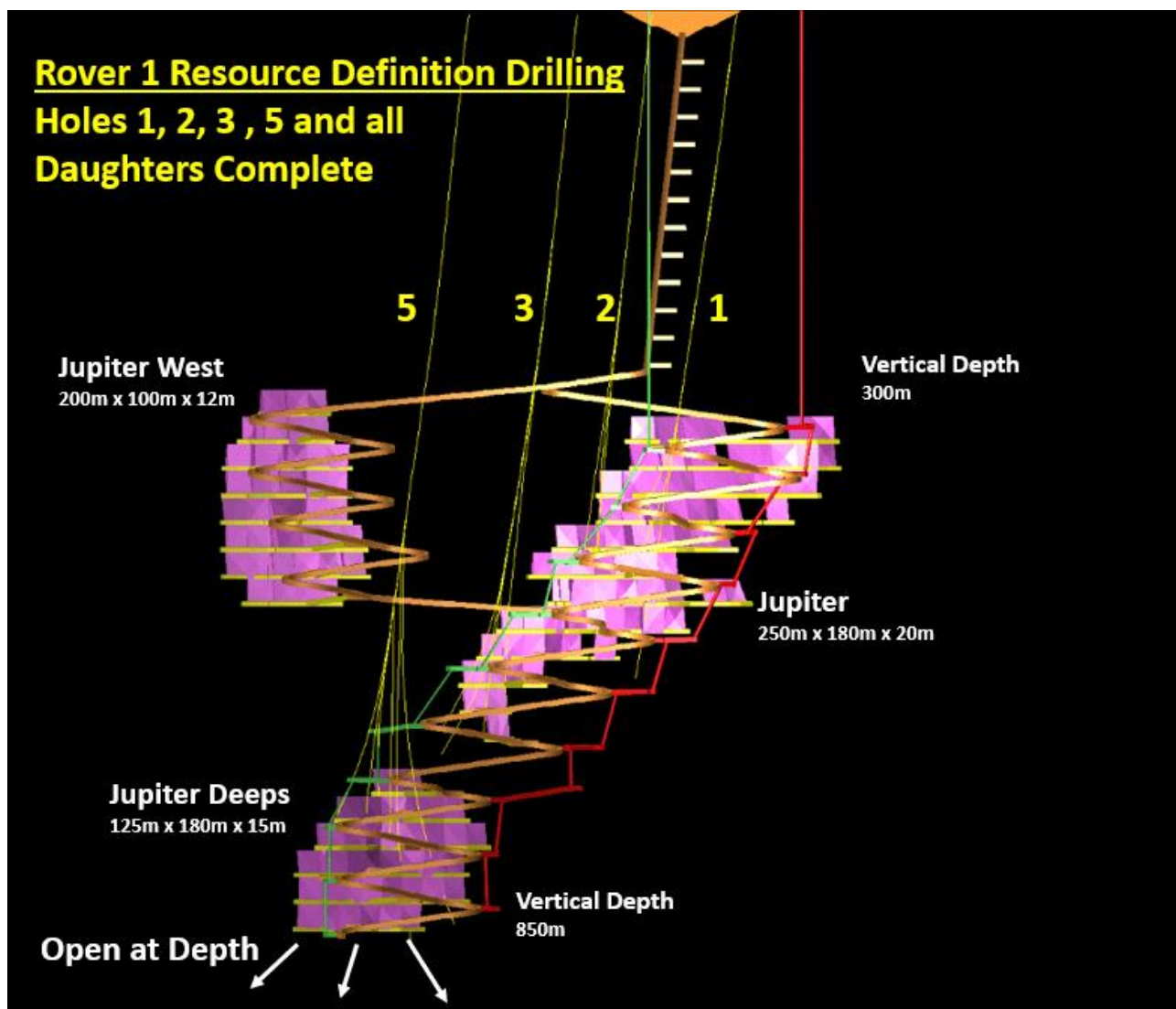


RESOURCE DEFINITION DRILLING AT ROVER 1 COMPLETE

Castile Resources Limited (ASX:CST) (Castile or the **Company**) is pleased to advise that the resource definition and extensional drilling program at Castile's flagship Rover 1 Project is now complete. Castile drilled a total of fourteen strategic targets over the program and has so far returned and announced excellent gold and copper assay results from twelve of the holes. A new mineral resource estimate for Rover 1 using this data is already underway. Assay results from the final two holes in the program 21CRD005-2B and 21CRD005-3 are pending and will feed directly into the new mineral resource estimate as they are received and announced to the market. The drilling rig has mobilised 30 kms to Explorer 142 to drill test the anomaly interpreted in the downhole electromagnetic survey. (Refer to announcement dated 12 October 2021).

