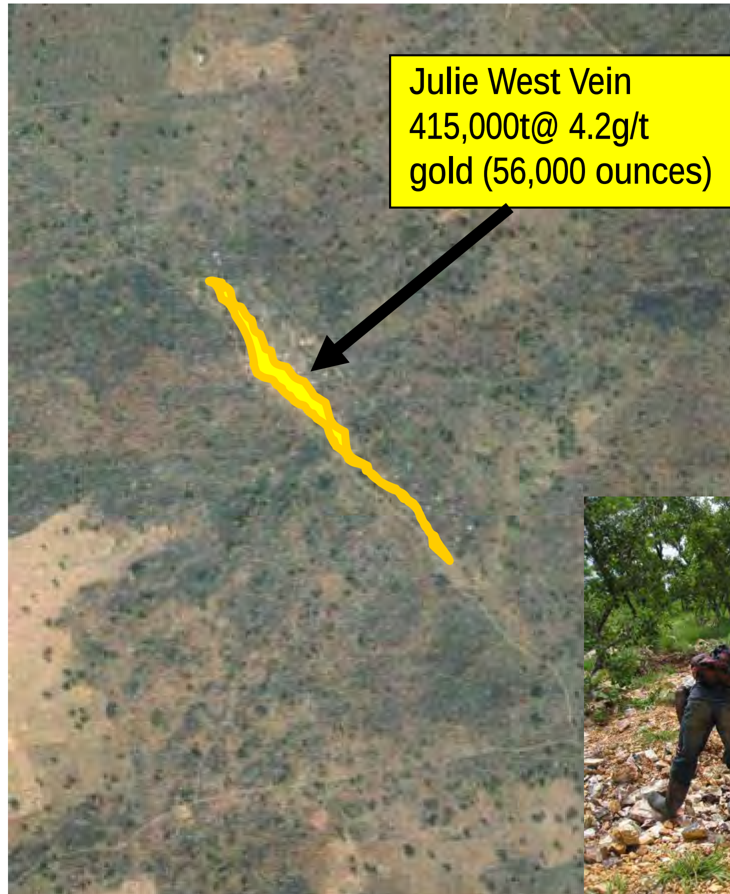
- 500m long laminated quartz vein

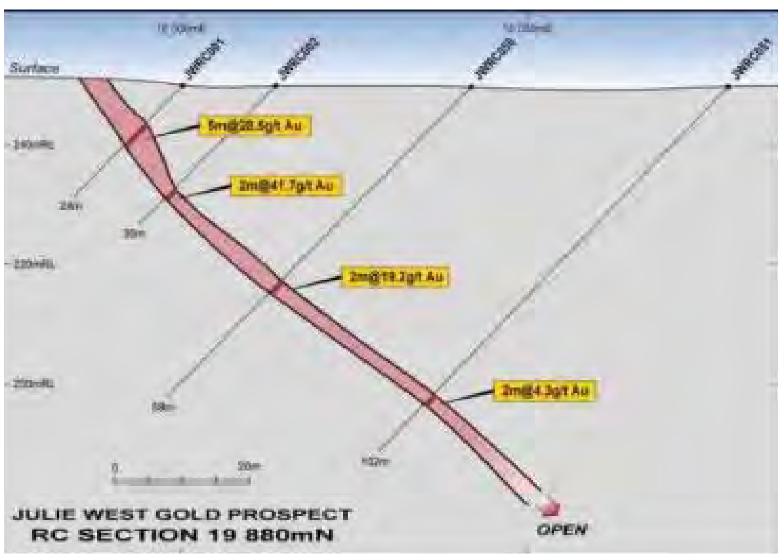
  5m @ 28g/t gold, 2m @ 41g/t gold

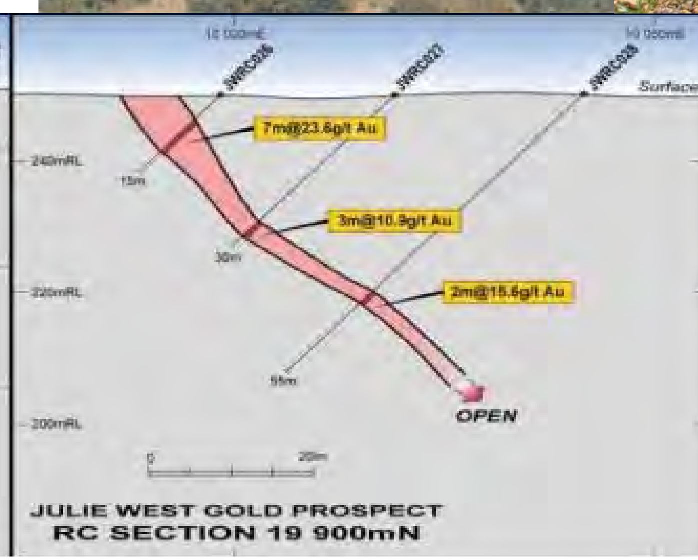
  7m @ 23g/t, 3m @10g/t

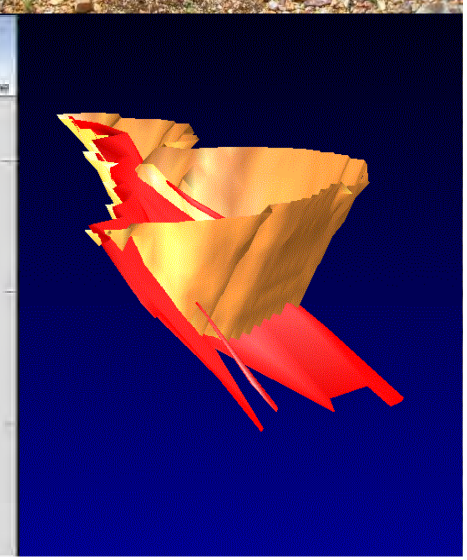
- Conceptual open pit study ($600/oz shell) captures 250kt@ 4.9g/t gold

