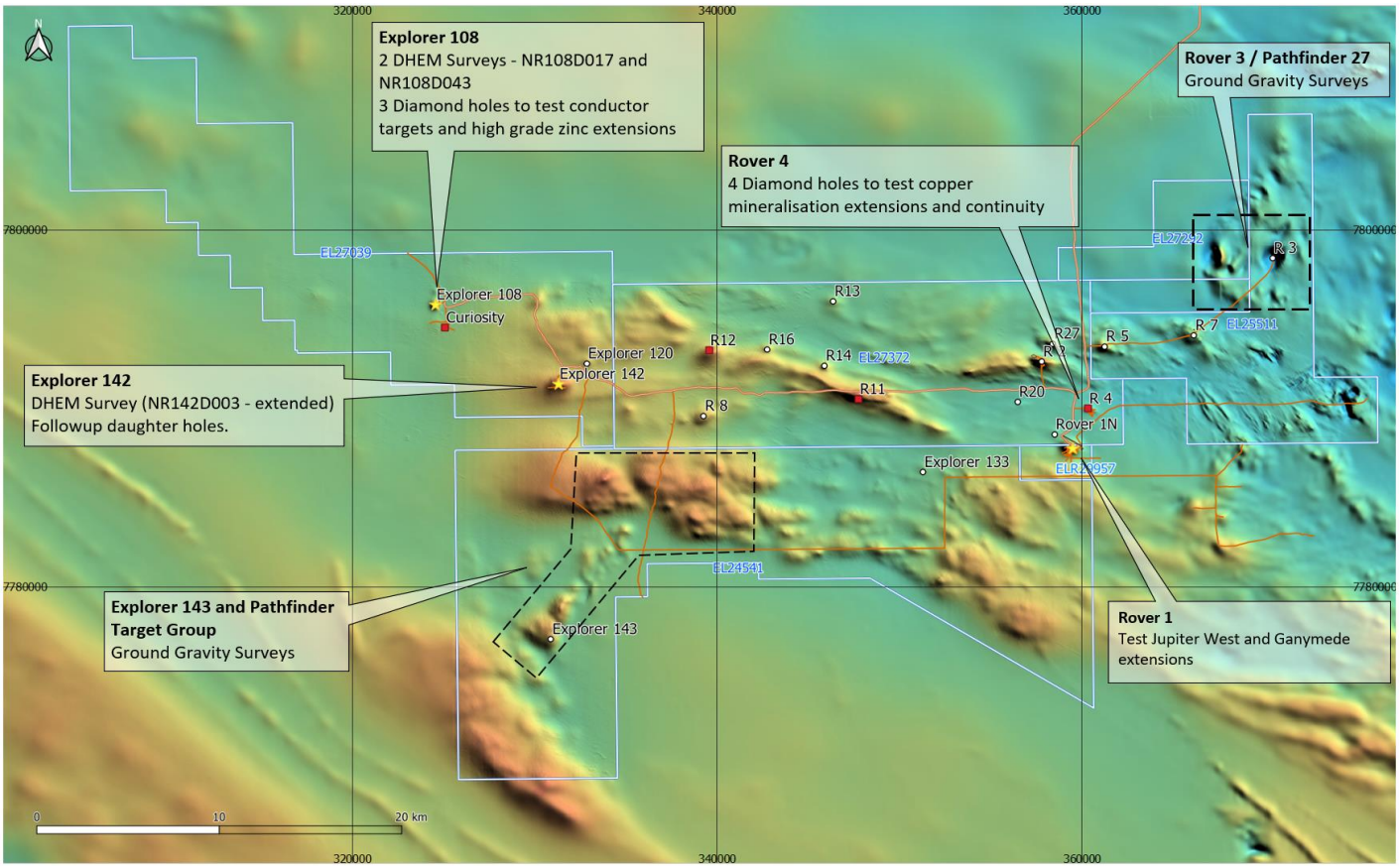
ASX Announcement 2 May 2022

2022 DRILLING AND FIELDWORK PROGRAM COMMENCES

Castile Resources Limited (ASX:CST) ("Castile" or "the Company") is pleased to announce that the drilling program for the 2022 season in the Rover Mineral Field has commenced.

