

Extensive Exposures of Mt Roe Basalts and Hardey Conglomerates Identified at Beasley Creek



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3c Options: 6M

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Stephen Stone
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Non-Executive Director
and
Company Secretary

- Geological unconformity, Hardey Formation and conglomerates mapped over 16km
- Mt Roe basalt outcropping over 3km (not previously identified by government mapping)
- 62 small to speck gold nuggets recovered from four locations, all spatially associated with conglomerates
- Many of the smaller nuggets are flattened and pitted with irregular edges
- Historical workings and scraped areas more extensive than expected
- Targets defined for follow-up exploration commencing early in New Year

“Castle’s recent reconnaissance work at the newly acquired Beasley Creek gold project has surpassed its expectations with the unexpected discovery of several kilometres of Mt Roe basalt along a 16km unconformity where there is extensive exposure of Hardey Formation conglomerates” said Castle Managing Director, Stephen Stone.

“The recovery of numerous small gold nuggets in close association with conglomerates and historical workings provides considerable encouragement”.

Castle Mineral Limited (“Castle” or the company)(ASX:CDT) has successfully completed a ten day reconnaissance mapping and gold detecting campaign at its Beasley Creek project which has confirmed an unconformable contact and Hardey Formation conglomerate outcropping over almost the entire 16km east-west strike of its exploration licence. Unexpectedly, 3km of intermittently outcropping and previously unrecognised Mt Roe basalt was also identified with additional encouragement gained from the recovery of some sixty-two small to speck size gold nuggets from four locations that strongly correlate with the conglomerate.

The nuggets range in appearance from flattened, highly-pitted, jagged edged flakes to rounded shapes which tend to be the more specimen sized, with the largest nugget weighing 4.2g within a total of 29.7g (refer Photo 1).

Nuggets were also found in spoil and disturbed rock piles around historical workings in the central part of the tenement. Two areas of nuggets are associated with alluvial material downslope from conglomerates west of the workings suggesting that gold mineralisation is derived from the conglomerate units in this location.

Photo 1: Nuggets recovered proximal to conglomerate horizons



The intermittent nature of the mapped Hardey Formation conglomerate and in particular the Mt Roe basalt is partly a function of the relatively rugged topography and thick spinifex cover that hampered mapping and metal detecting.

Conglomerates were also observed 'within' a basalt flow assumed to be Mt Roe basalt. Whether or not these are actually Mt Roe conglomerates or Hardey Formation conglomerates will be the subject of further investigation.

Figure 1: Map showing 16km geological unconformity between Lower Fortescue Group and 'Old' Archaen, almost continuous Hardey Formation and/or conglomerate, 3km of intermittently outcropping Mt Roe basalt plus location of historical workings / scrapings / RC drilling