- Cash cost of US$295/oz



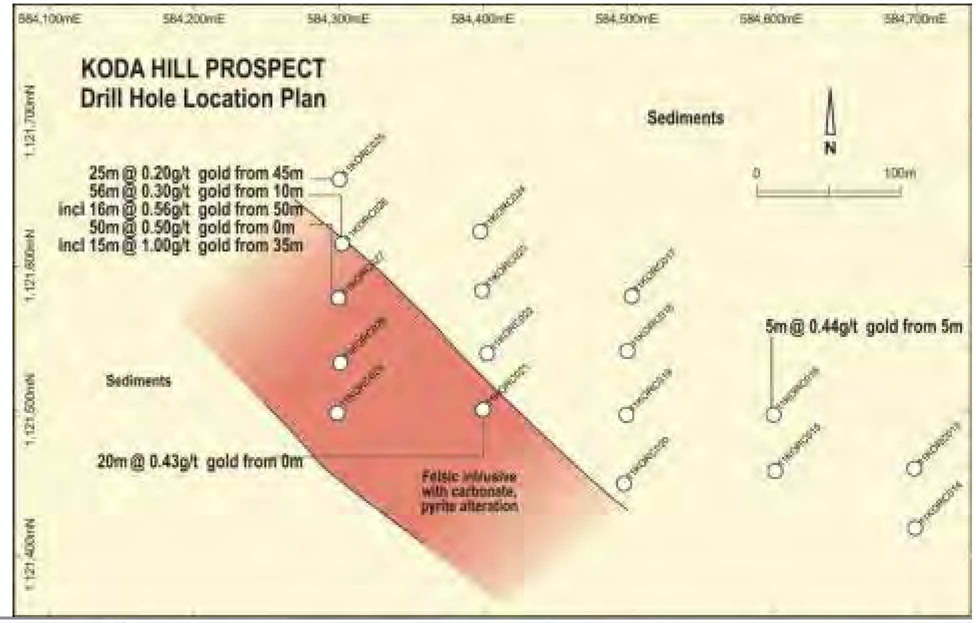
Julie West – Jang Trend

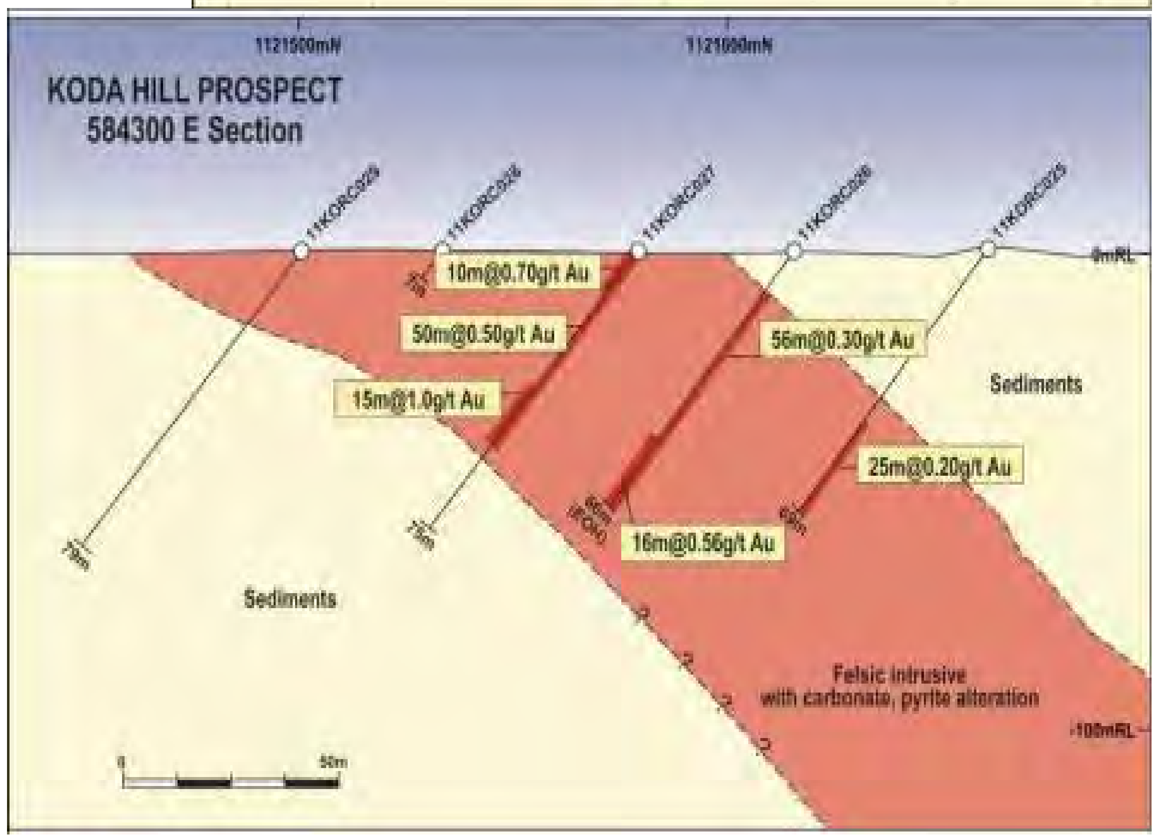
# Koda Hill – New Discovery 2011

- RC drilling intersects wide zones of primary gold mineralisation;

