

## Summary

### Akoko Project:

- Executed Sale Agreement dated 26 October 2016 for sale of Topago Limited (holder of Akoko licences) for a consideration of US\$500,000 in staged cash payments, US\$1,250,000 in royalties on first 50,000oz production and additional 1% royalty on additional production over 50,000oz (*Refer ASX announcement dated 26 October 2016 for full terms*).
- Received cash proceeds of US\$400,000 to date in accordance with Agreement.

### Kpali Project:

- Continued efforts to secure a farm-in partner.

### Exploration General:

- Attended to tenement administration process regarding transfer of Julie West to Azumah to allow release to Castle of final cash consideration of A\$250,000.
- Continued review of the Company's project datasets with the objective of rationalising its large Ghana licence holdings around key target areas and to minimise holding costs.

### New Opportunities:

- Continued to generate and review new project opportunities spanning a range of commodities in various countries with the objective of securing a new focus for the Company.

### Corporate:

- End of Quarter working capital was \$84,000 (plus net ~\$270,000 received early January from sale proceeds of Akoko and repayment of Azumah loan).
- 170M shares and 6M options on issue.
- The decrease in working capital materially resulted from the final payment of \$248,000 in cash to the former Directors of the Company.
- To assist cash flow, the current Directors agreed to accept their fees and any payments for additional services in Castle shares. Shareholders approved the second tranche at the AGM on 22 November 2016.
- Castle holds 564,020 shares in ASX listed ePAT Technologies Limited (ASX: EPT)(~\$22,000) – formerly Minquest Limited.

#### Stephen Stone

Executive Director

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Capital Structure  
Quoted Shares: 170 million  
Unlisted Options: 6m @ 3c

Board  
Michael Atkins  
Chairman

Stephen Stone  
Director

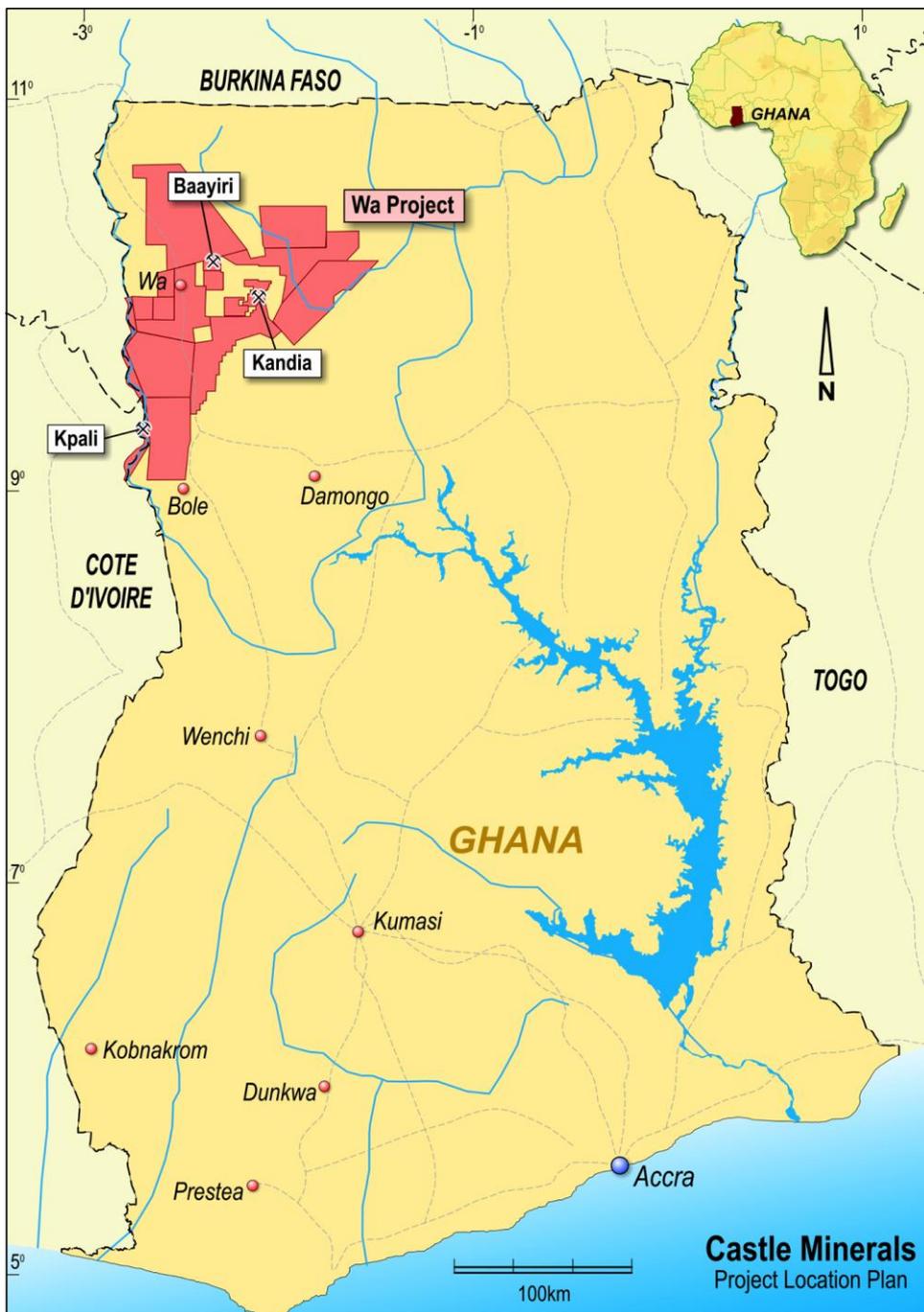
Ian Hobson  
Director &  
Company Secretary

