

Castile Resources Ltd
ACN 124 314 085

Supplementary Prospectus

IMPORTANT INFORMATION

This is a supplementary prospectus (**Supplementary Prospectus**) intended to be read with the prospectus dated 3 December 2019 (**Prospectus**) issued by Castile Resources Ltd ACN 124 314 085 (**Company**).

This Supplementary Prospectus is dated 10 December 2019 and was lodged with ASIC on that date. Neither ASIC nor ASX take any responsibility as to the contents of this Supplementary Prospectus.

This Supplementary Prospectus should be read together with the Prospectus. Other than the changes set out in this Supplementary Prospectus, all other details in relation to the Prospectus remain unchanged. To the extent of any inconsistency between this Supplementary Prospectus and the Prospectus, the provisions of this Supplementary Prospectus will prevail. Unless otherwise indicated, terms defined and used in the Prospectus have the same meaning in this Supplementary Prospectus.

The Company has issued a printed and electronic version of this Supplementary Prospectus and the Prospectus. Any person may obtain an electronic or hard copy of this Supplementary Prospectus and the Prospectus free of charge by downloading it from the Company's website www.castile.com.au or contacting the Company by email at reception@castile.com.au or telephone on +61 8 9488 4480.

This Supplementary Prospectus and the Prospectus are important documents that should be read in their entirety. If you are in any doubt as to the contents of this Supplementary Prospectus or the Prospectus, you should consult your stockbroker, lawyer, accountant or other professional adviser without delay.

1. BACKGROUND

1.1 Reasons for this Supplementary Prospectus

Following its review of the Prospectus, the Australian Securities and Investments Commission (**ASIC**) requested further clarification regarding the Company's Non-Executive Chairman, Mr Peter Cook, accepting his full entitlement of New Shares under the Offer. In addition, ASIC required additional details with respect to Mr Peter Cook, through his nominee entity, Ajava Holdings Pty Ltd, sub-underwriting a portion of the Underwritten Amount of the Offer. Accordingly, this Supplementary Prospectus has been prepared to clarify certain disclosures set out within the Prospectus.

2. ENTITLEMENT AND ACCEPTANCE FORMS

The Offer has not yet opened and, as such, no Entitlement and Acceptance Forms have been processed or accepted by the Company.

3. AMENDMENTS TO THE PROSPECTUS

3.1 Section 2.7 Effect of Offer on Control

The following paragraph is inserted at the end of Section 2.7 of the Prospectus:

Mr Cook has indicated that he will take up all of his Entitlement, being the subscription of 2,694,763 New Shares under the Offer to give him (or his related entities) a total shareholding in the Company of 5,389,526 Shares and participate in the Offer on the same terms and conditions as other Shareholders. No sub-underwriting fees will be payable by Mr Cook upon the acceptance of his Entitlement.

However, Mr Cook, through his nominee entity, Ajava Holdings Pty Ltd, has agreed to sub-underwrite the Underwritten Amount (i.e. \$11,000,000) to the value of \$5,000,000. The sub-underwriting of Shortfall Shares (if any) by Mr Cook through his nominee entity, Ajava Holdings Pty Ltd, is in addition to, and separate from, his Entitlement. Pursuant to the terms of the sub-underwriting agreement, Canaccord Genuity shall pay a fee of 3% (excluding GST) of Mr Cook's respective sub-underwritten value.

4. CONSENTS

Price Sierakowski Corporate has given, and not before lodgement of this Supplementary Prospectus withdrawn its consent to the amendments to the Prospectus in the form and context in which they are included. Price Sierakowski Corporate has not authorised or caused the issue of this Supplementary Prospectus and takes no responsibility for any part of this Supplementary Prospectus other than to the amendments to the Prospectus.

5. DIRECTORS' AUTHORISATION

This Supplementary Prospectus is issued by the Company and its issue has been authorised by a resolution of the Directors. The Directors believe that the Prospectus when read together with this Supplementary Prospectus contains all the information that would be required by sections 710 and 711 of the Corporations Act and does not contain any material statement that is misleading or deceptive.

In accordance with section 720 of the Corporations Act, each Director has consented to the lodgement of this Supplementary Prospectus with ASIC and has not withdrawn that consent prior to lodgement.

Signed for and on behalf of the Company on 10 December 2019.



Peter Cook
Non-Executive Chairman