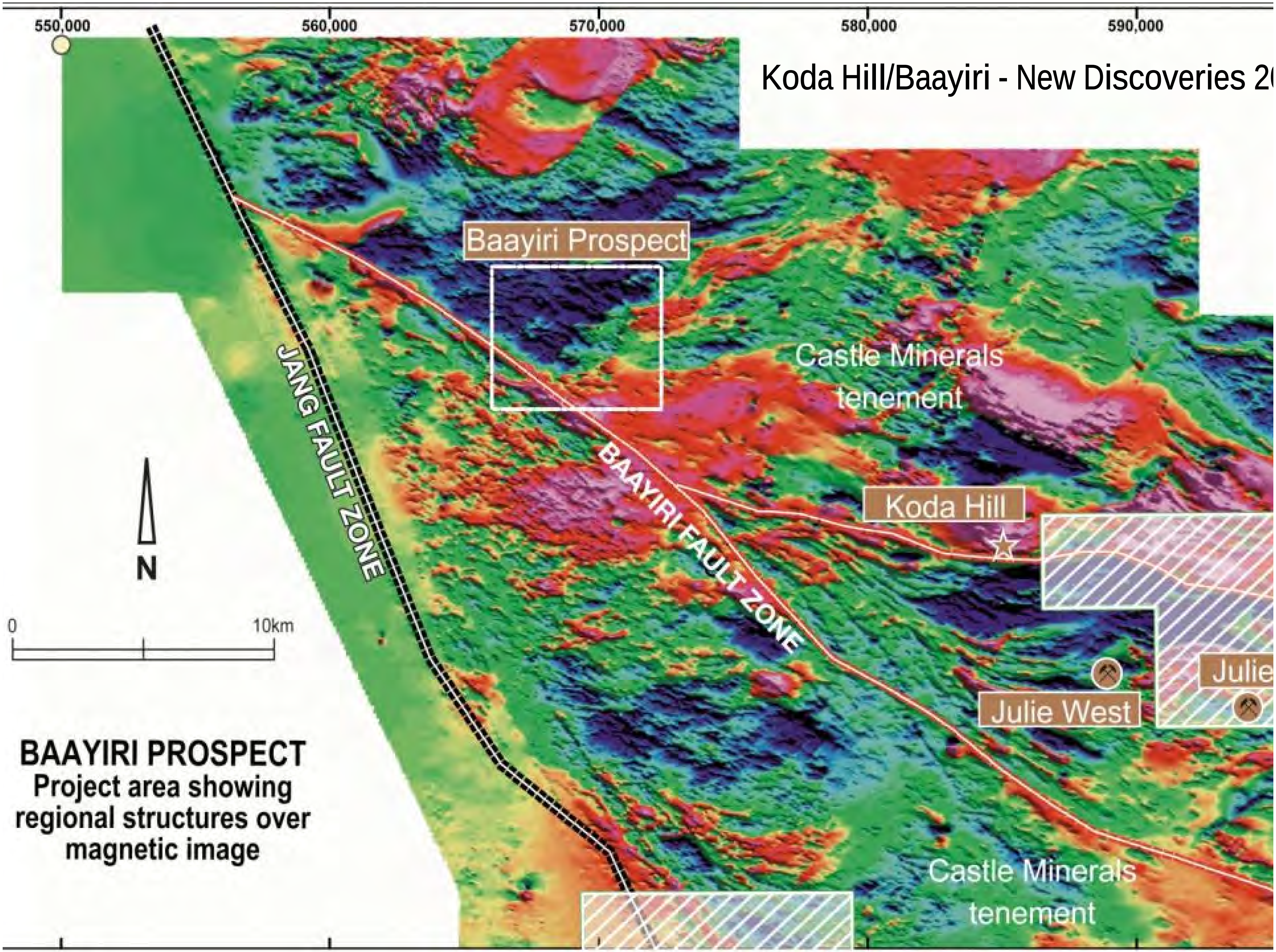
  **50m @ 0.5g/t gold** from surface
  incl. 15m @ 1.01g/t gold from 35m
  **56m @ 0.30g/t gold** from 10m
  incl. 16m @ 0.56g/t gold from 50m
  **20m @ 0.43g/t gold** from surface