Figure 1: Drill Traces from 2021 Rover 1 Resource Definition Drilling





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MAGNETITE BY-PRODUCT EVALUATION

The Company is also pleased to advise that the first batch of IOCG core from the Rover 1 Project is being delivered to CoreScan Laboratories in Perth, WA. The CoreScan technology will be applied to identify the different minerals present within core samples and specifically quantify the amounts of magnetite within the Rover 1 ore that can be directly recovered for high density industrial mineral applications. The Corescan technology was successfully trialled on Rover 1 ore samples from holes 20CRD001 and 20CRD002 and Corescan was able to differentiate the various iron minerals and estimate the recoverable amount of magnetite for this purpose.

The current program will see Corescan analyse over 2,100m of ore from the Rover 1 drill holes with the objective of enabling an accurate estimate of this magnetite production. A prime use for this by-product is as a coal washing additive in the production of cleaner coal. Similar coal washing magnetite products have previously been exported from the Tennant Creek area with the material renowned for its high grades and low impurities.

In addition to the Corescan analysis, samples of the magnetite ore from Rover 1 are also currently undergoing testing to Australian Standard 4156.3-2008 (Coal Preparation, Part 3 L Magnetite for coal preparation plant use – Test Methods) to ensure the product will be of a high standard. It is anticipated the magnetite product will be included in the new Rover 1 mineral resource estimate which is currently underway.

METALLURGICAL RECOVERY STUDIES CONTINUING

Metallurgical testwork has shown there is no difficulty in achieving high recovery rates of metals using conventional and proven technology. Castile reported on Metallurgical Results (See ASX : CST 20th September 2021) advising that the initial bulk flotation test confirmed high recoveries of copper and gold. Further works are focussing on the extraction of the minor by-products. More detail on the recovery and grade of the copper, bismuth and cobalt concentrates is expected within the coming weeks and this data will feed directly into the mining studies.

CASTILE NON-EXECUTIVE DIRECTOR APPOINTED TO NORTHERN TERRITORY MINERAL TASK FORCE

Castile has a highly experienced Board with a proven track record in the discovery, building and financing of mines within Australia. This has been recognised by the NT Government with its invitation for Castile's Non-Executive Director, John Braham to be appointed to the newly formed Northern Territory Mineral Task Force.

The purpose of the Task Force is to drive the Territory's resources sector and unlock a strong pipeline of projects and to investigate and identify strategies to activate and secure ongoing private capital in mineral projects, including downstream manufacturing processes. It will have a critical role to play in devising innovative approaches and options to accelerate private investment. The taskforce will identify new opportunities, recommend options to win more private sector investment and accelerate the process of turning prospective mines into operational mines.



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Minister for Mining and Industry, Nicole Manison, on the establishment of the Task Force (NT Government Media Release, “New Mineral Taskforce Announced”, 2 November 2021)

“We are making the Territory the best place for exploration and mining investment in Australia.”

“This Taskforce will accelerate mining development in the Territory, delivering a clear message to investors that the Territory Government is committed to growing our mining and resources sector.”

Mark Hepburn, Managing Director of Castile Resources, commented:

“It has been a huge year for Castile, and we have now successfully completed the resource definition drilling at Rover 1. The results have exceeded our expectations and once we have the final assays from the last two holes at Rover 1, we can estimate a new mineral resource for Rover 1. This, along with our mine planning, production and metallurgical engineering studies will enable us to define a pre-feasibility estimate for the development of Rover 1 as a new long-term mine that will generate five saleable products and present as a very attractive long term production centre.

We welcome the NT State Governments announcement of the new Northern Territory Mineral Task Force and re-enforcing their commitment to exploration and development in the Territory.

We look forward to the drilling at Explorer 142 where we get to drill test the anomaly interpreted in the downhole electromagnetic survey” (Refer to announcement dated 12 October 2021).

Mark Hepburn
Managing Director
Castile Resources Limited

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