



# Castle Minerals Limited

Investor Presentation | AGM 23 November 2015

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## **Competent Person Statement**

Information in this announcement that relates to the Kambale Mineral Resource Estimate is based on information compiled by consultant geologist Aaron Green. Aaron Green is, a Member of the Australian Institute of Geoscientists (AIG), and has sufficient experience which is relevant to the style of mineralisation and type of deposit under consideration and to the activity which he has undertaken to qualify as a Competent Person as defined in the 2004 Edition of the Australasian Code for the Reporting of Mineral Resources and Ore Reserves. Aaron Green consents to the inclusion in the announcement of the matters based on the information in the form and context in which it appears.

Information in this announcement that relates to the Gold Mineral Resources and 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 announcement of the matters based on the information in the form and context in which it appears.



# 2015 Highlights

- **Julie West** mining study completed and application for a mining lease lodged with the Minerals Commission - **Julie West** Project subsequently sold for \$500,000 plus a 4% NSR
- Conditional sale agreement signed over the **Akoko Project** that may result in Castle receiving A\$600,000 in cash and shares plus additional payments based upon further resource definition
- **Kpali prospect** that was discovered in 2013, is considered our most advanced and prospective gold target. Relogging of all Kpali RC holes was completed and an updated geological model developed and new drill program proposed that has excellent potential to materially extend the current resource base.
- Project tenure in Ghana was reviewed with a number of tenements either surrendered outright or the tenement size reduced to minimise fees and expenditure commitments
- Strong cash management and preservation of capital structure

# Julie West

## Julie West Mining Study Completed

Evaluation of the Julie West deposit shows that **recovered gold of 29,700 ounces could be achieved at a total cost of US\$711/ounce for an operating surplus of US\$14.5M.**

Total capital expenditure estimated to be \$US4.2M.

A staged low cost mining operation could be undertaken with the following key outcomes:

- Eight month mine life with approximately 12 month leach cycle
- 29,700 ounces recovered @ \$711/oz total cost
- EBIT of US\$14.5M and Post Tax US\$9.4M
- An application for a Mining Lease was lodged with the Ghana Minerals Commission

	Tonnes	Grade	Ounces	Gold Rec.	Gold Produced	Revenue @ \$1200/oz	Opex	Capex	Govt Royalty	EBIT	Cost/ Oz	Mine Life <sup>1</sup>	Strip Ratio	Pit depth	Break Even Recovery <sup>2</sup>	Break even Grade <sup>3</sup>	After Tax Profit
	t	g/t	ozs	%	ozs	US\$M	US\$M	US\$M	US\$M	US\$M	US\$	Mths	W:O	m	%	g/t	US\$M
<b>Stage 1</b>	90,100	6.9	19,942	83%	<b>16,552</b>	\$19.9	\$5.9	\$2.7	\$1.0	<b>\$10.3</b>	<b>580</b>	4	4.7	25	40%	3.3	<b>\$6.7</b>
<b>Total Project</b>	249,300	4.9	39,595	75%	<b>29,696</b>	\$35.6	\$15.2	\$4.2	\$1.8	<b>\$14.5</b>	<b>711</b>	8	6.6	50	44%	2.9	<b>\$9.4</b>

<sup>1</sup> Mine life is estimated for drill and blast and load and haul operations. Leach pad operations will extend beyond mining

<sup>2</sup> Break even grade recovery based on base case Stage1 (6.9g/t) and Total Project (4.9g/t) head grades