- Phase 2 extensional and deeper drilling completed– results awaited



Koda Hill/Baayiri - New Discoveries 2




**BAAYIRI PROSPECT**
**Project area showing regional structures over magnetic image**

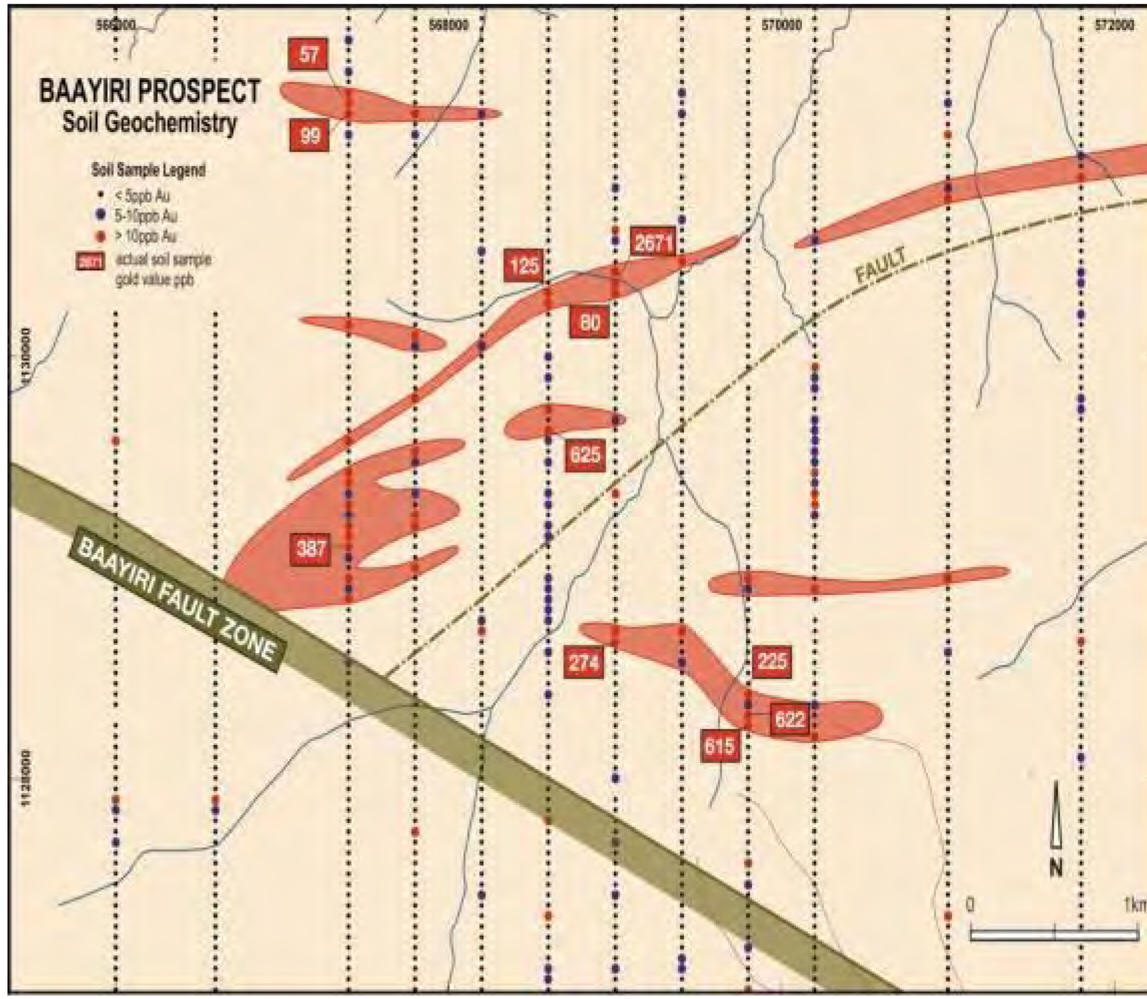
Julie – Jang Trend

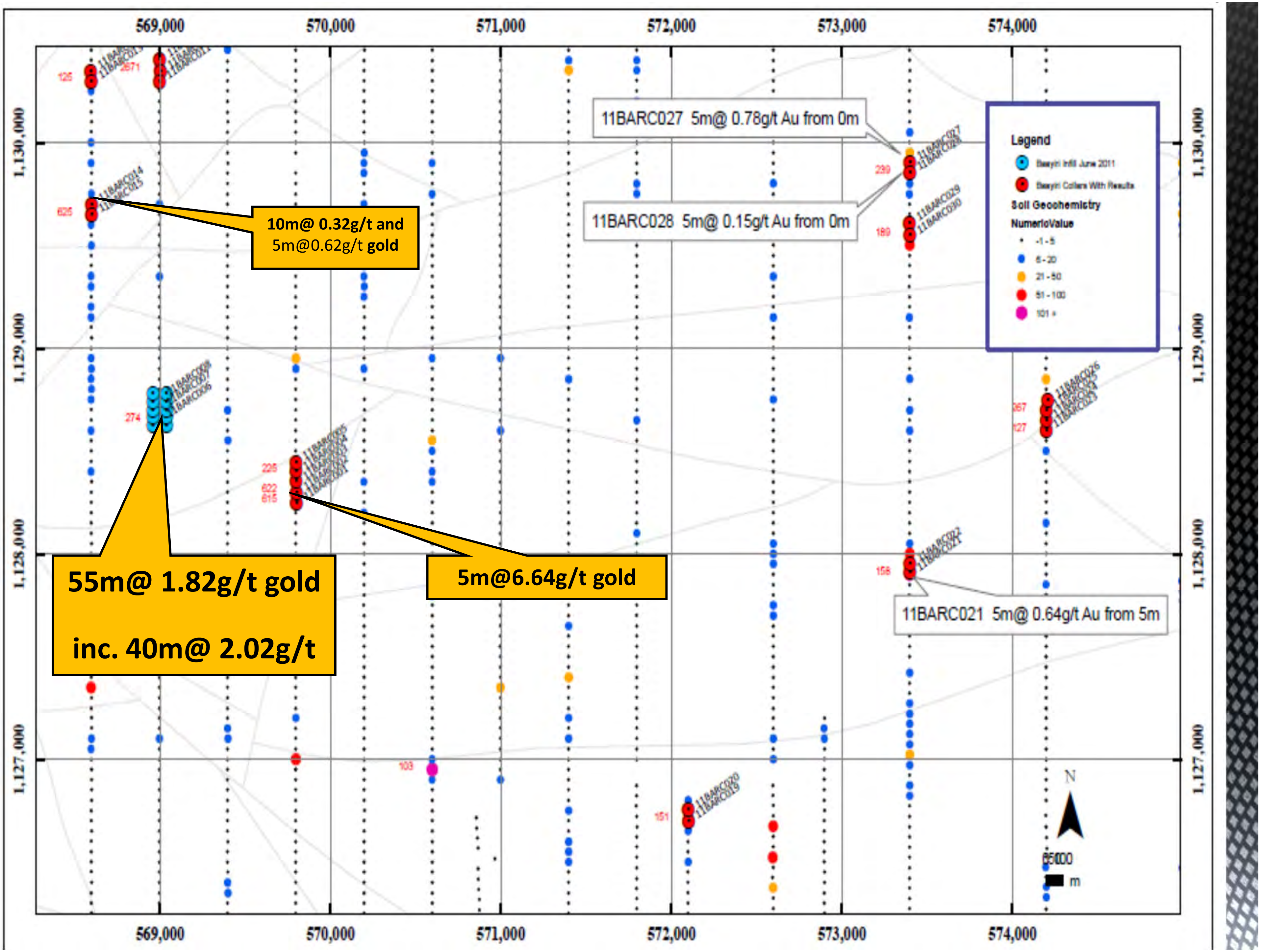
# Baayiri Gold Discovery

Julie – Jang Trend

# Baayiri Gold Anomaly

- 12 x 6km area of strong gold anomalism in an area never previously explored or sampled
- Surface soils up to 2,671ppb gold
- Highest tenor and size reported so far along Julie-Jang Trend
- Excellent structural position enhances prospectivity
- Immediate infill sampling and RC drilling underway





569,000
570,000
571,000
572,000
573,000
574,000
1,130,000
1,129,000
1,128,000
1,127,000
11BARC027 5m@ 0.78g/t Au from 0m
11BARC028 5m@ 0.15g/t Au from 0m
10m@ 0.32g/t and
5m@0.62g/t gold
55m@ 1.82g/t gold
inc. 40m@ 2.02g/t
5m@6.64g/t gold
11BARC021 5m@ 0.64g/t Au from 5m
Legend
Soil Geochemistry
N
m

