

Castle to Receive A\$250,000 Cash Payment on Completion of Julie West Sale



ASX & Media Release

ASX Code: CDT

23 October 2019

Castle Minerals Limited (ASX: CDT) ("Castle" or the "Company") advises that it has agreed with Azumah Resources Limited ("Azumah")(ASX:AZM) to amend the Julie West Put Option and Sale Agreement ("Option Agreement") whereby the parties to that Option Agreement have waived the condition precedent requiring the approval of the Ghana Minister of Mines and Natural Resources to the transfer to Azumah of the Julie West prospecting licence (refer ASX releases 28 September 2015 and 27 April 2016).

Accordingly, Azumah will now make the final cash payment of A\$250,000 to complete the sale of the Julie West prospecting licence.

The Julie West licence is currently held by Castle's wholly owned Ghanaian subsidiary, Carlie Mining Limited ("Carlie"). The Option Agreement provides for the licence to be purchased by Phoenix Resources Limited ("Phoenix"), a wholly-owned subsidiary of Azumah Resources Ghana Limited, being the company in which Azumah currently holds a majority 57.5% interest.

The transfer of the Julie West prospecting licence from Carlie to Phoenix has been a protracted matter due to complexities of its original ownership, its original sale to a third party, a subsequent assignment of that third party's right to Azumah and the requirement for various extensions to the completion date whilst awaiting the Minister's approval.

Castle and Phoenix have agreed to continue to use their best endeavours to obtain the consent of the Ghana Minister of Lands and Natural Resources to the transfer of legal title to the Julie West licence to Phoenix.

Castle is not aware of there being any impediment to the Minister approving the transfer but, whilst that is awaited, Castle will retain certain clawback rights should Phoenix fail to maintain the licence in good standing or incur material environmental liabilities in respect to the licence.

Pursuant to the Option Agreement, Carlie will retain a 4% net smelter precious metal royalty over the licence.

Upon receiving the final payment from Azumah, Castle's consolidated cash position will be approximately \$440,000 after netting off funds owed by Castle to Azumah in regards to administration costs.

Jade Styants
Company Secretary

About Castle Minerals Limited

Castle Minerals is listed on the Australian Stock Exchange (ASX: CDT) and headquartered in Perth, Western Australia. In addition to its interest in the Coolyia Creek and Beasley Creek conglomerate-hosted paleo-placer style gold projects in the Pilbara region of Western Australia, it has a large contiguous tenure position in the Upper West region of Ghana, West Africa, a country with a long history of gold exploration and mining. Its Ghana licence holdings encompass large tracts of highly prospective Birimian geological terrane, the host to many of West Africa's multi-million-ounce gold mines. All of Castle's ground in Western Australia and Ghana, whilst at a relatively early stage of exploration, presents a number of targets offering opportunities for discoveries of gold and other minerals.

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Board:

Michael Atkins
Chairman

Stephen Stone
Managing Director

James Guy
Non-Executive Director

Company Secretary:

Jade Styants

Capital Structure:

Ordinary Shares: 223.8M
3c Options: 6.0M