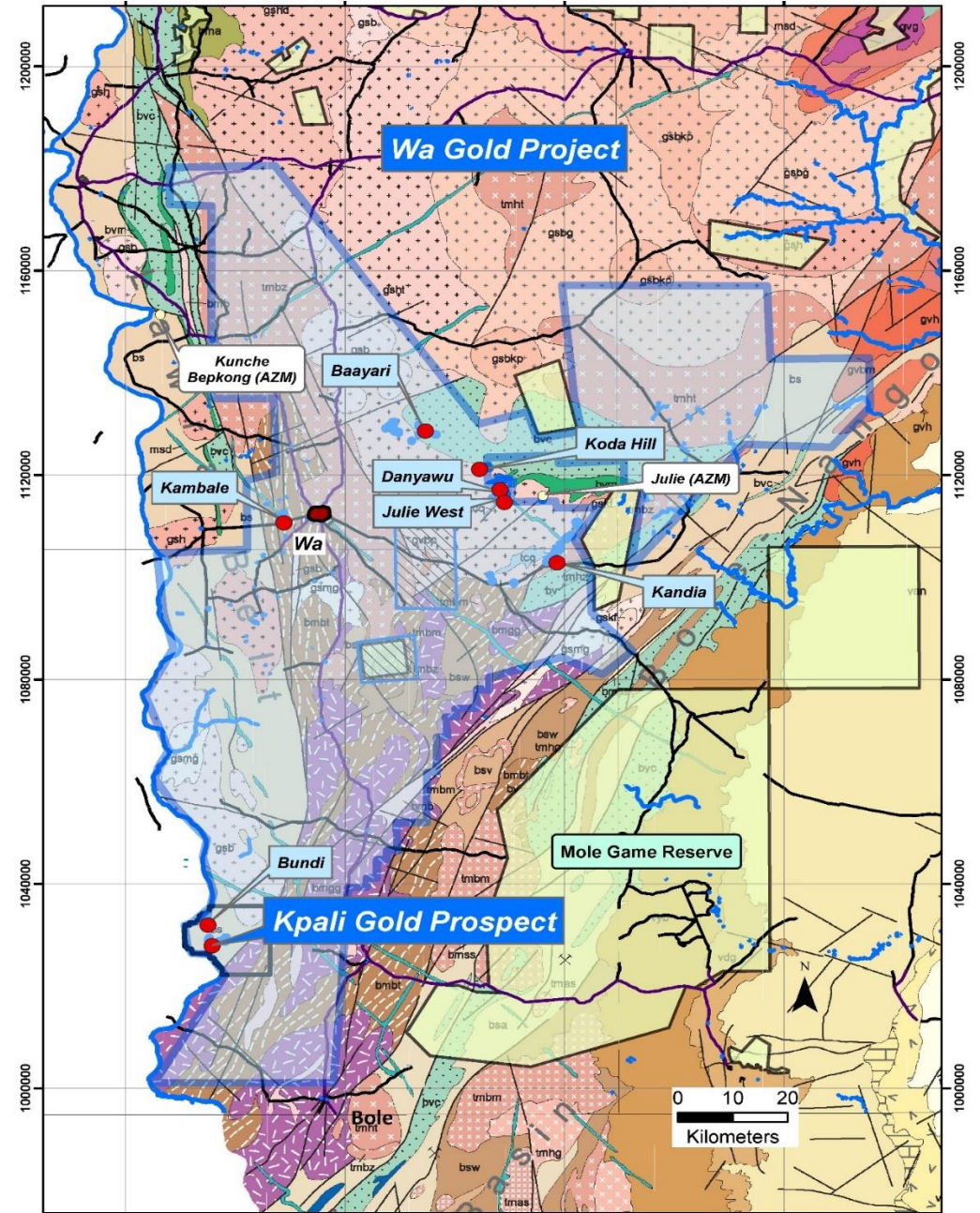
<sup>3</sup> Break even grade based on base case Stage1 (83%) and Total Project (75%) leach recoveries

# Julie West

## Julie West Sale

- Julie West Prospecting Licence sold in October 2015 for:
  - A cash payment of **A\$500,000 plus a four percent net smelter gold royalty.**
  - The cash component of the purchase price is payable in two tranches. The first tranche comprised a non refundable A\$250,000 deposit which has been paid to Castle. The remaining A\$250,000 component is payable to Castle upon Ministerial approval for the transfer of the Julie West Prospecting Licence
  - Apart from securing Ministerial consent in Ghana to the transfer of the Julie West Prospecting Licence, there are no other conditions that need to be satisfied before completion can take place.