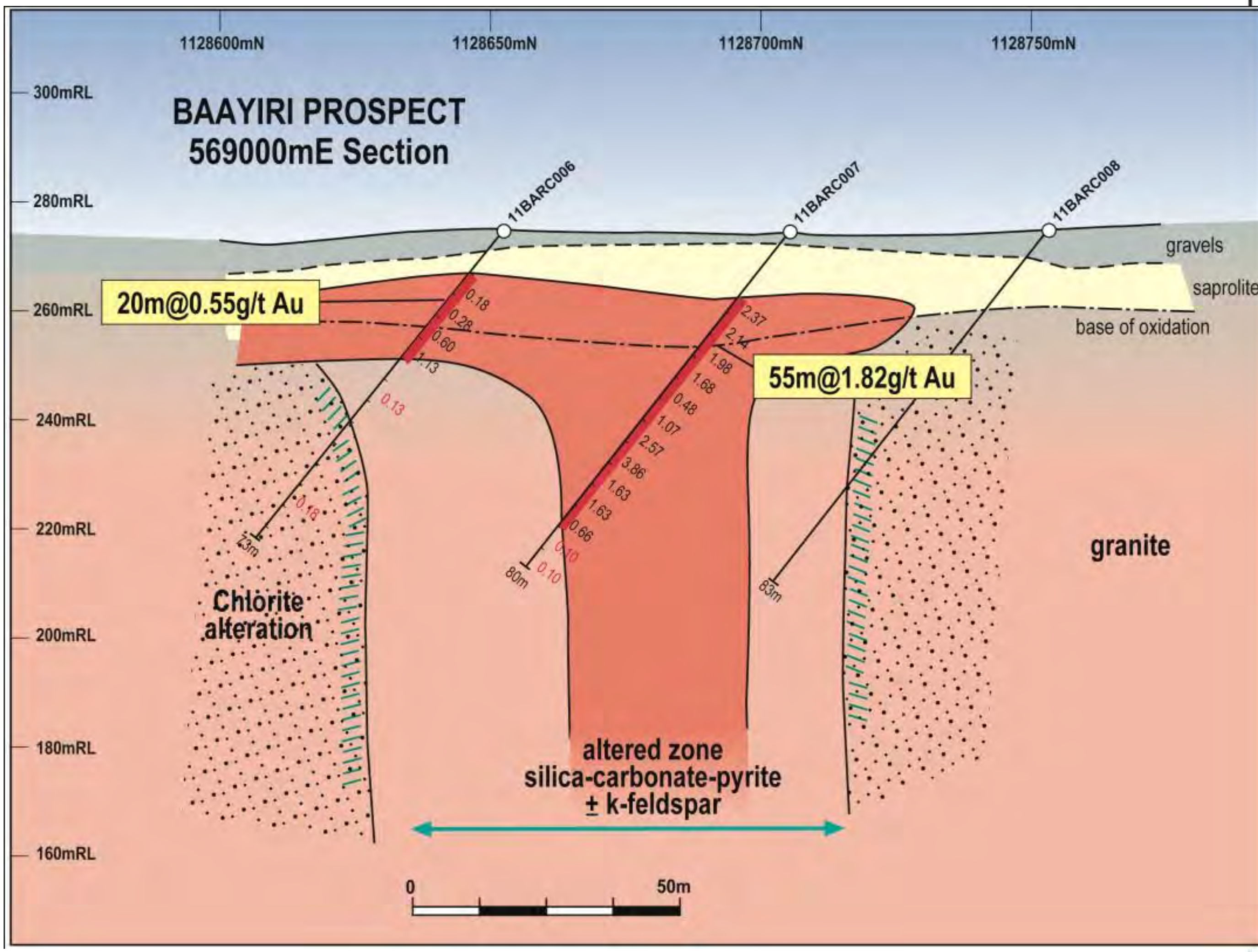
Julie – Jang Trend

# Baayiri Gold Discovery

- 55m @ 1.82g/t gold fm 15m (BARC 07)
- Inc. 40m @2.02g/t

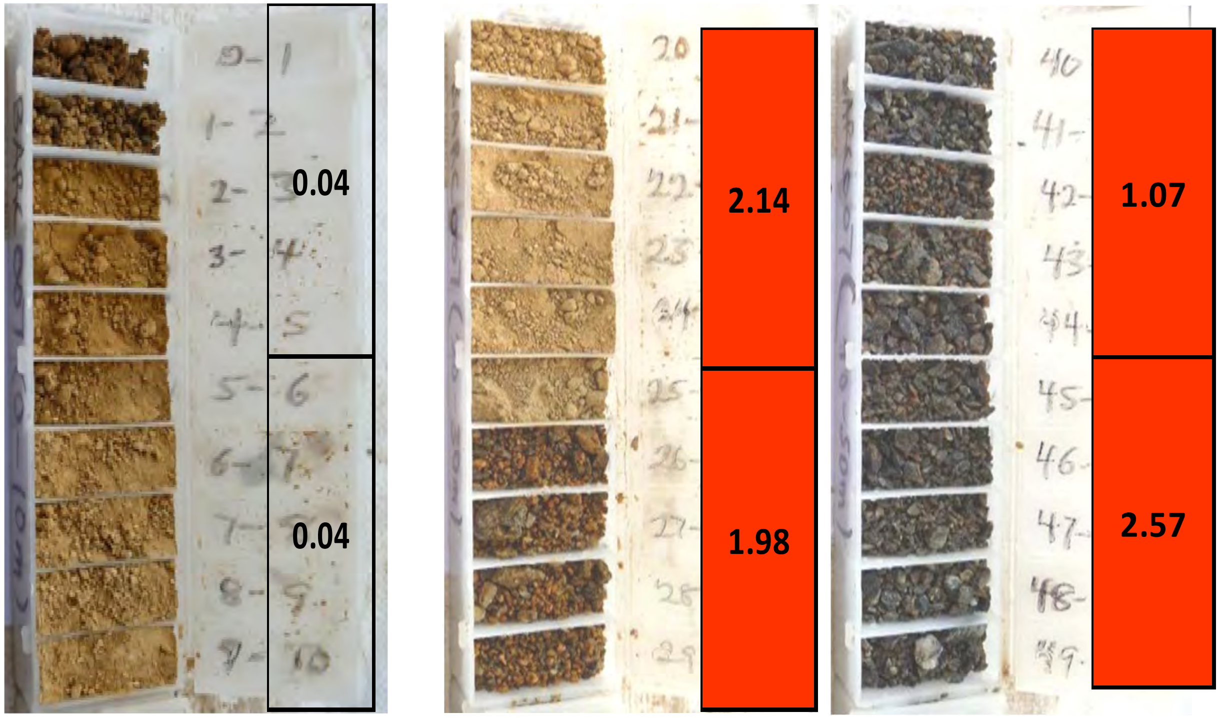
- 5m @ 6.64g/t from surface (BARC 02)

