

Summary

Akoko Project:

- Licences extended and discussions commenced with new parties interested in farm-in or purchase arrangement.

Kpali Project:

- Field visit undertaken by party interested in farm-in arrangement.

Exploration General:

- The review of the Company's extensive project datasets continued with the objective of rationalising the Company's large Ghana licence holdings around key target areas and to minimise holding costs.

New Opportunities:

- Management reviewed several Australian and international project opportunities spanning a range of commodities with the objective of securing a new focus for the Company.

Corporate:

- End of Quarter working capital was \$184,000 and issued shares was 149M.
- Working capital increased by \$100,000 via a placement of 10m shares at \$0.01 to a qualifying sophisticated investor. A second \$100,000 placement at \$0.01 to directors is scheduled next month (subject to approval of shareholders at an EGM to be held on 10th August 2016).
- To assist cash flow Directors also agreed to accept their fees and any payments for additional services in Castle shares (subject to the approval of shareholders at the 10th August 2016 EGM).
- Castle holds 1.0M shares in ASX listed Minquest (ASX: MNQ)(~\$12,000).

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Capital Structure
Quoted Shares: 149 million
Unlisted Options: 1.05m @ 40c

Board
Michael Atkins
Director

Stephen Stone
Executive Director

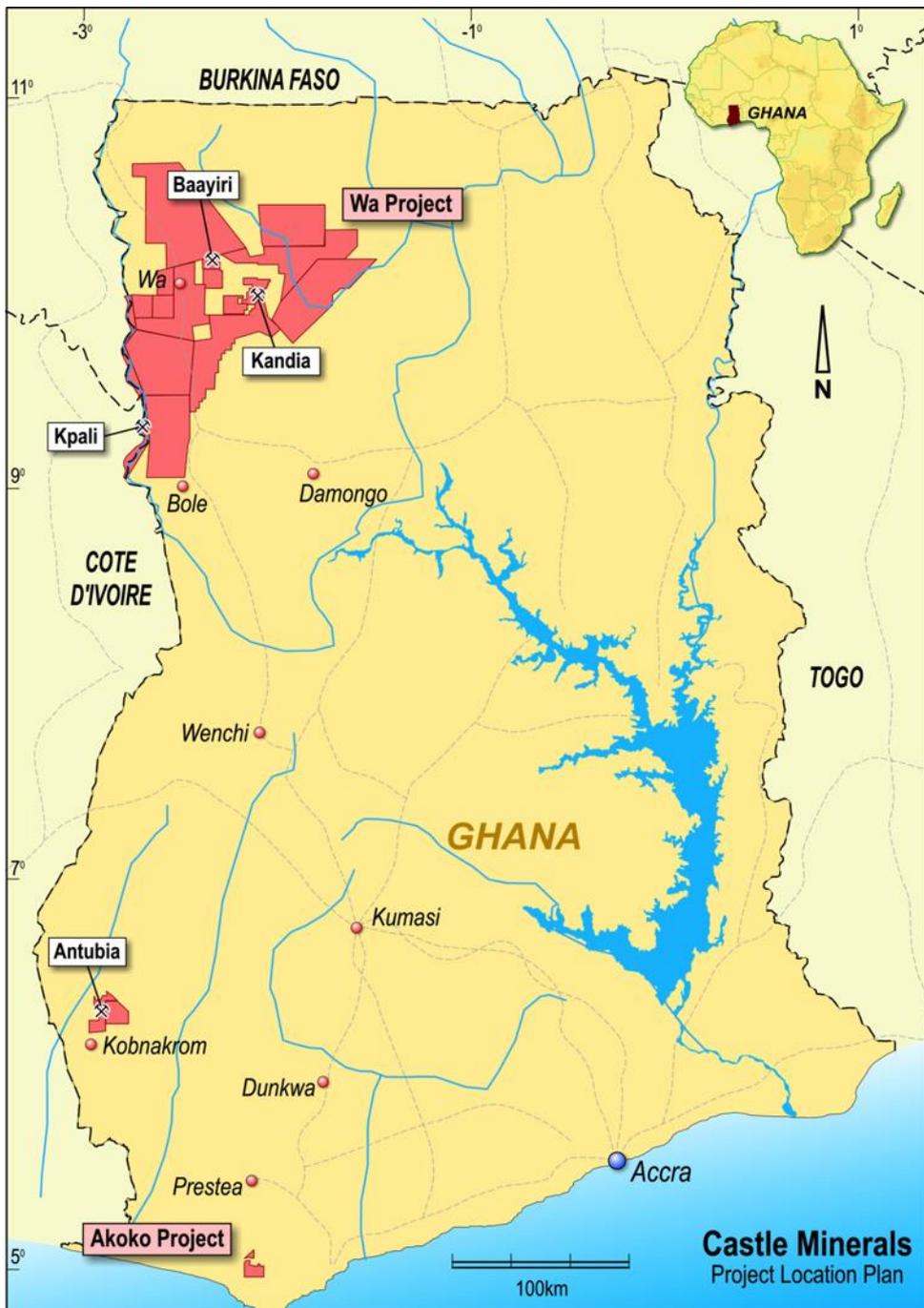
Ian Hobson
Director &
Company Secretary

About Castle:

Castle Minerals (ASX code '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 ~11,000km² licence holdings host several projects including Kpali in Ghana's Upper West region and Akoko close to Takoradi in Ghana's southern and prolific gold mining region. All of Castle's projects are prospective for gold and, whilst resources have been delineated at some, all are considered 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



Castle Mineral's Licences

Licence	Name	Interest beginning of Quarter	Interest end of Quarter
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%
-	Opon Mansi	Application	Relinquished
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.

Competent Person's 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.