# Ghana Projects



# Akoko Project

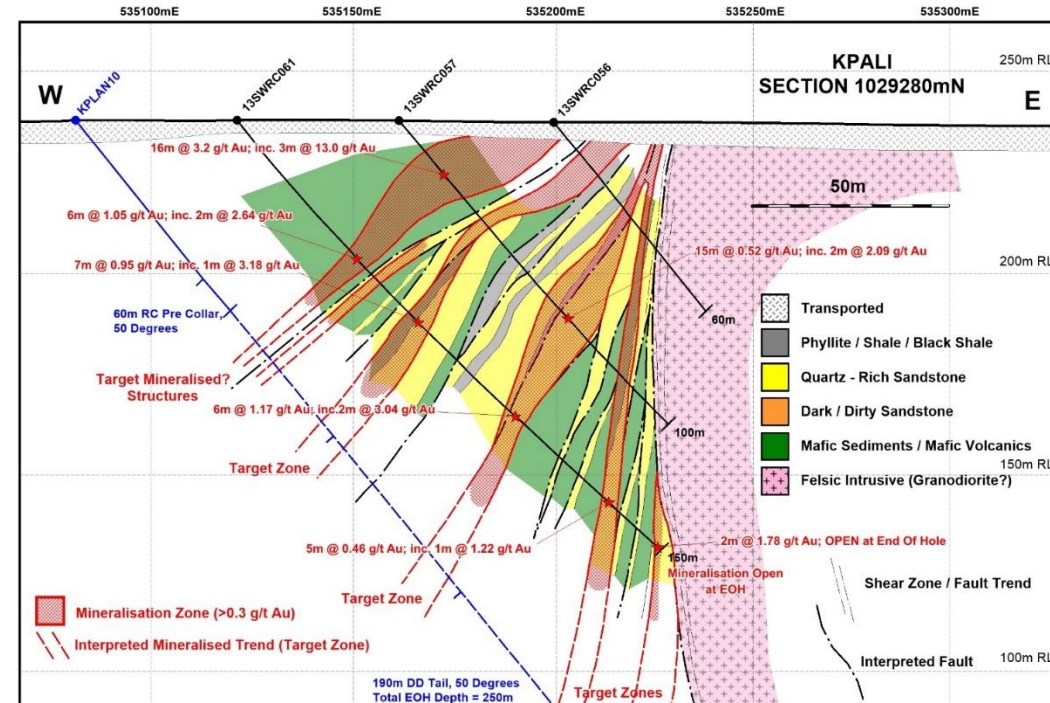
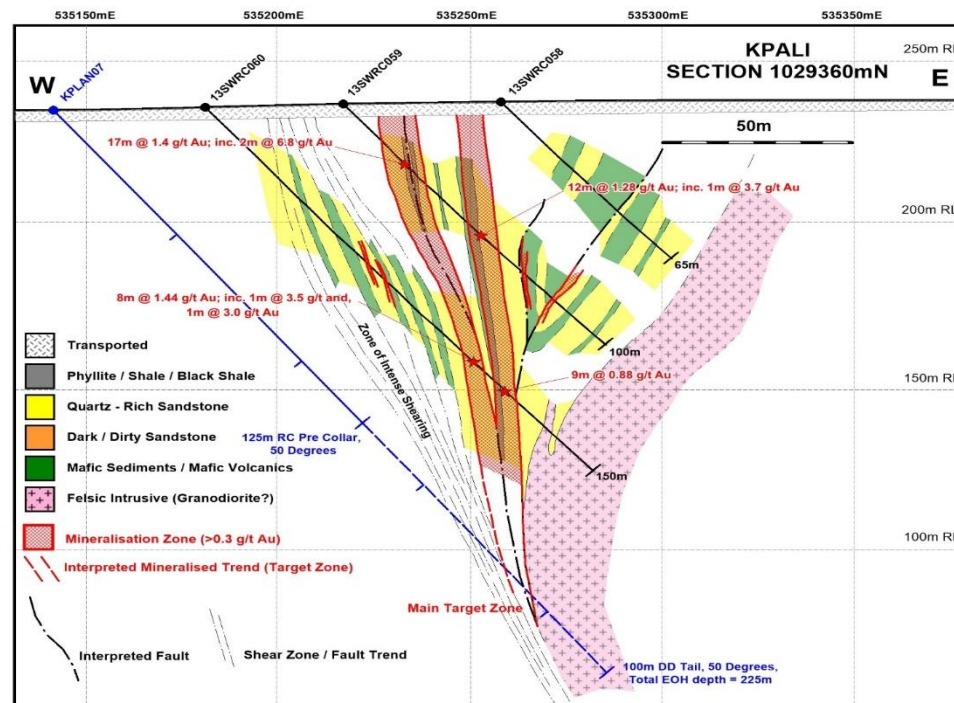
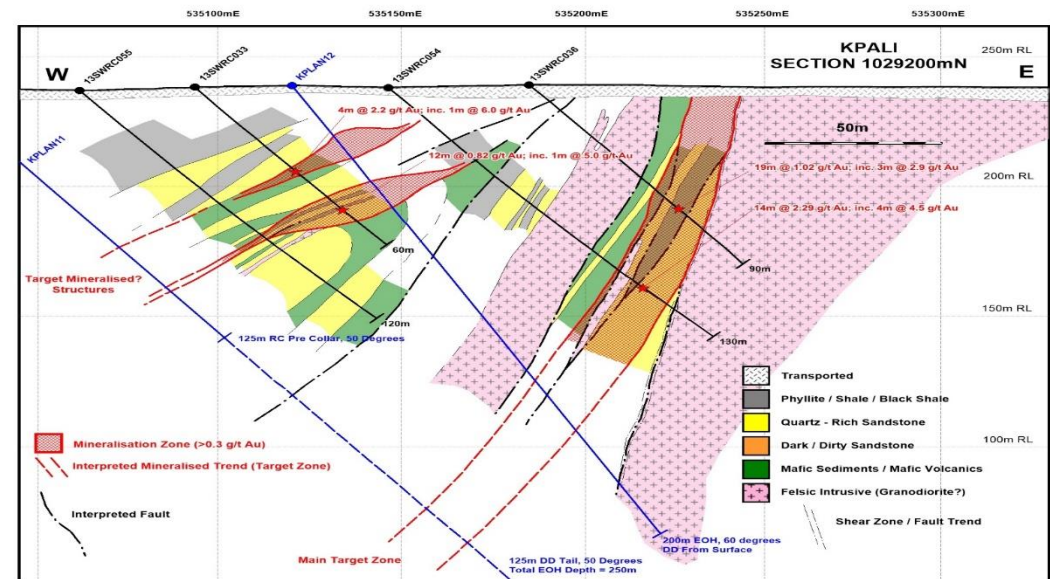
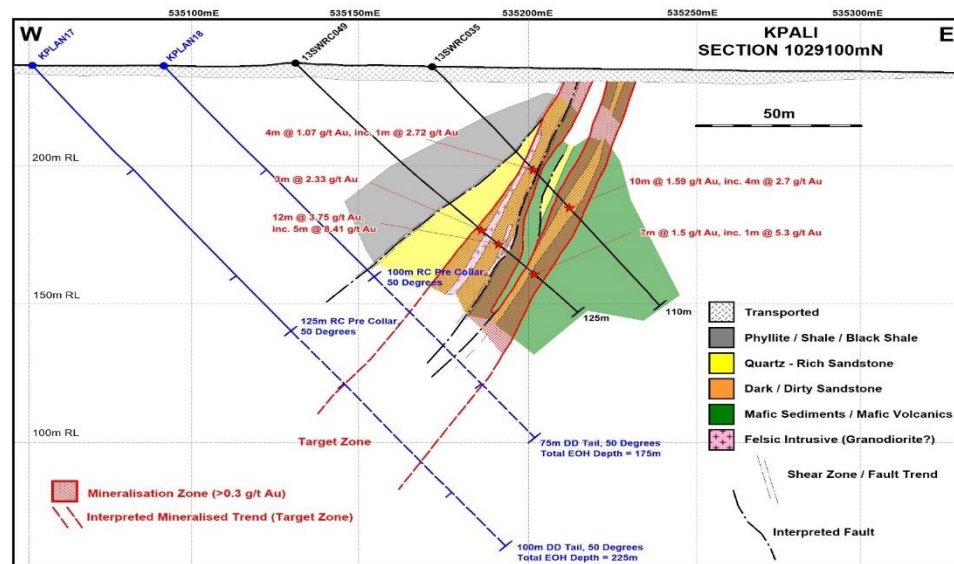
- A conditional sale agreement was executed with London based, Goldcrest Resources PLC for the sale of Castle's Akoko Gold Project in south west Ghana in May 2015
- Castle is entitled to receive **US\$482,500 (~A\$600,000) consideration** in a number of staged payments over the next 20 months.
- Castle is also eligible to receive payments of US\$500,000 in cash/equity (at Goldcrest's discretion) if a 0.5Moz resource is defined and for every additional 0.5Moz resource defined thereafter up to a maximum of 2M ounces
- The sale is conditional upon the transfer of the Akoko Prospecting Licence to Goldcrest and Goldcrest listing on the London AIM exchange within 12 months.
- The US\$482,500 consideration comprises US\$282,500 cash and US\$200,000 in Goldcrest scrip
- Goldcrest is responsible for the Akoko Project tenure including paying all fees, rents, rates and other charges levied or assessed under the Mining Act and to comply with the requirements of the Mining Act and Mining Regulations