### About Castle:

Castle Minerals (ASX: CDT) is one of the largest tenure holders in Ghana, West Africa, a country with a long history of gold mining and exploration. Castle’s ~11,000km<sup>2</sup> licence holdings host several prospects including Kpali in Ghana’s Upper West region. All of Castle’s licences are prospective for gold and are considered to be at an early stage of evaluation.

The Company’s management is intent on adding value to its existing project holdings and to evaluating and, if warranted, acquiring new opportunities that will provide existing shareholders with multiple returns on the present market value of their investments.

### Castle Mineral’s Ghana Tenure and Key Prospects



Licence	Name	Interest beginning of Quarter	Interest end of Quarter
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**TOPAGO MINING LIMITED\***

PL. 2/398*	Antubia	100%	100%
PL. 2/400*	Boizan	100%	100%
PL. 2/399*	Akoko	100%	100%
PL. 2/425*	Akoko West	100%	100%

**CARLIE MINING LIMITED**

RLA	Chache	Application	Application
RLA	Jewoyeli	Application	Application
RLA	Takariyili	Application	Application
RLA	Tuole	Application	Application
RL. 10/23	Jang	100%	100%
RL. 10/13	Wa	100%	100%
PL. 10/13	Julie West	0%^	0%^
ML. 10/13	Julie West	Application	Application
PL. 10/26	Degbiwu	100%	100%
PL. 10/23	Bulenga	100%	100%
PL. 10/25	Charingu	100%	100%
PLA	Kandia	Application	Application
PL. 10/24	Baayiri	100%	100%
RL. 8/27	Gbinyiri	100%	100%
RL. 8/28	Gurungu	100%	100%
RL. 8/31	Jumo	100%	100%
RL. 8/30	Chasia	100%	100%
RL. 8/29	Perisi	100%	100%
RLA	Funsi	Application	Application
PL. 10/47	Kambale	100%	100%

Government of Ghana has the right to acquire a 10% free carried interest in all licences and is entitled to a 5% Gross Royalty on production. All licences are held in 100% owned Ghana based subsidiaries, Carlie Mining Limited and Topago Mining Limited. Where required, Castle has lodged applications for extension of the licences and in those cases may be awaiting renewal or extension of the licences.

^ Put Option to sell the Julie West PL to Bunda Resources Limited was exercised in October 2015. Bunda's rights were assigned to Phoenix Resources Limited (Azumah Resources Limited) in April 2016.

\* Sale agreement for the sale of shares in Topago Mining Limited entered into 26 October 2016.

## 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.