

CASTILE RESOURCES DRILLING PROGRAM UPDATE

Castile Resources Limited (ASX:CST) (“Castile” or “the Company”) advises that it now received the results from the last hole of its 2020 drill program with the assays from hole 20CRD004 and the daughter hole 20CRD004-1 received.

Holes 20CRD004 and 20CRD004-1 (a daughter hole navi-cut from the parent hole) were designed to test plunge extents of the interpreted Ganymede mineralisation discovered in hole WGR1D043-2 which had been drilled by the previous owners. These two holes were 50m and 100m away from the mineralisation in this hole.

The Ganymede target was the second of the wildcat exploration type targets tested in the shortened field season of 2020 with the structural target at Western zone (See ASX:CST 16 December 2020) being the other.

Anomalous copper results were received in two zones (see Table 1) in both 20CRD004 and 20CRD004-1 suggesting drilling was peripheral to mineralisation.

Table 1

Project	Deposit	Hole ID	MGA_E	MGA_N	RL	EOH	Dip	MGA_Azi	Commentary	mFrom	mTo	DH
Rover	Rover 1	20CRD004	359400	7787360	295	1089.3	-74.9	351.5	7.3m @ 330ppm Cu from 842m downhole. incl peak Cu of 1150ppm	842m	849.3	7.3
Rover	Rover 1	20CRD004	359400	7787360	295	1089.3	-70.1	353.1	6.95m @ 150ppm Cu from 1013.35m downhole. incl peak Cu of 490ppm	1013.35	1019.8	6.95
Rover	Rover 1	20CRD004-1	359400	7787360	295	1139.6	-70.1	353.1	27.7m @ 100ppm Cu from 1023m downhole. incl peak Cu of 1140ppm	1023	1050.7	27.7
Rover	Rover 1	20CRD004-1	359400	7787360	295	1139.6	-70.1	353.1	26.8m @ 250ppm Cu from 1077.2m downhole. incl peak Cu of 5540ppm	1077.2	1104	26.8

The Managing Director of Castile Resources, Mark Hepburn, commented “Whilst the exploration targets at Ganymede and Jupiter West did not return high grade intercepts, they have returned significant anomalism suggesting that there remains potential to extend the known Rover 1 ore system. Castile will continue to proactively work through the numerous conceptual opportunities contained within the Castile tenements in parallel with advancing development at Rover 1.

The extensional holes drilled into the main Rover 1 ore system during the shortened season did return outstanding intercepts including 30.4m @ 35.6g/t Au and 1.46% Cu in 20CCR001 (See ASX:CST 20th October 2020) and 12.3m @ 4.5g/t Au and 1.49% Cu, g/t in 20CRD002 (See ASX:CST 2nd November 2020) These have greatly increased our confidence levels in Rover 1 and we will continue to focus on progressing the Pre-Feasibility Study.”