# Kpali Gold Deposit

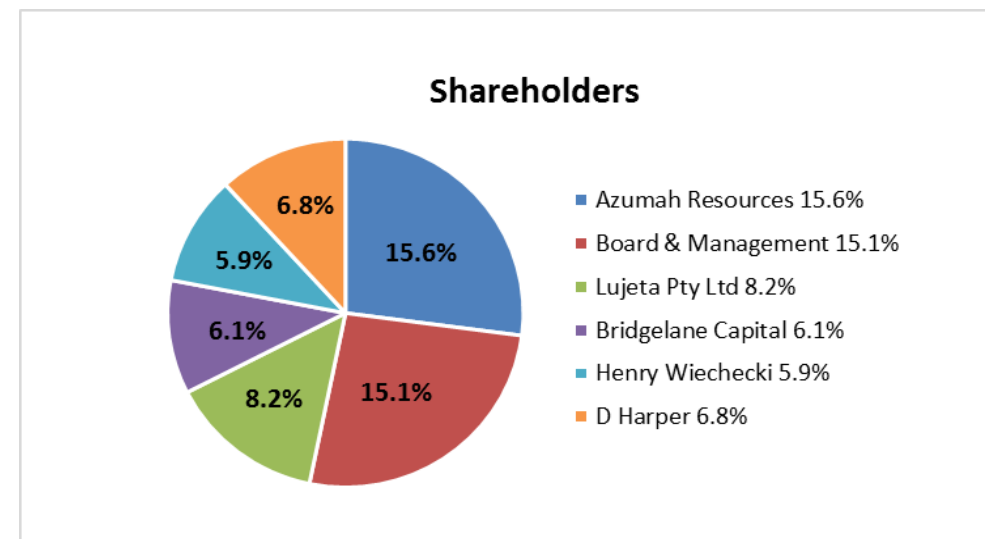
- Kpali ranked as our **most prospective gold target** that was discovered by Castle Minerals in 2013 beneath a thin veneer of alluvial cover.
- RC drilling over a 600m strike has identified an open ended high grade gold zone.
- In 2014 Castle reported a Mineral Resource Estimate 107,200 Oz for Kpali ([2.9Mt @ 1.1g/t](#) gold).
- Relogging of all Kpali RC holes was undertaken in 2015 and an updated geological and structural model developed. A strong gold trend is evident particularly on the southern sections with the grade and width of the mineralisation increasing with depth
- A 4,000m drill program has been proposed (24 holes) with a very strong expectation that this work will yield further significant gold intersections and materially increase the known gold resource.
- Castle is currently seeking a JV partner to test the open ended gold mineralisation at Kpali and is in discussion with several groups





# Corporate Summary

Directors & Management	
Michael Ashforth	Non-Exec Chairman
Campbell Ansell	Non-Exec Director
Mike Ivey	Managing Director
Des Kelly	Company Secretary
Paul Amoako Atta	In Country Director (Gh)
Ed Mills	Exploration Supervisor (Gh)
Corporate	
Issued Shares	130.9M
Options	1.05M @ 40c
Market Cap (\$M)	\$1.2M
Cash (Sep 15)	\$0.3M
ASX Code	CDT
Top 20 Shareholders	76%



Top 20 hold 76%



## 2016 Objectives

- Complete proposed drill program at Kpali to test open ended gold intercepts
- Complete Akoko Sale
- Conclude Julie West sale
- Continue to rationalise landholding and possible partnering arrangement
- Introduce advanced new project leveraging off tight capital structure





# Thank You

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