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ASX Announcement

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Drilling Commences at Kandia Gold Prospect

Castle Minerals Limited (ASX:CDT) is pleased to announce that a reverse circulation drilling program has commenced at the Kandia gold prospect in north west Ghana. This first ever drilling is being targeted at the three areas of recently discovered artisanal gold workings. Thirty holes are planned for approximately 2,500m of drilling, testing for gold mineralisation to about 100m below surface.

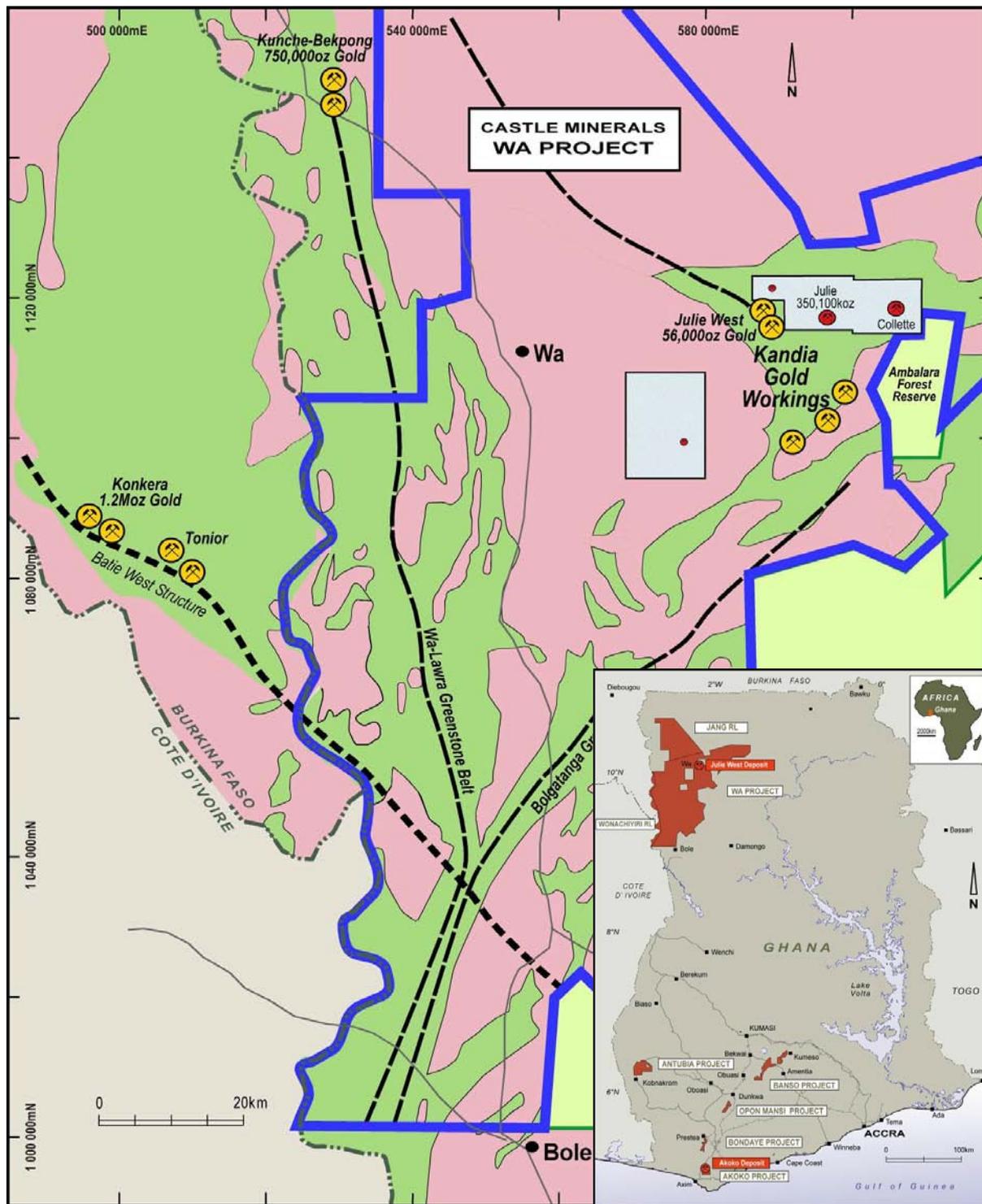
The Kandia prospect was discovered in April during reconnaissance field mapping. During this program a large area of previously unknown artisanal gold workings was discovered that comprise three main groups developed over approximately 600m of strike.

Subsequent rock chip sampling reported visible gold and strong gold results up to 16g/t gold confirming the Kandia gold workings as a high priority exploration target (CDT:ASX release 6th May 2010). The rock chip sampling suggests that the metasedimentary unit at Kandia is capable of hosting medium to high grade gold mineralisation and offers a bulk tonnage exploration target more typical of the Birimian aged sedimentary hosted gold deposits seen in Ghana and West Africa.

A soil geochemical sampling program has just been completed along strike from the Kandia workings testing a 10km long prospective corridor - assay results are pending.



Artisanal gold workings at south west end of the Kandia Prospect



Castle's 12,000km² Wa Project hosts three Birimian age greenstone belts – the new Kandia prospect is located on the eastern side of the project approximately 10km south east of the Julie West gold deposit and within the Bolgatanga Greenstone belt.

For further information please contact:

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Information in this announcement that relates to Exploration Results is based on information compiled by Michael Fowler, Castle Minerals Limited Exploration Manager, who is a Member of The Australasian Institute of Mining and Metallurgy. Michael Fowler 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 Fowler consents to the inclusion in the report of the matters based on his information in the form and context in which it appears.