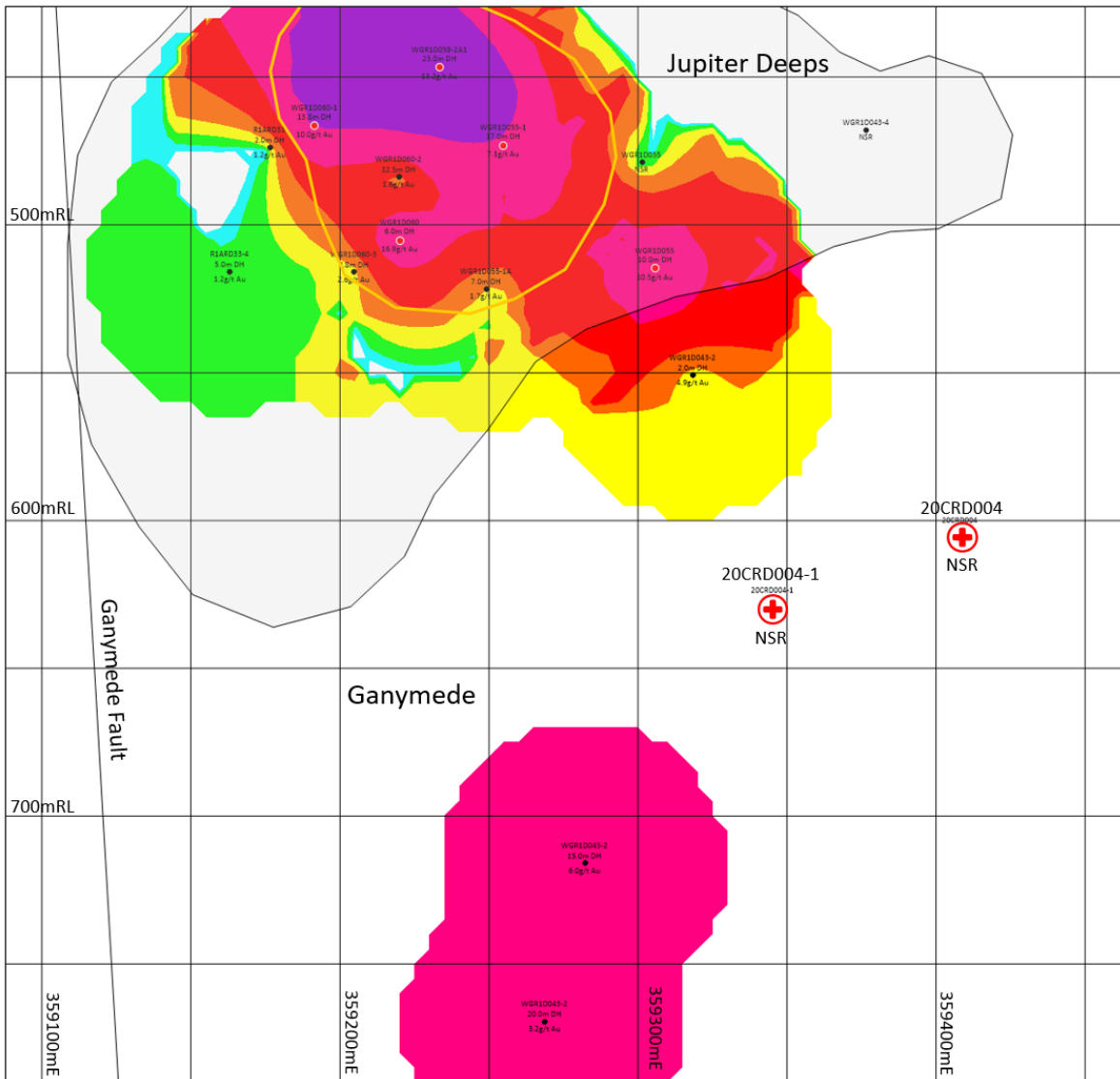


Figure 1: Long projection of Jupiter Deeps and Ganymede zones at Rover 1 showing pierce points of 20CRD004 and 20CRD004-1 with historic drillhole intersections and Au Gram x Meter contouring

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This announcement was approved for release by Castile's Managing Director, Mark Hepburn



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Competent Person's Statement

The exploration results contained in this report are based on, and fairly and accurately represent the information and supporting documentation prepared by Mark Savage. Mr Savage is a full time employee of Castile, and a Member of The Australasian Institute of Mining and Metallurgy. Mr Savage has sufficient experience which is relevant to the style of mineralisation and type of deposit under consideration, and to the activity being undertaken to qualify as a Competent Person as defined in the 2012 Edition of the Australasian Code for Reporting of Exploration Results, Exploration Targets, Mineral Resources and Ore Reserves. Mr Savage consents to the inclusion in the report of the matters based on the exploration results in the form and context in which they appear.

Section 1 Sampling Techniques and Data

(Criteria in this section apply to all succeeding sections.)