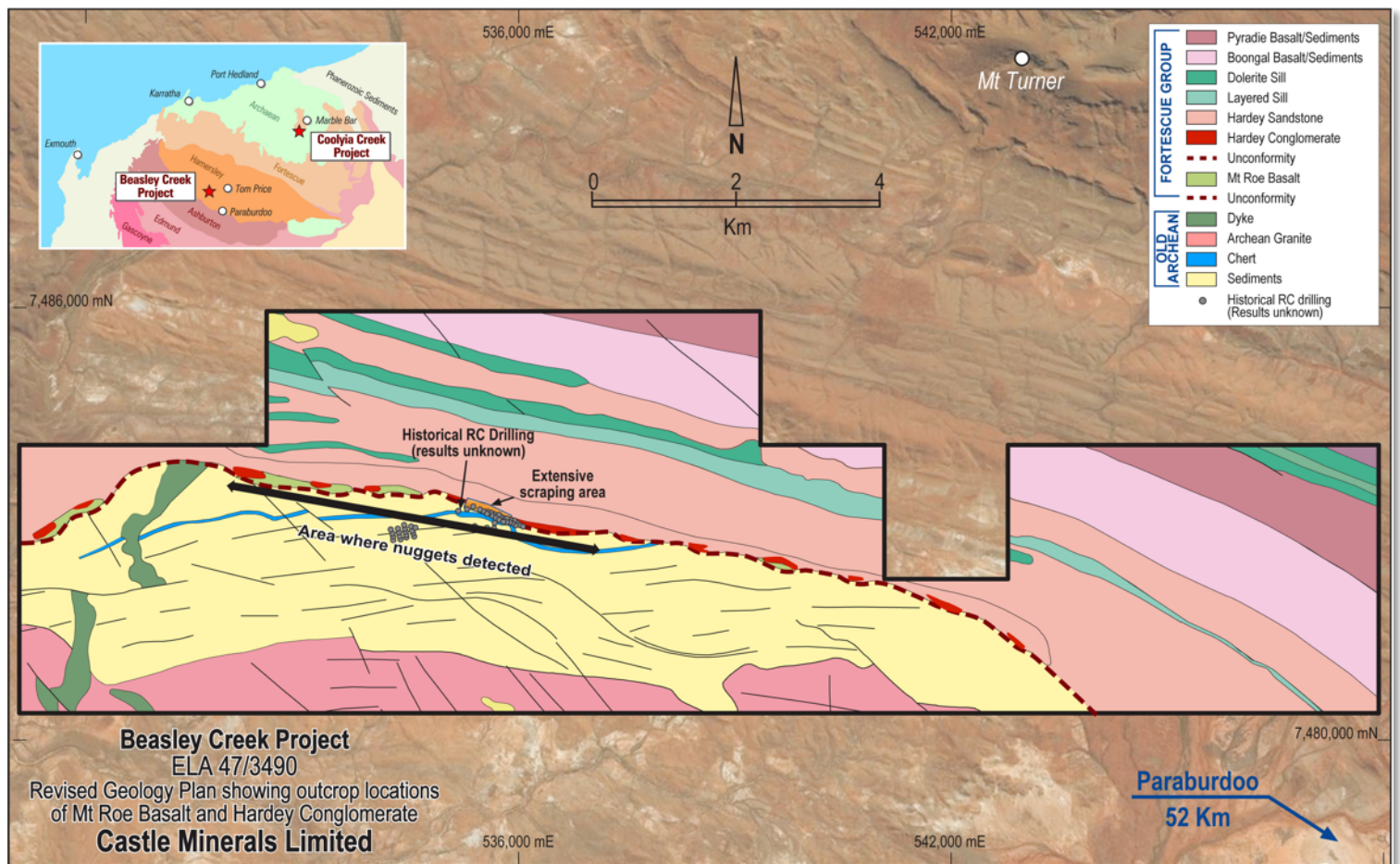


Photo 2: Exposure of Hardey Formation conglomerate in vicinity of historical workings and area of nugget recovery



Historical workings

The recent mapping also highlighted the much larger than expected scale of historical mining operations along the unconformity and Hardey Formation conglomerate in the central part of the tenement. An area of approximately 700m by 20m was scraped down to conglomerate bedrock with evidence that a screening / dry blower plant had been installed and material transported some distance to nearby vats for leaching. No production records have been located.

Historical drilling

The field crew also recorded the drill collar locations of a number of reverse circulation (RC) holes predominately collared in the Hardey Formation sandstone and close to the historical workings. From an examination of sampling spoils these holes appear to have intersected conglomerate, then basalt or mafic schists and then 'Old' Archean metasediment schists stratigraphically below thus confirming the assumed stratigraphic sequence in this particular area. The majority of the holes were drilled vertical, probably due to access issues.

Next Stage

Having successfully completed this reconnaissance mapping campaign with its very encouraging results, the next stage of exploration will involve bulk stream sediment sampling of creeks draining the 16km unconformable contact, soil sample traverses across areas of residual cover where conglomerate is not exposed, additional mapping, rock-chip sampling and metal detecting. Bulk sampling and/or drilling would then follow subject to grant of the licence

Coolyia Creek

The evolving positive developments during field work at Beasley Creek fully engaged the field crew for the entire campaign and no work was undertaken at the Coolyia Creek project as had been planned. This work has been deferred to early 2018.