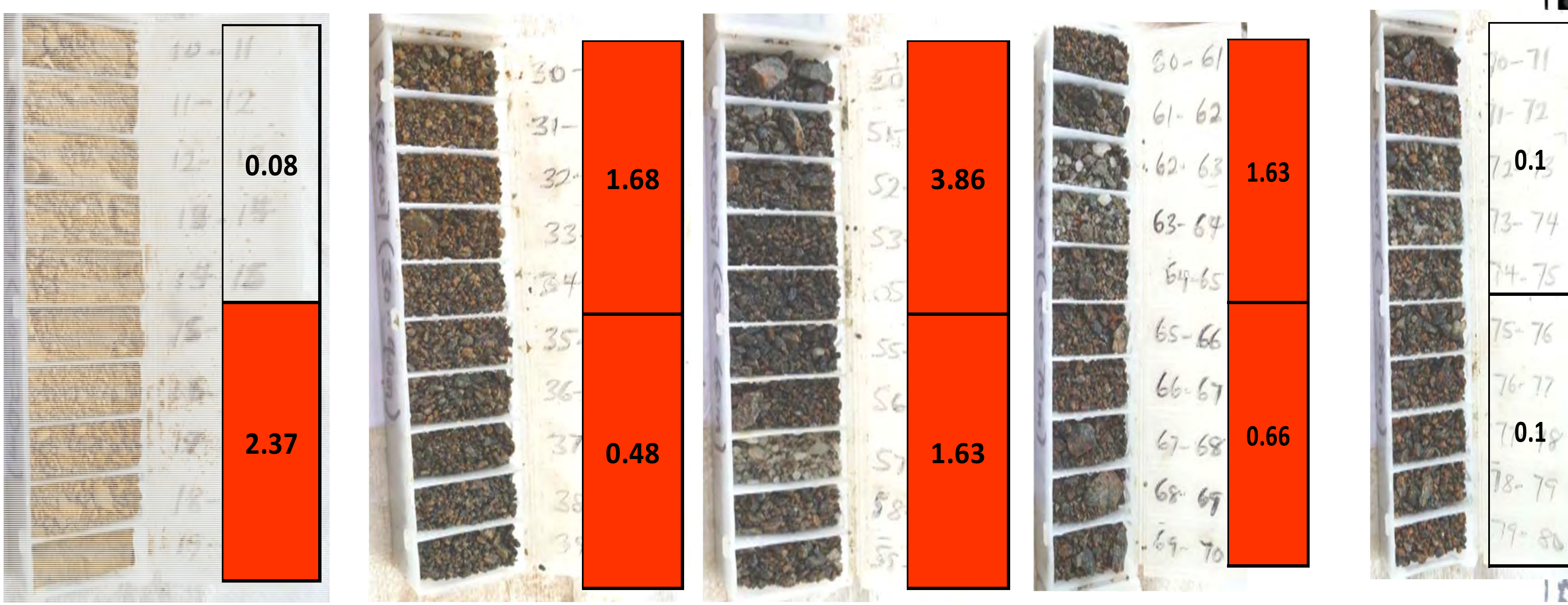
- 20m @ 0.55g/t gold from10m (BARC 06)



Castle Minerals Limited

- RC Hole 2011BARC07
- ~15m oxide mineralisation
- ~40m primary mineralisation



# Wa Project Summary

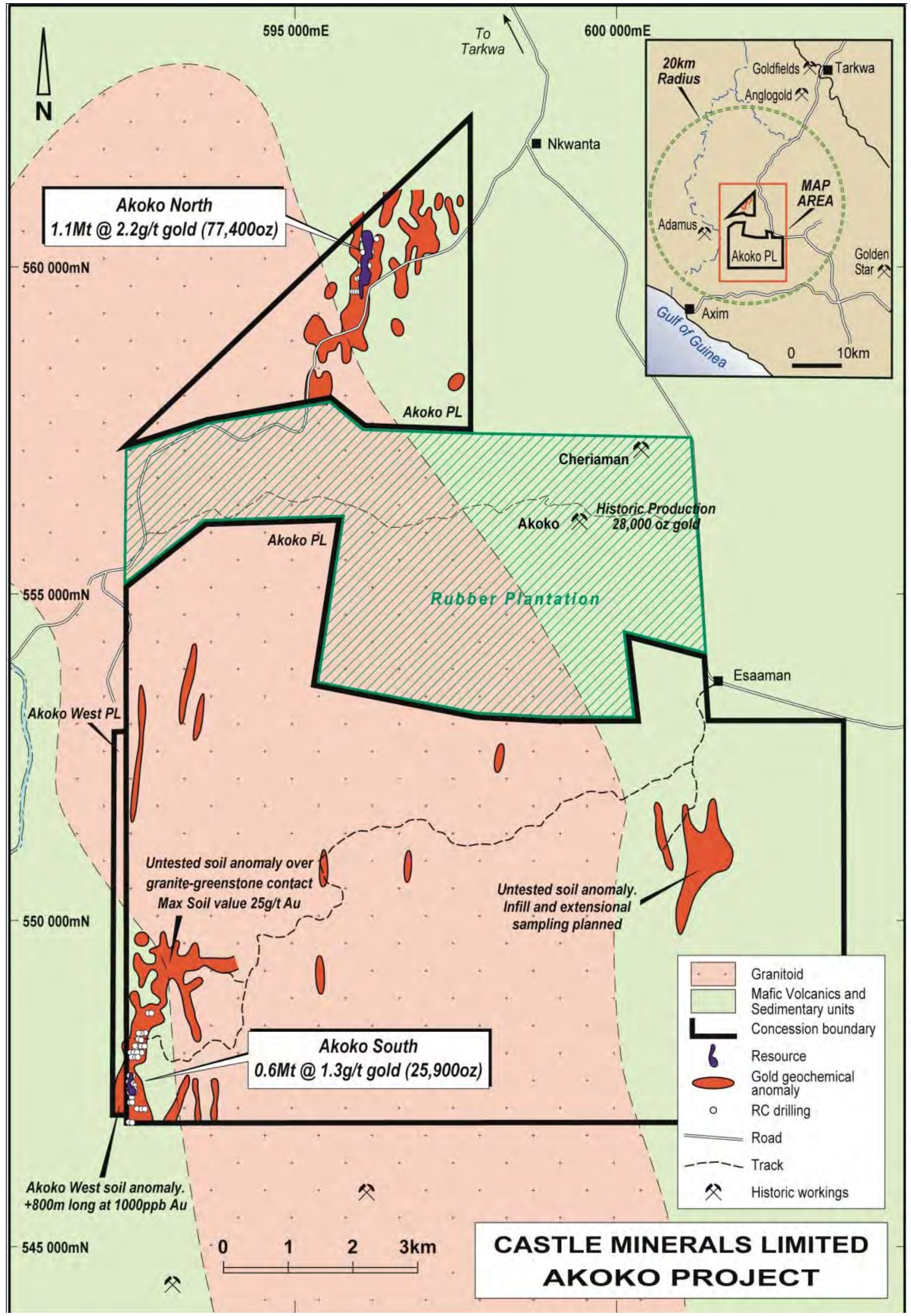
- ~11,000km$^2$ Wa Project is an exceptional underexplored landholding
- >50,000m of drilling completed in 2011
- Kandia, Baayiri and Koda Hill greenfield gold discoveries
- Assays still outstanding for
  - Baayiri
  - Koda Hill
  - Kandia
  - Wa South aircore
- Large drill focused program being prepared to commence Nov 2011
- Initial Resource for Kandia
- Established that the Wa landholding hosts a variety of gold mineralisation styles in different rocks types