Criteria	JORC Code explanation	Commentary
Sampling techniques	<ul style="list-style-type: none"> Nature and quality of sampling (e.g. cut channels, random chips, or specific specialised industry standard measurement tools appropriate to the minerals under investigation, such as down hole gamma sondes, or handheld XRF instruments, etc.). These examples should not be taken as limiting the broad meaning of sampling. Include reference to measures taken to ensure sample representivity and the appropriate calibration of any measurement tools or systems used. Aspects of the determination of mineralisation that are Material to the Public Report. In cases where 'industry standard' work has been done this would be relatively simple (e.g. 'reverse circulation drilling was used to obtain 1 m samples from which 3 kg was pulverised to produce a 30 g charge for fire assay'). In other cases more explanation may be required, such as where there is coarse gold that has inherent sampling problems. Unusual commodities or mineralisation types (e.g. submarine nodules) may warrant disclosure of detailed information. 	<ul style="list-style-type: none"> All data used in the following sections at Rover 1 has been gathered from diamond core. Multiple sizes have been used historically; HQ, NQ and BQ. Samples are selected to lie on geological boundaries, with intervals selected of lengths between 0.1 to 1.1m. Samples are halved using an automatic core saw then individual samples collected in prenumbered calico sample bags. The sample of between 0.5kg to 3kg is whole crushed then pulverised to produce a 40g charge for fire assay with AAS finish for Au and a further sample for mixed acid digest with an ICP-MS finish for Ag, As, Bi, Co, Cu, Pb and Zn.
Drilling techniques	<ul style="list-style-type: none"> Drill type (e.g. core, reverse circulation, open-hole hammer, rotary air blast, auger, Bangka, sonic, etc.) and details (e.g. core diameter, triple or standard tube, depth of diamond tails, face-sampling bit or other type, whether core is oriented and if so, by what method, etc.). Method of recording and assessing core and chip sample recoveries and results assessed. Measures taken to maximise sample recovery and ensure representative nature of the samples. Whether a relationship exists between sample recovery and grade and whether sample bias may have occurred due to preferential loss/gain of fine/coarse material. 	<ul style="list-style-type: none"> To ensure representivity of samples, field blanks and certified reference material is inserted in a nominal ratio of 1:20 samples. Sample recovery is recorded on retrieval of the core tube, measuring recovered core against drill string advance. No apparent relationship has been observed between sample recovery and grade. No has sample bias due to preferential loss or gain of fine or coarse material been noted.
Drill sample recovery	<ul style="list-style-type: none"> Whether core and chip samples have been geologically and geotechnically logged to a level of detail to support appropriate Mineral Resource estimation, mining studies and metallurgical studies. Whether logging is qualitative or quantitative in nature. Core (or costean, channel, etc.) photography. The total length and percentage of the relevant 	<ul style="list-style-type: none"> All geological data has been visually logged and validated by the relevant area geologists, recording lithology, alteration, mineralisation, structure, veining, magnetic susceptibility and geotechnical data. Logging is quantitative in nature. All holes are logged completely.
Logging	<ul style="list-style-type: none"> Whether core and chip samples have been geologically and geotechnically logged to a level of detail to support appropriate Mineral Resource estimation, mining studies and metallurgical studies. Whether logging is qualitative or quantitative in nature. Core (or costean, channel, etc.) photography. The total length and percentage of the relevant 	<ul style="list-style-type: none"> All geological data has been visually logged and validated by the relevant area geologists, recording lithology, alteration, mineralisation, structure, veining, magnetic susceptibility and geotechnical data. Logging is quantitative in nature. All holes are logged completely.

