

CASTILE RESOURCES DRILLING PROGRAM UPDATE

Castile Resources Limited (ASX:CST) ("Castile" or "the Company") is pleased to provide an update on the Company's drilling program on the Rover 1 Prospect in the Northern Territory. The first two holes were drilled into the main Jupiter Zone with both holes intersecting the expected mineralisation and extending the limits of the high-grade gold zones. The third and fourth holes were aimed at conceptual targets to enhance the project.

The first hole of the program (ASX:CST 14 and 20 October 2020), Hole 20CRD001, drilled into the roots of the Rover 1 Iron Oxide Copper Gold (IOCG) system returned a bonanza intercept of:

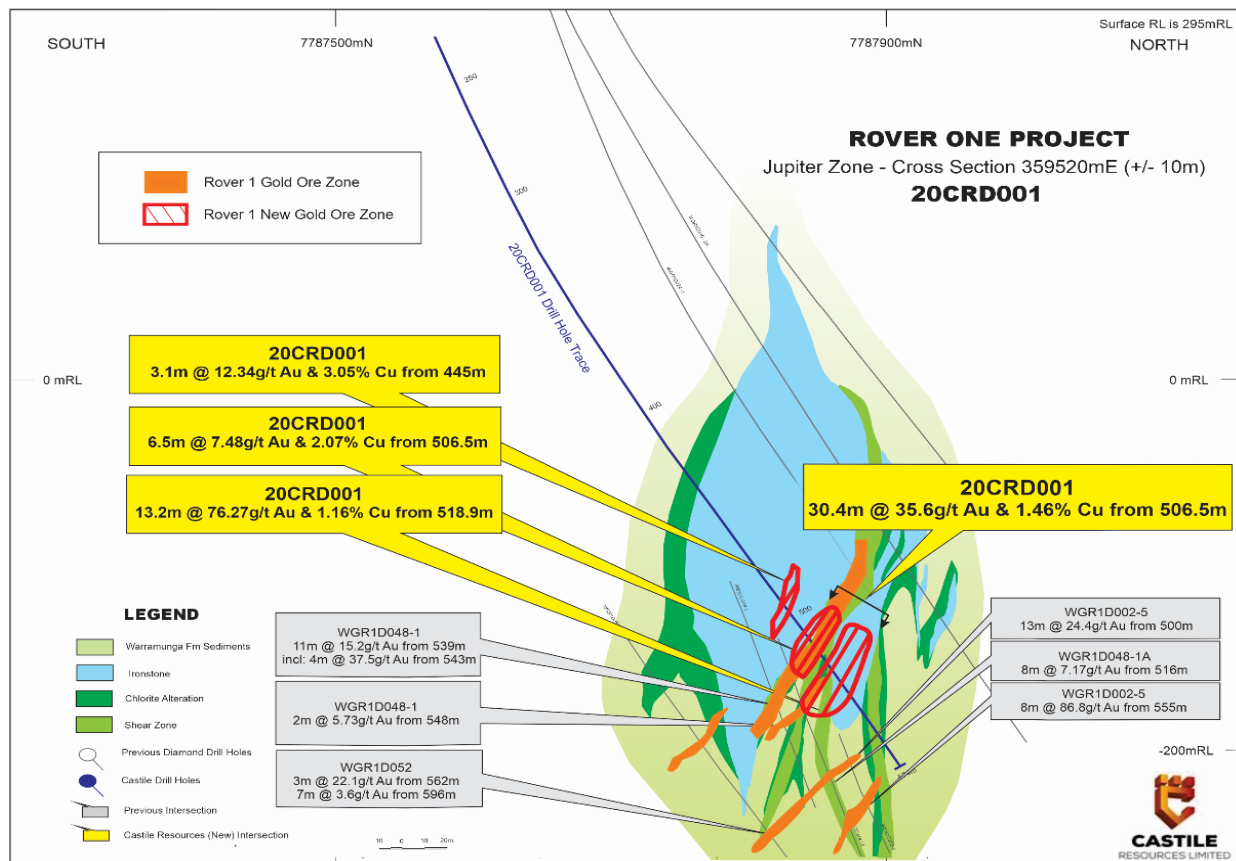
30.4m @ 35.6 g/t Au with 1.46% Cu

(including 13.2m @ 76.27 g/t Au with 1.16% Cu and 6.5m @ 7.48g/t Au with 2.07% Cu)

Figure 1 – Cross Section of Jupiter Zone including Hole Trace of 20CRD001

The orange coloured zone represents the previous interpretation of the gold ore zones.

