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ASX Announcement

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Drilling Commences at Banso Project

Castle Minerals Limited (ASX:CDT) is pleased to announce that a 3,500 metre reverse circulation drilling program has commenced at the Banso gold prospect in Ghana.

The drilling is testing the 3.7km long Banso gold anomaly and is expected to take three weeks to complete.

Infill soil sampling of the main anomaly at Banso has outlined four individual high grade anomalies that on average are 600 metres long and 150 metres wide, each reporting soil and/or pit values above 1g/t gold. The highest soil sample reported in this program was 2.6g/t gold.

A series of three metre deep pits dug on 200 x 50 m spacing over the anomalies to gain geological and structural information intersected a mixed sequence of volcanics, gabbro and sediments. The gabbroic rocks were commonly altered and quartz veined. Pit sampling returned a maximum value of 5.9g/t gold.

Trenching completed in 1997 at Banso returned the following intercepts;

- 9.85m @ 9.19 g/t gold
- 8.10m @ 4.34 g/t gold
- 23m @ 2.33 g/t gold
- 13.25m @ 1.56 g/t gold
- 5.4m @ 1.57 g/t gold

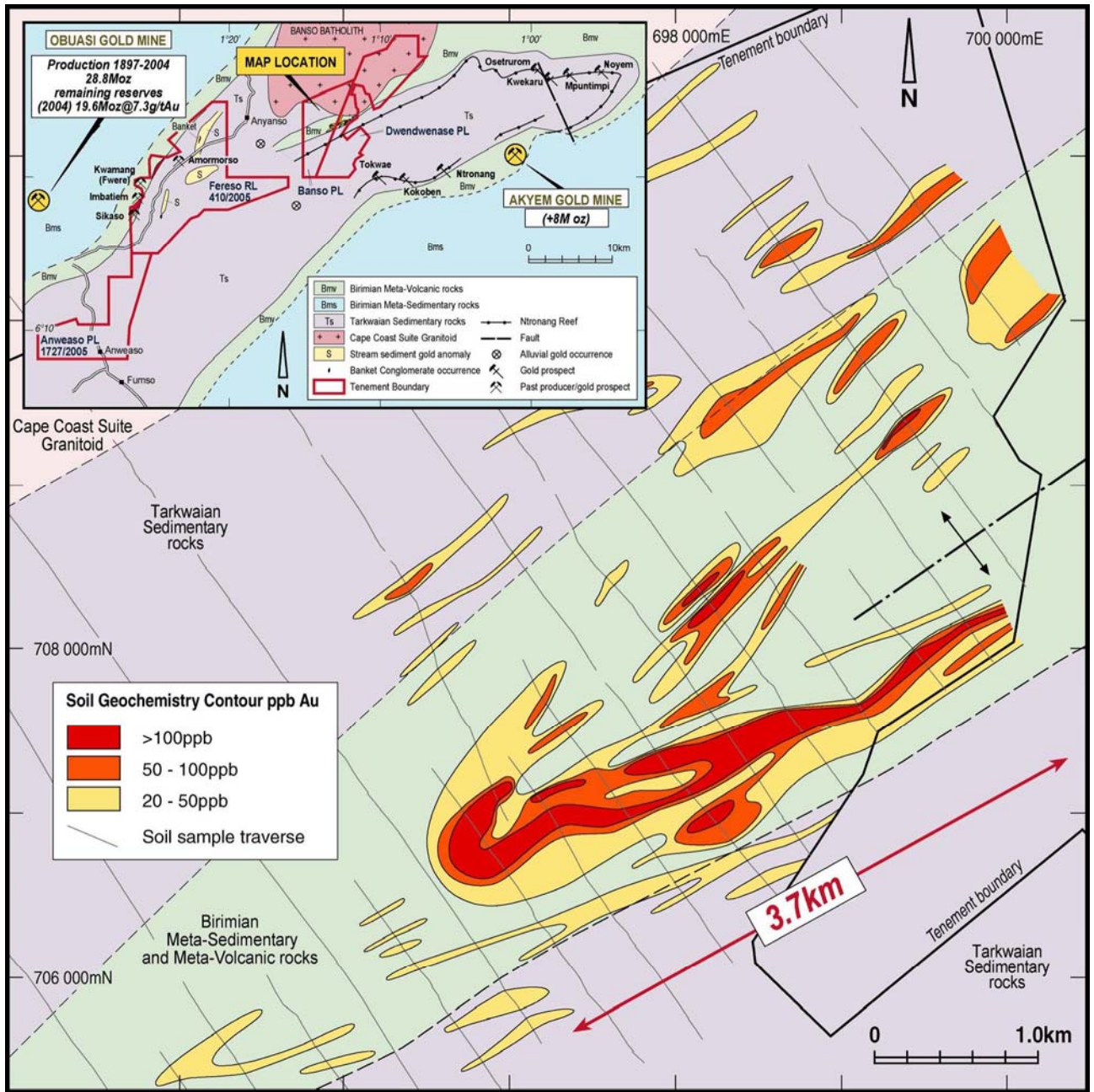
Importantly the trenching appears to have been completed largely outside the best parts of the anomalies generated by Castle. This current drilling program represents the first known drilling in the area.

The Banso anomaly is approximately 20km west of Newmont's plus 8 million ounce Akyem gold deposit and is interpreted to occur in the same sequence of Birimian rocks and occupy a similar structural setting to that at Akyem.

The attached plan provides further details of the Banso gold anomaly.

A handwritten signature in black ink, appearing to be "Michael Ivey", with a long horizontal line extending to the right.

Michael Ivey
Managing Director & CEO



CASTLE MINERALS LIMITED

BANSO PROJECT

BANSO GOLD ANOMALY

Soil samples were analysed by Transworld Laboratories (Ghana). Gold was determined by Cyanide Leach of 1Kg sample, DIBK extraction with A.A finish. Detection Limit =1ppb Au.

Information in this announcement pertaining to exploration results was compiled by Michael Fowler, Castle Minerals Limited Exploration Manager, who is a Member of The Australasian Institute of Mining and Metallurgy. Michael Fowler 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 Fowler consents to the inclusion in the announcement of the matters based on their information in the form and context in which it appears.

Statements regarding Castle Minerals' plans with respect to its mineral properties are forward-looking statements. There can be no assurance that Castle Minerals' plans for development of its mineral properties will proceed as currently expected. There can also be no assurance that Castle Minerals will be able to confirm the presence of additional mineral deposits, that any mineralization will prove to be economic or that a mine will successfully be developed on any of Castle Minerals' mineral properties.