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	<i>intersections logged.</i>	
Sub-sampling techniques and sample preparation	<ul style="list-style-type: none"> • <i>If core, whether cut or sawn and whether quarter, half or all core taken.</i> • <i>If non-core, whether riffled, tube sampled, rotary split, etc. and whether sampled wet or dry.</i> • <i>For all sample types, the nature, quality and appropriateness of the sample preparation technique.</i> • <i>Quality control procedures adopted for all sub-sampling stages to maximise representivity of samples.</i> • <i>Measures taken to ensure that the sampling is representative of the in situ material collected, including for instance results for field duplicate/second-half sampling.</i> • <i>Whether sample sizes are appropriate to the grain size of the material being sampled.</i> 	<ul style="list-style-type: none"> • Diamond Drilling - Half-core niche samples, sub-set via geological features as appropriate. • Core undergoes total preparation. • The sample preparation process consists of; <ul style="list-style-type: none"> ○ Crushing using a Boyd Crusher to achieve a maximum sample size of 2mm. ○ The crushed sample is split down to a 3kg sample via a rotating sample divider attached directly to the Boyd Crusher. ○ The crushed sample is then pulverised in a Labtech LM5 Ring Mill such that 90% passes 75um. 200g is split and placed in a packet for analytical work. ○ For every 20th sample, an approximately 25g sample is wet screened to check grind effectiveness. ○ From the analysis sample, 40g is taken for fire assay, while a 0.2g portion is taken for acid digestion. These samples are extracted from the packet with a spatula and weighed out. • QA/QC is ensured during sampling via the use of sample ledgers, blanks, standards and repeats. • QA/QC is ensured during the assays process via the use of blanks, standards and repeats at a NATA / ISO accredited laboratory. • The sample sizes are considered appropriate to the grain size of the material being sampled. • The un-sampled half of diamond core is retained for check sampling if required.
Quality of assay data and laboratory tests	<ul style="list-style-type: none"> • <i>The nature, quality and appropriateness of the assaying and laboratory procedures used and whether the technique is considered partial or total.</i> • <i>For geophysical tools, spectrometers, handheld XRF instruments, etc., the parameters used in determining the analysis including instrument make and model, reading times, calibrations factors applied and their derivation, etc.</i> • <i>Nature of quality control procedures adopted (e.g. standards, blanks, duplicates, external laboratory checks) and whether acceptable levels of accuracy (i.e. lack of bias) and precision have been established.</i> 	<ul style="list-style-type: none"> • Analysis of drill core for Au, Ag, Bi, Co, Cu, Pb and Zn is as follows; <ul style="list-style-type: none"> ○ Gold (Au-AAS scheme – lower detection limit = 0.01ppm, upper detection limit = 100ppm). A 30-40g charge of prepared sample is fused with a mixture of lead oxide, sodium carbonate, borax, silica and other reagents and then cupelled to yield a precious metal bead. ○ The bead is then dissolved in acid and analysed by atomic absorption spectroscopy against matrix-matched standards. ○ Samples returning assay values in

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		<p>excess of 100g/t Au were repeated using the screen-fire method.</p> <ul style="list-style-type: none"> ○ Silver, bismuth, cobalt, copper, lead and zinc samples are digested using a 4 acid digest. ○ The subsequent solution is analysed by inductively coupled plasma - atomic emission spectroscopy or by atomic absorption spectrometry. <ul style="list-style-type: none"> ● No significant QA/QC issues have arisen in recent drilling results. ● These assay methodologies are appropriate for the style of mineral deposit under consideration.
Verification of sampling and assaying	<ul style="list-style-type: none"> ● <i>The verification of significant intersections by either independent or alternative company personnel.</i> ● <i>The use of twinned holes.</i> ● <i>Documentation of primary data, data entry procedures, data verification, data storage (physical and electronic) protocols.</i> ● <i>Discuss any adjustment to assay data.</i> 	<ul style="list-style-type: none"> ● Anomalous intervals as well as random intervals are routinely checked assayed as part of the internal QA/QC process. ● Several twinned holes have been drilled with no significant issues highlighted. ● Primary data is collected on a ruggedised computer, on predefined and self-validating worksheets. This data is imported into a relational database (DataShed) and is backed up regularly. ● All data used in the calculation of resources is compiled in databases which are overseen and validated by senior geologists. ● No primary assays data is modified in any way.
Location of data points	<ul style="list-style-type: none"> ● <i>Accuracy and quality of surveys used to locate drill holes (collar and down-hole surveys), trenches, mine workings and other locations used in Mineral Resource estimation.</i> ● <i>Specification of the grid system used.</i> ● <i>Quality and adequacy of topographic control.</i> 	<ul style="list-style-type: none"> ● All data is spatially oriented by survey controls via direct pickups by the survey department. Drillholes are all surveyed downhole. Modern holes are surveyed by Gyro tools. ● All drilling and resource estimation is undertaken in MGA grid. ● Topographic control is generated from a combination of aerial photogrammetry and ground-based surveys. This methodology is considered adequate for the resource in question.
Data spacing and distribution	<ul style="list-style-type: none"> ● <i>Data spacing for reporting of Exploration Results.</i> ● <i>Whether the data spacing and distribution is sufficient to establish the degree of geological and grade continuity appropriate for the Mineral Resource and Ore Reserve estimation procedure(s) and classifications applied.</i> ● <i>Whether sample compositing has been applied.</i> 	<ul style="list-style-type: none"> ● Drilling has been undertaken on a nominal 40x40m spacing, infilled to a nominal 20x20m spacing where significant mineralisation has been identified. ● No compositing of primary samples is undertaken prior to analysis
Orientation of data in relation to geological structure	<ul style="list-style-type: none"> ● <i>Whether the orientation of sampling achieves unbiased sampling of possible structures and the extent to which this is known, considering the deposit type.</i> ● <i>If the relationship between the drilling orientation</i> 	<ul style="list-style-type: none"> ● Drilling intersections are nominally designed to be normal to the orebody under consideration as far topography and economics allows. ● It is not considered that drilling orientation has introduced an appreciable sampling bias.