Stephen Stone

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About Castle Minerals Limited

Castle Minerals is listed on the Australian Stock Exchange (ASX: CDT) and headquartered in Perth, Western Australia. In addition to its interest in the Coolyia Creek and Beasley Creek 'Witwatersrand-style' conglomerate hosted gold projects in the Pilbara region of Western Australia, it has a large contiguous tenure position in the Upper West region of Ghana, West Africa, a country with a long history of gold exploration and mining. Its Ghana licence holdings encompass large tracts of highly prospective Birimian geological terrane, the host to many of West Africa's multi-million-ounce gold projects. All of Castle's ground in Western Australia and Ghana is at a relatively early stage of exploration and offers considerable opportunity for discoveries of gold and other minerals.

Cautionary Statement

The Coolyia Creek and Beasley Creek Projects are considered to be of very early stage, grass roots exploration status. No Competent Person has done sufficient work in accordance with JORC Code 2012 to conclusively determine if gold is present in conglomerates on the licences applied for or to estimate in what quantities but in each case the general integrity of mapping by the GSWA has been confirmed. It is possible that following further evaluation and/or exploration work that the confidence in the information used to identify and acquire interests in the areas of interest in the Pilbara may be reduced when reported under JORC Code 2012. No work other than a desk-top review or low-impact reconnaissance mapping and sampling can be undertaken at either Project until the licences are granted which amongst other things requires the consent of the Minister, or an Officer of the department acting with the authority of the Minister, and is also subject to the statutory Native Title notification and negotiation period.

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 a 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.

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 successfully be 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.

JORC Code, 2012 Edition – Table 1

▪ Section 1: Sampling Techniques and Data

Criteria	JORC Code explanation	Certified Person Commentary
Sampling techniques	Nature and quality of sampling (e.g. cut channels, random chips, or specific specialised industry standard measurement tools appropriate to the minerals under investigation, such as down hole gamma sondes, or handheld XRF instruments, etc). These examples should not be taken	Gold nuggets were found using minilab GPZ 7000 metal detectors and traversing the target areas as directed by the mapping geologist Once a signal was identified, the source of the signal was found by digging with a hand-held pick. Nuggets were found at various depth ranging from surface up to 20 cm

	as limiting the broad meaning of sampling.	below surface. Some nuggets were found in material treated by earlier alluvial operations. The location of the nuggets was recorded using hand held GPS. No analysis on the nuggets has been undertaken
	Include reference to measures taken to ensure sample representivity and the appropriate calibration of any measurement tools or systems used.	The metal detecting technique is not considered a representative sampling technique and is subject to multiple variable that could affect the identification and location of any nuggets
	Aspects of the determination of mineralisation that are Material to the Public Report.	The location of the gold nuggets in surface materials in proximity to the prospective unconformity surface is considered a positive indicator that the gold mineralisation is associated with the unconformity surface
	In cases where 'industry standard' work has been done this would be relatively simple (eg 'reverse circulation drilling was used to obtain 1 m samples from which 3 kg was pulverised to produce a 30g charge for fire assay'). In other cases more explanation may be required, such as where there is coarse gold that has inherent sampling problems. Unusual commodities or mineralisation types (e.g. submarine nodules) may warrant disclosure of detailed information.	The distribution of gold nuggets in the near surface soil presents many sampling issues. Metal detecting is considered an effective method for identification nuggets up to 20 cm below surface but is subject to many variables including the orientation of the nugget in the soil, the skill of the operator, the background signal from the soil, and the effectiveness of the metal detecting instrument. All these factors need to be considered when accessing the results
Drilling techniques	Drill type (eg core, reverse circulation, open-hole hammer, rotary air blast, auger, Bangka, sonic, etc) and details (eg core diameter, triple or standard tube, depth of diamond tails, face-sampling bit or other type, whether core is oriented and if so, by what method, etc).	N/A
Drill sample recovery	Method of recording and assessing core and chip sample recoveries and results assessed.	N/A