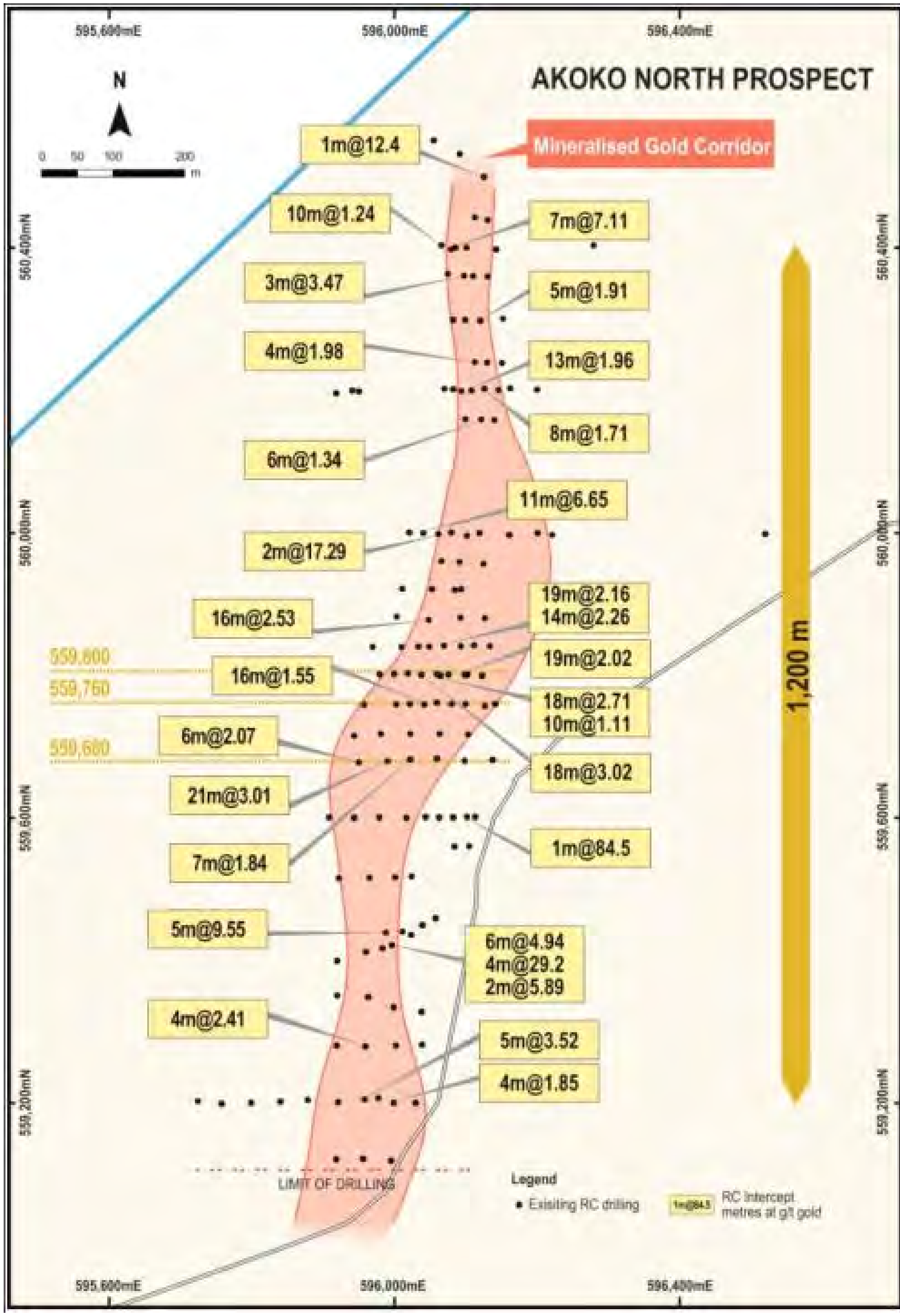
# Akoko Project

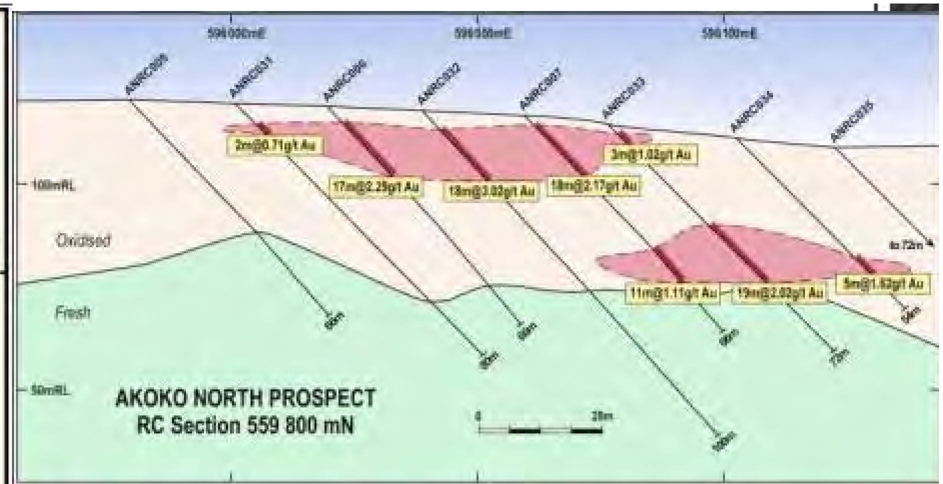
- Akoko South and Akoko North prospects
- 10km east of Adamus Resources 2 Moz Salman/Anwia project
- 30km south of 22 Moz Tarkwa goldmine
- Ashanti Gold Belt