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	<p><i>and the orientation of key mineralised structures is considered to have introduced a sampling bias, this should be assessed and reported if material.</i></p>	
Sample security	<ul style="list-style-type: none"> • <i>The measures taken to ensure sample security.</i> 	<ul style="list-style-type: none"> • Individual samples in calico samples are collected in groups of 5 and placed into poly weave bags and secured with a zip-tie. All poly weave bags of a submission are then placed within a bulka bag, which is then sealed before delivery to a third party transport service who provides a tracking number. The transport contractor then relays the samples to the independent laboratory contractor.
Audits or reviews	<ul style="list-style-type: none"> • <i>The results of any audits or reviews of sampling techniques and data.</i> 	<ul style="list-style-type: none"> • Site generated data is routinely reviewed by the Castile corporate technical team.

Section 2 Reporting of Exploration Results

(Criteria listed in the preceding section also apply to this section.)

Criteria	JORC Code explanation	Commentary
Mineral tenement and land tenure status	<ul style="list-style-type: none"> Type, reference name/number, location and ownership including agreements or material issues with third parties such as joint ventures, partnerships, overriding royalties, native title interests, historical sites, wilderness or national park and environmental settings. The security of the tenure held at the time of reporting along with any known impediments to obtaining a licence to operate in the area. 	<ul style="list-style-type: none"> The Tennant Creek Project comprises 5 granted exploration leases. Native title interests are recorded against the Tennant Creek tenements. The Tennant Creek tenements are held by Castile Resources exclusively. Third party royalties exist across various tenements at Tennant Creek, over and above the Northern Territory government royalty. Castile operates in accordance with all environmental conditions set down as conditions for grant of the leases. There are no known issues regarding security of tenure. There are no known impediments to continued operation.
Exploration done by other parties	<ul style="list-style-type: none"> Acknowledgment and appraisal of exploration by other parties. 	<ul style="list-style-type: none"> The Tennant Creek area has an exploration and production history in excess of 100 years. The Rover area in particular has an intensive exploration history stretching from the 1970's.
Geology	<ul style="list-style-type: none"> Deposit type, geological setting and style of mineralisation. 	<ul style="list-style-type: none"> The Rover Project is presently considered to be associated with a southern repeat of the 1860-1850Ma Warramunga Province, in particular, the Paleoproterozoic Warramunga Formation. This is a weakly metamorphosed succession of partly tuffaceous sandstones and siltstones and turbidite shales. Locally the turbidite metasediments are variably altered by hematite and silica flooding. Mineralisation is mainly of the Iron Ore Copper-Gold (IOCG) type, particularly the Tennant Creek sub-type. Massive ironstone comprised of magnetite or hematite +/-quartz is interpreted to be alteration of metasediments within a structural trap. Copper manifests as of chalcopyrite, associated with breccia fill within magnetite-quartz ironstones and Jasper/BIF that often form an alteration transition to a chlorite alteration envelope. Pervasive sub-economic copper levels can persist throughout the zone. Economic levels of copper are dominantly contained in the lower massive magnetite zone of the ironstone bodies, particularly where intense chlorite alteration replaces magnetite laterally and at depth, grading into magnetite chlorite stringer zones. Gold