The red zone shows the larger, additional interpreted gold ore zones resulting from Hole 20CRD001



This is the best gold intercept ever received from Rover 1 with a true width for the intersection of 27.8m. Whilst a subset of three higher grade zones existed, the magnitude of the mineralisation presents a bulking scenario at very high grades. It is expected that this will significantly increase the size and endowment of the mineralisation in this part of the Rover 1 IOCG zone. In addition, a sub-parallel zone higher up in the hole intercepted **3.1m @ 12.34g/t Au with 3.05% Cu**.

The second hole (20CRD002) also successfully intersected the complete IOCG package further extending the high-grade gold zone. The coincident copper and accessory mineralisation typical of the Rover 1 mineralised body was also intersected in this hole. (ASX:CST 2 November 2020).

The whole intercept also aggregates to present a bulking type scenario of the main copper gold zone intercepting a broad mineralised zone that included:

12.3m @ 4.51g/t Au with 1.49% Cu (including 7m @ 6.50g/t with 1.8% Cu)

19m @ 4.60g/t Au with 0.24% Cu (including 9m @ 7.34g/t with 0.23% Cu)

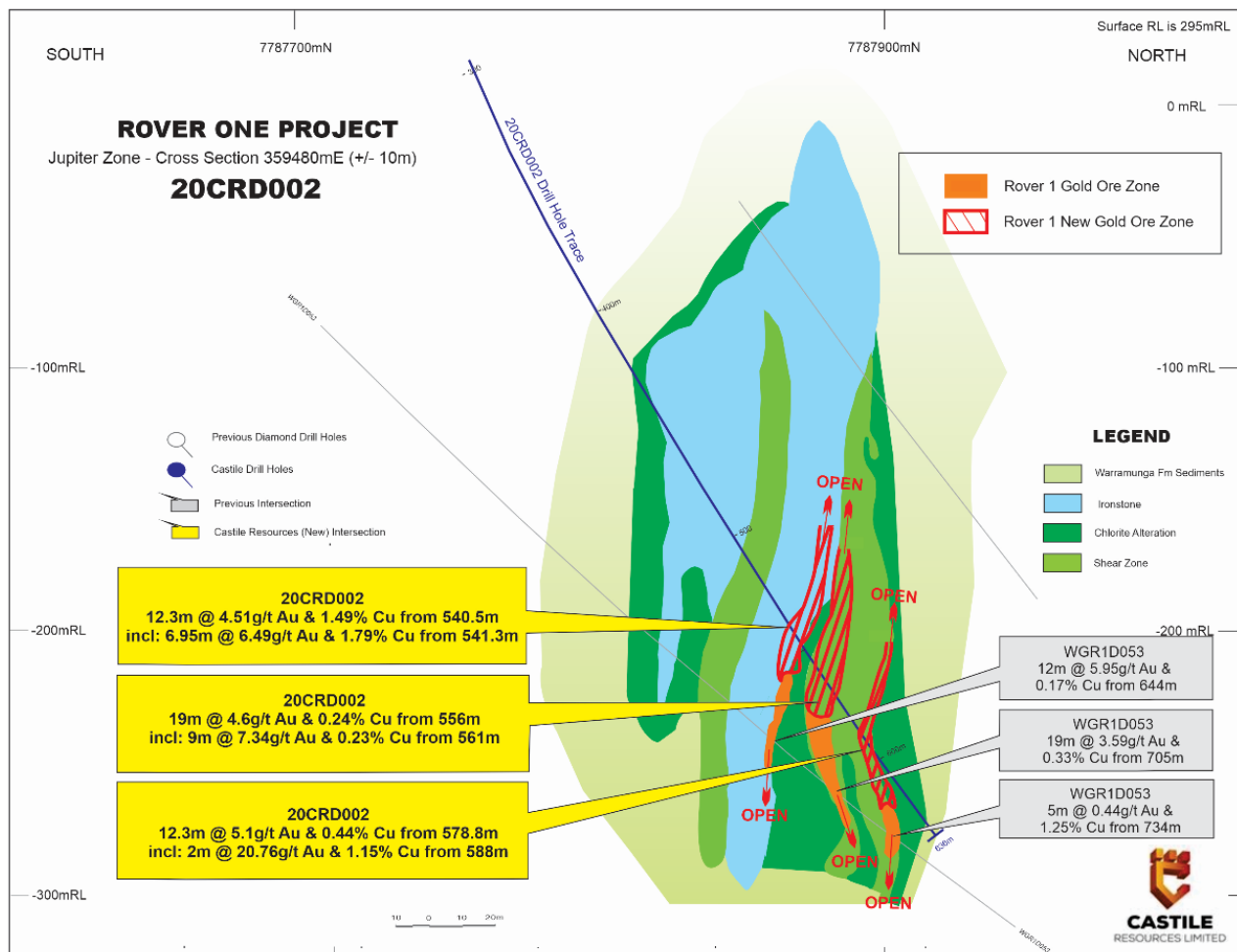
12.3m @ 5.09g/t Au with 0.44% Cu (including 2m @ 20.76g/t Au with 1.15% Cu)