The program will include extensive drilling, downhole electromagnetics (DHEM) and ground gravity surveys at six different areas of the highly prospective projects within Castile portfolio.

Figure 1: Map of Castile's Rover Mineral Field Prospects Proposed 2022 Season Field work



Mark Hepburn, Managing Director of Castile, commented:

"We are thrilled with the outcomes of the work we have been doing at Rover 1 leading into our Pre-Feasibility Study for the project but from a regional exploration point of view are still only scratching the surface of this prolific field. We will drill one more hole at Rover 1 this season to test for extensional mineralisation in between Jupiter West and Jupiter Deeps – and also at depth below Jupiter Deeps before moving the rig to the other nearby drill ready resources within the field.

Our 'hub and spoke' strategy is clear, we intend to develop the Rover 1 Project and use the associated infrastructure to leverage into the other prospects that are within easily transportable distance to create a substantial mining jurisdiction.

Explorer 108 is our next obvious pre-development asset with its huge existing resource of zinc, lead, copper and silver and we will be doing extensive work there this season and at nearby Explorer 142 which is a Rover 1 lookalike.

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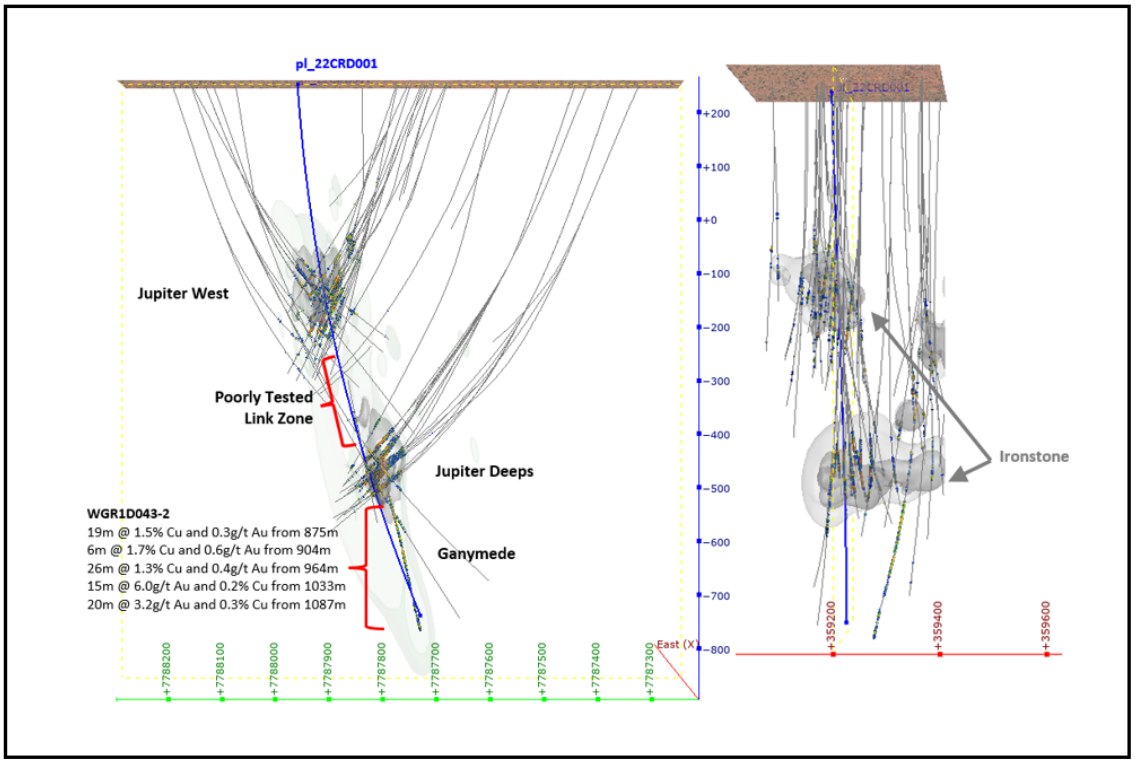
We intend to produce a resource estimate at Rover 4 located 2 kms from Rover 1 along the proposed pathway of the decline at Rover 1. We have 48 holes drilled by the previous owner showing substantial copper mineralisation and we will drill four holes this season to add to that data for the resource estimate. The ground gravity surveys will provide the new data for further prospects in the field"

