

Castle Resources Inc. Announces Closing of Non-Brokered Private Placement

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TORONTO, ONTARIO -- (Marketwired - Nov. 26, 2014) - [Castle Resources Inc.](#) ("Castle" or the "Company") (CSE:CRI) is pleased to announce it has closed a non-brokered private placement of an aggregate of 50,000,000 units (the "Units") with an insider of the Company, Drake Private Investments LLC ("Drake") at a price of \$0.01 per Unit for aggregate gross proceeds of \$500,000 (the "Offering"). The proceeds of the Offering will be used by the Company for general working capital purposes.

Each Unit consists of one common share in the capital of the Company (a "Common Share") and one Common Share purchase warrant (a "Warrant"). Each Warrant entitles the holder to purchase one additional Common Share until November 26, 2019 at an exercise price of \$0.05 per Common Share.

Drake is an insider of the Company by virtue of its holding approximately 21.47% of the Company's issued and outstanding Common Shares. Drake subscribed for the entire 50,000,000 Units in the Offering. Upon completion of the Offering, Drake holds an aggregate of 93,289,828 Common Shares representing approximately 37.1% of the issued and outstanding Common Shares. Pursuant to Multilateral Instrument 61-101 - Protection of Minority Security Holders in Special Transactions ("MI 61-101"), the purchase of Units by Drake is a "related party transaction". The Company is exempt from the requirements to obtain a formal valuation or minority shareholder approval in connection with the Offering in reliance on sections 5.5(a) and 5.7(a), respectively, of MI 61-101, as the Common Shares of the Company are not listed or quoted on a specified stock exchange as set out in section 5.5(a) of MI 61-101 and the fair market value of the Offering is less than \$2.5 million. The material change report is being filed less than 21 days before the closing of the Offering as the Company requires the consideration it will receive in connection with the Offering immediately for working capital purposes.

In addition, Castle and a creditor of the Company have agreed to the extension of the term of the \$2.2 million debt arrangement (the "Debt Facility") previously announced in the Company's press release of July 19, 2010. As consideration for extending the term of the Debt Facility for an additional two years, from its original 5-year term, the Company has agreed to issue to such creditor an aggregate of 11,500,000 Common Share purchase warrants (the "Debt Amendment Warrants"), each exercisable for a period of five years at an exercise price of \$0.02 per Common Share. In addition, the Company has agreed to an increase in the interest rate of the Debt Facility from 9% to 12% per annum for the two-year period between the original maturity date of the Debt Facility of July 14, 2015 and the new maturity date of July 14, 2017.

The Common Shares and Warrants issued pursuant to the Offering, any Common Shares issued upon the due exercise of Warrants, the Debt Amendment Warrants, and any Common Shares issued upon the due exercise of the Debt Amendment Warrants, are subject to a four month and one day hold period from the date of issue of the securities issued under the Offering and the Debt Amendment Warrants, as applicable.

Prior to the completion of each of the Offering and the issuance of the Debt Amendment Warrants, the Company applied to the Canadian Securities Exchange (the "CSE") for relief from the CSE's minimum pricing rules, and the CSE granted the Company an exemption from its requirement that securities be issued at no less than \$0.05 per share.

About Castle Resources Inc.

Castle is a Toronto-based junior mineral development company focusing on high-quality, advanced projects. Management's goal is to continue the redevelopment of the 100% owned past producing Granduc Copper Mine in Stewart B.C. For more information please visit the Castle Resources' website at www.castleresources.com.

Disclaimer

Certain statements contained in this news release may contain forward-looking information within the meaning of Canadian securities laws. Such forward-looking information is identified by words such as "estimates", "intends", "expects", "believes", "may", "will" and include, without limitation, statements

regarding the company's plan of business operations (including plans for progressing assets), estimates regarding mineral resources, projections regarding mineralization and projected expenditures. There can be no assurance that such statements will prove to be accurate; actual results and future events could differ materially from such statements. Factors that could cause actual results to differ materially include, among others, metal prices, risks inherent in the mining industry, financing risks, labour risks, uncertainty of mineral resource estimates, equipment and supply risks, title disputes, regulatory risks and environmental concerns. Most of these factors are outside the control of the company. Investors are cautioned not to put undue reliance on forward-looking information. Except as otherwise required by applicable securities statutes or regulation, the company expressly disclaims any intent or obligation to update publicly forward-looking information, whether as a result of new information, future events or otherwise.

This news release does not constitute an offer to sell or solicitation of an offer to sell any of the securities in the United States. The securities have not been and will not be registered under the United States Securities Act of 1933, as amended (the "U.S. Securities Act") or any state securities laws and may not be offered or sold within the United States or to a U.S. Person unless registered under the U.S. Securities Act and applicable state securities laws or an exemption from such registration is available.

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