We anticipate the bulk mining option of these high grades will enhance mining studies in the Pre-Feasibility Study (PFS) that is underway.

Figure 2 - Enlarged view of Cross Section of Jupiter Zone including Hole Trace of 20CRD002

The orange coloured zone represents the previous interpretation of the gold ore zone.

The red zone shows the larger, additional interpreted gold ore zones resulting from Hole 20CRD002





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These results are consistent with the main mineralisation zone in the surrounding drillholes in this section of the ore body. More importantly, greater than expected true widths were presented and they significantly upgrade our understanding of the continuity in the deeper main Jupiter gold zone.

When considered in a non-bulking type approach the results continue to extend the known gold zones (particularly the bonanza gold zones) further than previously thought. Both holes returned three sub-parallel intercepts with excellent high-grade gold and copper intercepts.

Castile Managing Director Mark Hepburn commented “Holes 20CRD001 and 20CRD002 were drilled into the Rover 1 ore system and both of these holes have shown that the mineralisation and potential size of the high grade gold core in the Rover 1 system is larger than previously considered. We have now opened the ore body right up and we look forward to the outcomes of the Pre-Feasibility Study as these fantastic results are incorporated into the optimised modelling”.

WESTERN DEEPS CONCEPTUAL TARGET

The third hole in the program, Hole 20CRD003, was a step out wildcat exploration hole testing for a conceptual and structural repetition along strike of the Jupiter West mineralisation where no previous drilling had occurred.

Visual inspection of the core has revealed zones of alteration typical of that around the upper periphery of the Jupiter zone but no substantial IOCG mineralisation was visually observed. Assays are yet to be received and the hole has been cased pending geophysical surveys. Full details of the results of this drilling, including drill collar details and a completed JORC Table 1, will be released to ASX once assays are received.

Castile Managing Director Mark Hepburn said “We have clearly drilled to a position where the alteration and structural preparation of the ground is considered highly encouraging. We look forward to the assays combined with the downhole geophysics which will allow us to orientate further drilling into this target”.

GANYMEDE CONCEPTUAL TARGET DRILLING UPDATE

The fourth hole of our 2020 drilling program, 20CRD004 targeted the Ganymede structure. The Ganymede structure manifests as variably altered pyritic and siliceous meta-sediments and are historically the deepest intercepts into the Rover 1 system.

A previous historical hole drilled into Ganymede (**WGR1D043-2**) returned very encouraging gold intercepts including:

15m @ 6.0g/t down hole from 1033m and

12m @ 4.6g/t down hole from 1082m

(This exploration result was sourced from the Castile Resources Limited Prospectus dated 3 December 2019 and released on the ASX on 12 February 2020, Castile confirms that it is not aware of any new information or data that materially affects the exploration results information included in the Prospectus).



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The current hole, 20CRD004, is now complete after pushing through the Ganymede target zone. The Company will release assay results, drill collar details, and a completed JORC Table 1 for hole 20CRD004 once assays are received.

A navi-wedge will be cut from this hole and a second hole will be begin drilling into the Ganymede system within days.

Mark Hepburn commented "We are pleased with the drilling at Ganymede and will be drilling another hole into the system immediately. We look forward to assays and continuing to work on this target"

Mark Hepburn
Managing Director
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This announcement was approved for release by Castile's Managing Director, Mark Hepburn

ASX Listing Rule Confirmation

Castile confirms that it is now aware of any new information or data that materially affects the exploration results information included in the relevant announcements which originally disclosed the exploration results referenced in this announcement.