	Measures taken to maximise sample recovery and ensure representative nature of the samples.	N/A
	Whether a relationship exists between sample recovery and grade and whether sample bias may have occurred due to preferential loss/gain of fine/coarse material.	N/A
Logging	Whether core and chip samples have been geologically and geotechnically logged to a level of detail to support appropriate Mineral Resource estimation, mining studies and metallurgical studies.	N/A
	Whether logging is qualitative or quantitative in nature. Core (or costean, channel, etc) photography.	N/A
	The total length and percentage of the relevant intersections logged.	N/A
Sub-sampling techniques and sample preparation	If core, whether cut or sawn and whether quarter, half or all core taken.	N/A
	If non-core, whether riffled, tube sampled, rotary split, etc and whether sampled wet or dry.	N/A
	For all sample types, the nature, quality and appropriateness of the sample preparation technique.	No sample preparation is involved
	Quality control procedures adopted for all sub-sampling stages to maximise representivity of samples.	N/A
	Measures taken to ensure that the sampling is representative of the in situ material collected, including for instance results for field duplicate/second-half sampling.	Metal detecting for gold nuggets is not considered a representative technique for accessing gold mineralisation within bedrock.
	Whether sample sizes are appropriate to the grain size of the material being sampled.	The metal detectors used in the field work are capable of identification of nuggets down to approximately 0.2g.
Quality of assay data and	The nature, quality and appropriateness of the assaying and laboratory procedures used and	No laboratory testing has been completed.

laboratory tests	whether the technique is considered partial or total.	
	For geophysical tools, spectrometers, handheld XRF instruments, etc, the parameters used in determining the analysis including instrument make and model, reading times, calibrations factors applied and their derivation, etc.	N/A
	Nature of quality control procedures adopted (e.g. standards, blanks, duplicates, external laboratory checks) and whether acceptable levels of accuracy (i.e. lack of bias) and precision have been established.	N/A
Verification of sampling and assaying	The verification of significant intersections by either independent or alternative company personnel.	Due to the early stage of the exploration, and nature of the current operations, no verification of the data has been undertaken.
	The use of twinned holes.	N/A
	Documentation of primary data, data entry procedures, data verification, data storage (physical and electronic) protocols.	N/A
	Discuss any adjustment to assay data.	
Location of data points	Accuracy and quality of surveys used to locate drill holes (collar and down-hole surveys), trenches, mine workings and other locations used in Mineral Resource estimation.	The location of the nuggets where located by hand held GPS with an accuracy of approximately +/-5m. The collar coordinates of earlier drill holes were collected during the field work to verify WAMEX records
	Specification of the grid system used.	Nugget locations were recorded from the GPS in decimal latitude and longitude coordinates.
	Quality and adequacy of topographic control.	Located aerial photography was used to correlate surface features
Data spacing and distribution	Data spacing for reporting of Exploration Results.	Metal detecting is not considered a systematic or representative sampling technique
	Whether the data spacing, and distribution is sufficient to establish the degree of geological and grade continuity appropriate for the Mineral	Results of the work could not be used in estimation of mineral resources

	Resource and Ore Reserve estimation procedure(s) and classifications applied.	
	Whether sample compositing has been applied.	N/A
Orientation of data in relation to geological structure	Whether the orientation of sampling achieves unbiased sampling of possible structures and the extent to which this is known, considering the deposit type.	The metal detecting operations were directed toward areas of mapped conglomerate lithologies Metal detecting was completed sporadically along the strike of the mapped conglomerate unit where access permitted
	If the relationship between the drilling orientation and the orientation of key mineralised structures is considered to have introduced a sampling bias, this should be assessed and reported if material.	N/A
Sample security	The measures taken to ensure sample security.	Gold nuggets collected in the field were stored in sealed containers by the prospectors and kept on their person. Nuggets were weighed and recorded daily and all the nuggets were delivered to the company's offices in Perth by the field geologist
Audits or reviews	The results of any audits or reviews of sampling techniques and data.	No audits or reviews of sampling techniques have been conducted.