Rover 1

The first hole (22CRD001) at Rover 1 for the 2022 season has been designed to accomplish 3 tasks;

- Testing for copper and gold mineralisation through a poorly tested volume within the alteration envelope between Jupiter West and Jupiter Deeps ironstones. Intersecting significant mineralisation in this area of the Rover 1 IOCG mineral system has the potential to significantly improve the resource base.
- Collection of bulk copper mineralisation from Jupiter West and Jupiter Deeps for test work.
- Testing for copper and gold mineralisation approximately 100m west along strike of the Ganymede discovery hole.
  WGR1D043-2 intersected distinct copper and gold zones, indicating mineralisation continues under Jupiter Deeps for an additional 250 vertical meters:
  - 19m @ 1.5% Cu and 0.3g/t Au from 875m downhole
  - 6m @ 1.7% Cu and 0.6g/t Au from 904m downhole
  - 26m @ 1.3% Cu and 0.4g/t Au from 964m downhole
  - 15m @ 6.0g/t Au and 0.2% Cu from 1033m downhole incl 6m @ 9.5g/t Au
  - 20m @ 3.2g/t Au and 0.3% Cu from 1087m downhole incl 9m @ 5.4g/t Au

Figure 2: Drill Trace of the Proposed Hole to be Drilled at Rover 1