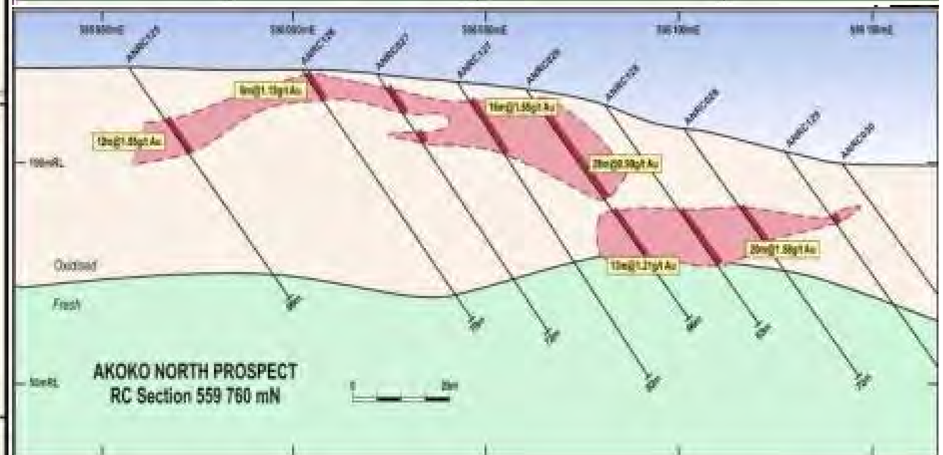
# Akoko Project

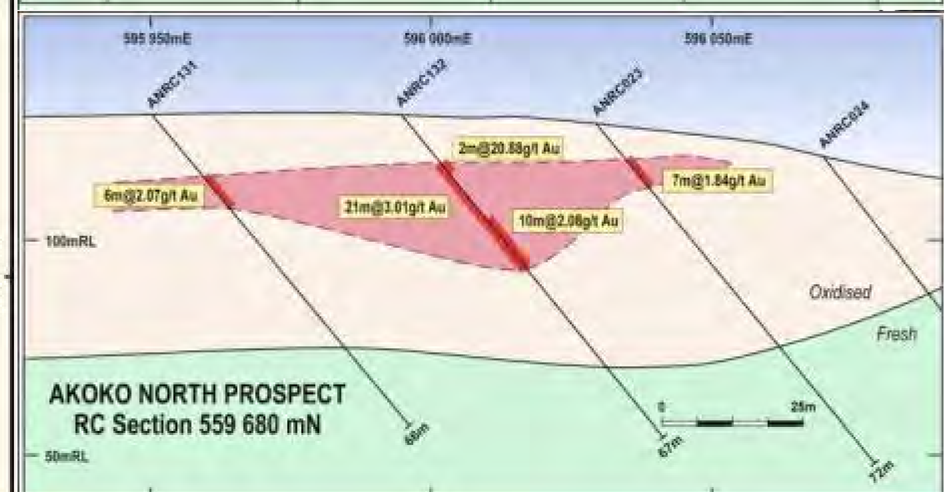
- Resource grade at Akoko North has increased by 37%
- Akoko North totals 1.1mt @ 2.2g/t gold for 77,400 ozs
- Combined Resource estimate for Akoko North and Akoko South totals 103,300 ozs
- Scoping studies at Akoko North captures 1.07mt @ 2.0g/t gold (68,000 ozs) at a cash cost of US$575/ounce
- Four operating treatment plants within 30km




AKOKO NORTH PROSPECT
Mineralised Gold Corridor
595,600mE
596,000mE
596,400mE
560,400mN
560,000mN
559,600mN
559,200mN
N
0 50 100 200 m
1,200 m
1m@12.4
10m@1.24
7m@7.11
3m@3.47
5m@1.91
4m@1.98
13m@1.96
8m@1.71
6m@1.34
11m@6.65
2m@17.29
19m@2.16
14m@2.26
16m@2.53
19m@2.02
16m@1.55
18m@2.71
10m@1.11
6m@2.07
18m@3.02
21m@3.01
1m@84.5
7m@1.84
5m@9.55
6m@4.94
4m@29.2
2m@5.89
4m@2.41
5m@3.52
4m@1.85
559,800
559,760
559,680
LIMIT OF DRILLING
Legend
Exisiting RC drilling
RC intercept metres at g/t gold


AKOKO NORTH PROSPECT
RC Section 559 800 mN
Oxidised
Fresh
100mRL
50mRL
2m@0.71g/t Au
17m@2.29g/t Au
18m@3.02g/t Au
18m@2.17g/t Au
3m@1.02g/t Au
11m@1.11g/t Au
19m@2.02g/t Au
5m@1.52g/t Au


AKOKO NORTH PROSPECT
RC Section 559 760 mN
Oxidised
Fresh


595 950mE
596 000mE
596 050mE
ANRC131
ANRC132
ANRC023
ANRC024
2m@20.88g/t Au
6m@2.07g/t Au
21m@3.01g/t Au
7m@1.84g/t Au
10m@2.08g/t Au
100mRL
50mRL
Oxidised
Fresh
66m
67m
72m
0
25m
AKOKO NORTH PROSPECT
RC Section 559 680 mN

# Best Value Gold Explorer in West Africa

## Potential for multiple uplift on exploration success



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phone: +618 9322 7018

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# Appendix - Resource Estimates

### Julie West Deposit
### April 2009 OK Resource Estimate 1g/t cut-off

| 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 | | | | | | | | | |
| Transitional | 66,700 | 3.8 | 8,200 | 3,500 | 7.8 | 900 | 70,200 | 4.0 | 9,000 |
| Fresh | 316,200 | 4.3 | 43,900 | 28,400 | 3.5 | 3,200 | 344,600 | 4.3 | 47,100 |
| **Total** | **382,900** | **4.2** | **52,100** | **32,000** | **4.0** | **4,100** | **414,700** | **4.2** | **56,200** |

### Akoko North Deposit
### 2011 Mineral Resource Estimate 0.8g/t Cut-off

| Type | Indicated | | Inferred | | Total | | |
|---|---|---|---|---|---|---|---|
| | Tonnes t | Gold g/t | Tonnes t | Gold g/t | Tonnes t | Gold g/t | Gold Ounces |
| Laterite | 1,200 | 2.0 | 700 | 1.9 | **1,900** | **1.9** | **120** |
| Oxide | 515,700 | 1.6 | 351,000 | 2.1 | **866,700** | **1.8** | **50,200** |
| Transition | 8,400 | 1.2 | 44,000 | 1.4 | **52,000** | **1.4** | **2,300** |
| Fresh | | | 183,000 | 4.2 | **183,000** | **4.2** | **24,700** |
| **Total** | **525,000** | **1.6** | **578,000** | **2.7** | **1,103,000** | **2.2** | **77,400** |

### Akoko Project Total
### Akoko North and South Deposits

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

***Information in this announcement that relates to Exploration Results 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 report of the matters based on his information in the form and context in which it appears.***