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		<p>content is related to an increase in haematite dusted quartz veins, with bonanza grades associated with massive pyrite with subordinate bismuthite. Cobalt appears to have a direct relationship with pyrite.</p> <ul style="list-style-type: none"> • Lead and zinc mineralisation at Explorer 108 is associated with a brecciated, dolomitised metasedimentary unit, consisting of irregular, generally narrow bands or veins of semi-massive sphalerite and galena. A basal “high-grade” zone is present at the contact of the altered metasediments and lower felsic volcanoclastic unit. • It is postulated that Explorer 108 mineralisation is an analogue of Mt Isa style base metal mineralisation.
Drill hole Information	<ul style="list-style-type: none"> • <i>A summary of all information material to the understanding of the exploration results including a tabulation of the following information for all Material drill holes:</i> <ul style="list-style-type: none"> ○ <i>easting and northing of the drill hole collar</i> ○ <i>elevation or RL (Reduced Level – elevation above sea level in metres) of the drill hole collar</i> ○ <i>dip and azimuth of the hole</i> ○ <i>down hole length and interception depth</i> ○ <i>hole length.</i> • <i>If the exclusion of this information is justified on the basis that the information is not Material and this exclusion does not detract from the understanding of the report, the Competent Person should clearly explain why this is the case.</i> 	<ul style="list-style-type: none"> • Exploration results are presented in Table 1 of the ASX release dated 14/01/2021 related to this edition of JORC Table 1.
Data aggregation methods	<ul style="list-style-type: none"> • <i>In reporting Exploration Results, weighting averaging techniques, maximum and/or minimum grade truncations (e.g. cutting of high grades) and cut-off grades are usually Material and should be stated.</i> • <i>Where aggregate intercepts incorporate short lengths of high grade results and longer lengths of low grade results, the procedure used for such aggregation should be stated and some typical examples of such aggregations should be shown in detail.</i> • <i>The assumptions used for any reporting of metal equivalent values should be clearly stated.</i> 	<ul style="list-style-type: none"> • Results are reported on a length weighted average basis. • Results are reported above a 2.5gm Au / Au Eq. cut-off / 2.5% Pb + Zn and 2.5% Cu. • Results reported may include up to two metres of internal dilution below a 0.5g/t Au / Au Eq. cut-off / 0.5% Pb + Zn / 0.5% Cu. • Metal equivalent values are reported based on the ratio of prevailing commodity prices which are given above.
Relationship between mineralisation widths and	<ul style="list-style-type: none"> • <i>These relationships are particularly important in the reporting of Exploration Results.</i> • <i>If the geometry of the mineralisation with respect to the drill hole angle is known, its nature should be reported.</i> 	<ul style="list-style-type: none"> • Interval widths are reported as downhole width unless otherwise stated.

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intercept lengths	<ul style="list-style-type: none"> If it is not known and only the down hole lengths are reported, there should be a clear statement to this effect (e.g. 'down hole length, true width not known'). 	
Diagrams	<ul style="list-style-type: none"> Appropriate maps and sections (with scales) and tabulations of intercepts should be included for any significant discovery being reported. These should include, but not be limited to a plan view of drill hole collar locations and appropriate sectional views. 	<ul style="list-style-type: none"> Diagrams are presented in the ASX release dated 14/10/2020 related to this edition of JORC Table 1.
Balanced reporting	<ul style="list-style-type: none"> Where comprehensive reporting of all Exploration Results is not practicable, representative reporting of both low and high grades and/or widths should be practiced to avoid misleading reporting of Exploration Results. 	<ul style="list-style-type: none"> Completed drilling where analysis results are available is reported.
Other substantive exploration data	<ul style="list-style-type: none"> Other exploration data, if meaningful and material, should be reported including (but not limited to): geological observations; geophysical survey results; geochemical survey results; bulk samples – size and method of treatment; metallurgical test results; bulk density, groundwater, geotechnical and rock characteristics; potential deleterious or contaminating substances. 	<ul style="list-style-type: none"> Geological information related to the reported results is presented in the ASX release dated 14/01/2021 related to this edition of JORC Table 1.
Further work	<ul style="list-style-type: none"> The nature and scale of planned further work (e.g. tests for lateral extensions or depth extensions or large-scale step-out drilling). Diagrams clearly highlighting the areas of possible extensions, including the main geological interpretations and future drilling areas, provided this information is not commercially sensitive. 	<ul style="list-style-type: none"> Ongoing exploration and mine planning assessment continues to take place at the Rover Project.