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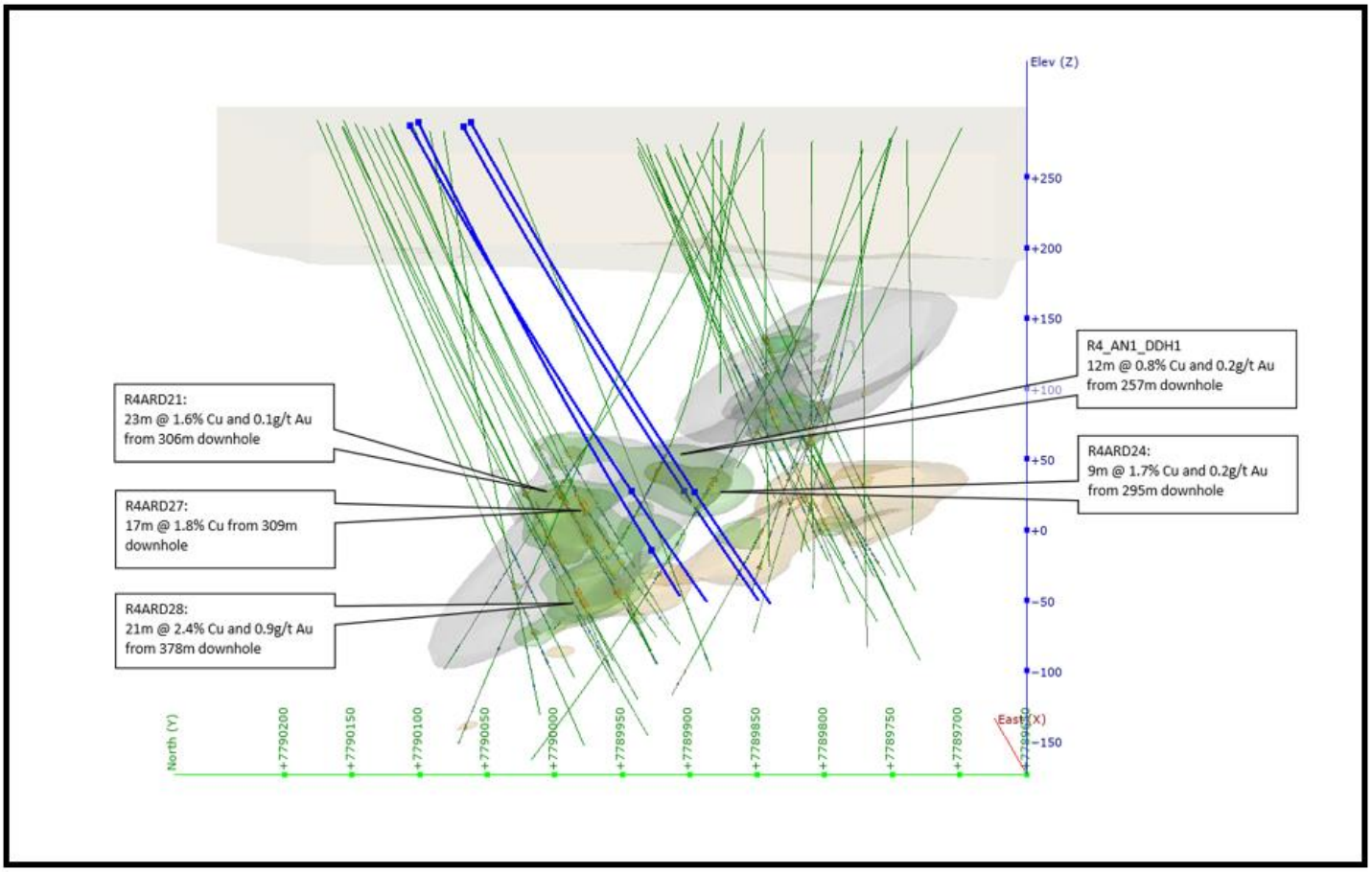
Rover 4

Rover 4 is comprised primarily of copper mineralisation hosted in Ironstone. The majority of metal endowment is hosted within the in the lower ironstone body. Both ironstone zones have hanging wall and foot wall mineralised zones in proximity to the contact with the surrounding metasedimentary rocks.

Four drillholes have been designed to test copper mineralisation continuity. There is a significant volume (100m dip and 80m strike extent) of untested ironstone between up dip holes R4ARD24: 9m @ 1.7% Cu from 257m (hanging wall) and 12m @ 0.8% Cu from 257m downhole (foot wall) and historic Peko hole R4_AN1_DDH1: 12m @ 0.8% Cu from 257m downhole (hanging wall) and the following drillholes:

R4ARD21 23m @ 1.6% Cu from 306m downhole (hanging wall)
R4ARD27 17m @ 1.8% Cu from 309m downhole (hanging wall)
R4ARD28 24m @ 1.7% Cu from downhole 333m (hanging wall) and 21m @ 2.4% Cu from 378m downhole (foot wall)
R4ARD34 11m @ 1.0% Cu from 335m downhole (hanging wall) and 10m @1.9% Cu from 379m downhole (foot wall)