▪ **Section 2: Reporting of Exploration Results**

Criteria	JORC Code explanation	Certified Person Commentary
Mineral tenement and land tenure status	Type, reference name/number, location and ownership including agreements or material issues with third parties such as joint ventures, partnerships, overriding royalties, native title interests, historical sites, wilderness or national park and environmental settings.	All work reported was completed on ELA47/3490 which is still under application. Castle Minerals Ltd has acquired an 80% interest in both licenses under the terms released to the ASX on the 7 th November 2017. As the tenements have not been granted the sampling was undertaken under a Miners Right
	The security of the tenure held at the time of reporting along with any	The tenement is still in the application stage. No impediments to grant have been identified.

	known impediments to obtaining a license to operate in the area.	
Exploration done by other parties	Acknowledgment and appraisal of exploration by other parties.	The project area has been subject to sporadic exploration over many years. Previous work has included an alluvial scraping and dry blowing operation undertaken sometime in the early 1980's though details are sparse. CRA undertook reconnaissance scale mapping, trenching, soil and stream sediment sampling over the area between 1993 and 1995. The target was nickel and PGE mineralisation, but work completed identified anomalous gold results near the conglomerate unit. In 1999 Diamond Rose Limited in joint venture with Vageta Pty Ltd completed a program of reverse circulation drill holes testing many gold targets identified by the CRA work, including the conglomerate unit. The company is currently attempting to locate this data.
Geology	Deposit type, geological setting and style of mineralisation.	Castle is primarily exploring the project for placer gold mineralisation situated on the unconformity surfaces within the Fortescue Group sediments
Drill hole Information	A summary of all information material to the understanding of the exploration results including a tabulation of the following information for all Material drill holes: - o easting and northing of the drill hole collar - o elevation or RL (Reduced Level – elevation above sea level in metres) of the drill hole collar - o dip and azimuth of the hole - o down hole length and interception depth - o hole length.	No drilling results are part of this release
	If the exclusion of this information is justified on the basis that the information is not Material and this exclusion does not detract from the understanding of the report, the	N/A

	Competent Person should clearly explain why this is the case.	
Data aggregation methods	In reporting Exploration Results, weighting averaging techniques, maximum and/or minimum grade truncations (e.g. cutting of high grades) and cut-off grades are usually Material and should be stated	The work completed to date has only recovered near surface gold nuggets
	Where aggregate intercepts incorporate short lengths of high grade results and longer lengths of low grade results, the procedure used for such aggregation should be stated and some typical examples of such aggregations should be shown in detail.	N/A
	The assumptions used for any reporting of metal equivalent values should be clearly stated.	N/A
Relationship between mineralisation widths and intercept lengths	These relationships are particularly important in the reporting of Exploration Results.	N/A
	If the geometry of the mineralisation with respect to the drill hole angle is known, its nature should be reported.	N/A
	If it is not known and only the down hole lengths are reported, there should be a clear statement to this effect (eg 'down hole length, true width not known').	N/A
Diagrams	Appropriate maps and sections (with scales) and tabulations of intercepts should be included for any significant discovery being reported. These should include, but not be limited to a plan view of drill hole collar locations and appropriate sectional views.	Maps and photographs of the area and geology are reported in the body of the announcement
Balanced reporting	Where comprehensive reporting of all Exploration Results is not practicable, representative reporting of both low and high grades and/or widths should be practiced avoiding misleading reporting of Exploration Results.	

Other substantive exploration data	Other exploration data, if meaningful and material, should be reported including (but not limited to): geological observations; geophysical survey results; geochemical survey results; bulk samples – size and method of treatment; metallurgical test results; bulk density, groundwater, geotechnical and rock characteristics; potential deleterious or contaminating substances.	No other material exploration data to report currently.
Further work	The nature and scale of planned further work (e.g. tests for lateral extensions or depth extensions or large-scale step-out drilling).	Details of the current program are still being compiled. Follow up work will include soil and stream sediment sampling as well as metal detecting over target conglomerates not considered effectively tested.,
	Diagrams clearly highlighting the areas of possible extensions, including the main geological interpretations and future drilling areas, provided this information is not commercially sensitive.	See diagrams in this announcement.