Figure 3: Drill Traces of the Four Proposed Holes to be Drilled at Rover 4



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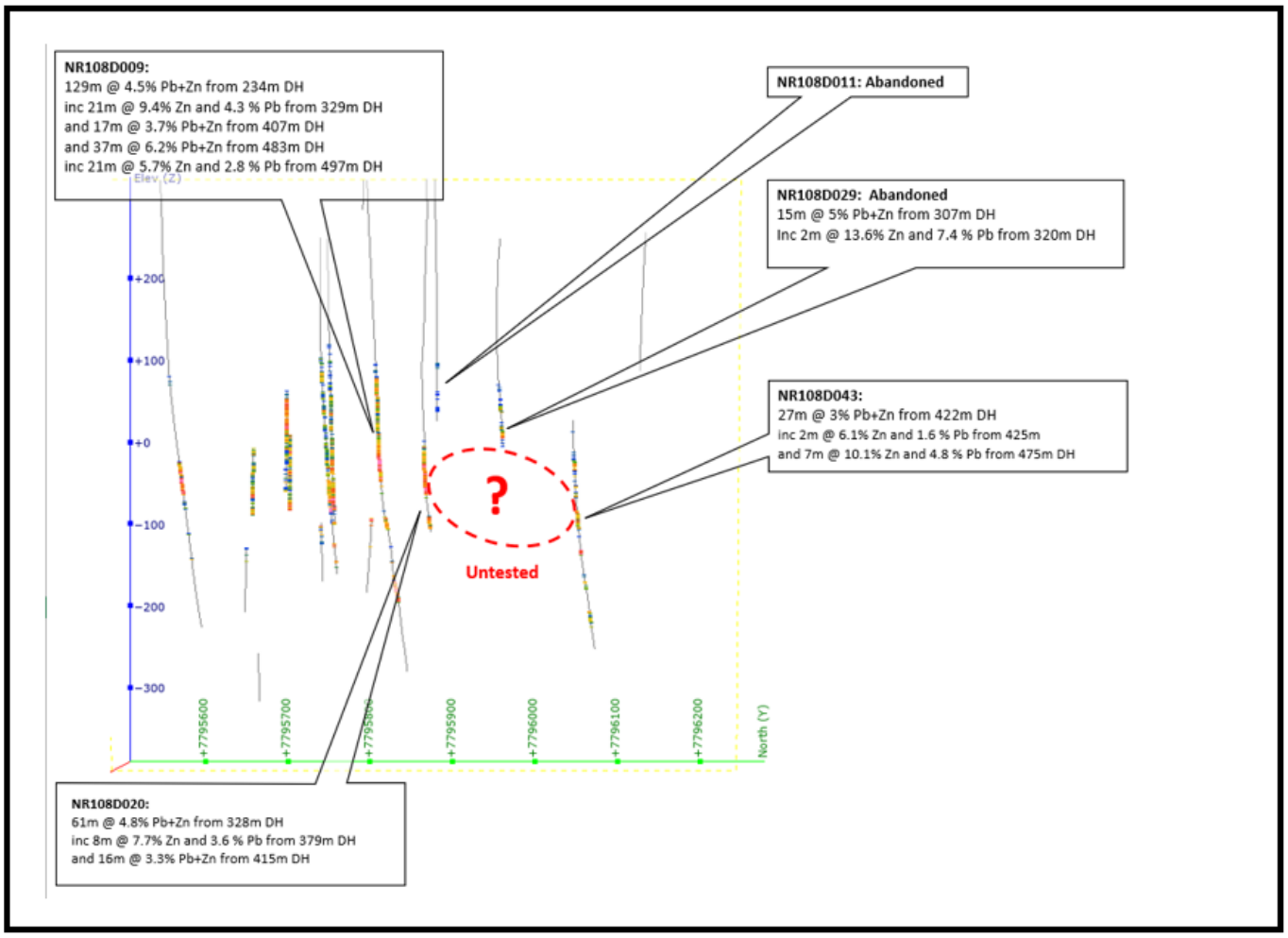
Explorer 108

Figure depicts an oblique slice down the dominant drill direction (70° west, 80m window) through the high grade core of the Explorer 108 Zinc-Lead deposit. Explorer 108 hosts a large lead zinc Inferred and Indicated Resource of 11.8Mt 3.2% Zn, 2.00% Pb, 11.1g/t Ag[1] and an Indicated Resource of 5.7Mt 0.36% Cu.

Drilling proposed for 2022 will test for continuity of high grade zinc mineralisation in a 180m untested volume between; NR108D020: 61m @ 4.8% Pb+Zn from 328m DH inc 8m @ 7.7% Zn and 3.6 % Pb from 379m DH) and NR108D043 (27m @ 3% Pb+Zn from 422m DH inc 2m @ 6.1% Zn and 1.6 % Pb from 425m and 7m @ 10.1% Zn and 4.8 % Pb from 475m DH). Confirmation of continuity of high grade zinc mineralisation has the potential significantly improve the value of the deposit. As well as the testing of mineralisation continuity north of the main Zn-Pb zone, any conductor targets identified from DHEM surveys of historic holes will be followed up (NR108D017 and NRD108D043).

Figure 4: Oblique View of High Grade Core Drill Strings at Explorer 108



[1] The Explorer 108 resource is comprised of the following:

- Indicated Resource of 8.438Mt @ 3.41% Zn, 2.05% Pb, 14.32g/t Ag; and
- Inferred Resource of 3.43Mt @ 2.81% Zn, 1.88% Pb, 3.32% Ag.

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Explorer 142

As previously reported an off end of hole conductor was identified from the July DHEM survey at Explorer 142. Hole NR142003 was extended to 982m and re-cased with PVC. The additional hole length will increase coverage of a new DHEM survey which Castile hopes will significantly improve modelling of the conductor to subsequently drill in 2022, along with the off-hole conductor already identified. Explorer 142 has a resource of 176,000t @ 5.2% Cu[2].

Rover 3, Pathfinder 27, Explorer 143

Detailed ground gravity surveys have been planned over these prospects and surrounds to better model the associated magnetic anomalies of these targets, with a view to drill test in the future.

Mark Hepburn
Managing Director
Castile Resources Limited

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This announcement was approved for release by the Castile Resources Limited Board Of Directors

COMPETENT PERSONS STATEMENT

Geology

The information contained in this report that related to exploration results and mineral resources is based on, and fairly and accurately represent 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, and Mineral Resources. Mr Savage consents to the inclusion in the report of the matters based on the exploration and resource results in the form and context in which they appear.

Metallurgy

The information contained in this report is based on, and fairly and accurately represent the information and supporting documentation prepared by Damian Connelly. Mr Connelly is a full-time employee of METS Engineering who are a Contractor to Castile, and a Fellow of The Australasian Institute of Mining and Metallurgy. Mr Connelly 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 Connelly consents to the inclusion in the report of the matters based on the results in the form and context in which they appear.

[2] The Explorer 142 resource is comprised of the following:

- Inferred Resource of 176kt @ 5.21% Cu and 0.21g/t Au.

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Forward Looking Statements

This ASX announcement contains a series of forward-looking statements. The words “expect”, “potential”, “intend”, “estimate” and similar expressions identify forward-looking statements. Forward-looking statements are subject to known and unknown risks and uncertainties that may cause the actual results, performance or achievements to differ materially from those expressed or implied in any of the forward-looking statements in this report and are not a guarantee of future performance. Statements in this release regarding Castile’s business or proposed business, which are not historical facts, are forward-looking statements that involve risks and uncertainties. These include Mineral Resource Estimates, metal prices, capital and operating costs, changes in project parameters as plans continue to be evaluated, the continued availability of capital, general economic, market or business conditions, and statements that describe the future plans, objectives or goals of the Company, including words to the effect that Castile or its management expects a stated condition or result to occur. Forward-looking statements are necessarily based on estimates and assumptions that, while considered reasonable by Castile, are inherently subject to significant technical, business, economic, competitive, political and social uncertainties and contingencies. Since forward-looking statements address future events and conditions, by their very nature, they involve inherent risks and uncertainties. Actual results in each case could differ materially from those currently anticipated in such statements. Investors are cautioned not to place undue reliance on forward-looking statements.