

TORONTO, ONTARIO--(Marketwired - April 29, 2016) - [Castle Resources Inc.](#) (CSE:CRI) ("Castle" or the "Company") is pleased to announce that it has closed the comprehensive debt restructuring proposal regarding certain outstanding indebtedness of the Company on the terms as announced on March 16, 2016. The transaction was closed with Drake Private Investments, LLC ("Drake"), a "control person" of the Company, as such term is defined in the *Securities Act* (Ontario).

Pursuant to the debt restructuring, the following loan instruments (the "Loan Facility") were assigned from the existing lender to Drake:

- Loan agreement dated July 14, 2010 between the Company and the lender in the amount of \$2,200,000 (the "Loan").
- Promissory note of the Company dated July 14, 2010 to the lender in the amount of \$2,200,000.
- General security agreement dated July 14, 2010 between the Company and the lender regarding the Loan.
- Loan amending agreement dated November 7, 2014 between the Company and the lender in respect of an extension to the maturity date of the Loan to July 14, 2017.
- Loan amending agreement dated July 24, 2015 between the Company and the lender in respect of an increase of the Loan by \$75,000 to an aggregate amount of \$2,275,000.

As at March 15, 2016, a total of \$3,608,836 in principal and interest were outstanding under the Loan Facility.

In consideration for consent of the loan assignment, Drake agreed to the following terms and conditions:

- Extension of the term of the Loan Facility from July 14, 2017 to July 14, 2018;
- Agreement to provide the necessary funding to the Company to maintain the listing of its shares on the Canadian Securities Exchange until at the least the extended maturity date of the Loan Facility (unless in the event of a transaction where the Company would cease being a reporting issuer under applicable Canadian securities law, or upon the conclusion of arm's length mergers and financings by which Castle's share ownership is below 25%); and
- Propose a debt settlement to the existing unsecured creditors.

In addition to the foregoing transactions, the existing board of directors of Castle resigned, comprised of Anthony M. Croll, Lester J. Fernandes, Timothy Mann and Tyler Mitchelson. The Company thanks them for their service. The following three directors have been nominated to the board of directors of Castle: Scott Riley, Robert Bruggeman and Vikram Rao.

Mr. Scott Riley is a professional portfolio manager, employed by Drake and engaged in macro trading, while assisting with Drake's mining portfolio. Mr. Robert Bruggeman, P.Eng., CFA, is the Vice-President Corporate Development of [Wellgreen Platinum Ltd.](#) and prior to that time he was Vice-President Corporate Development of Prophecy Coal Corp. Mr. Vikram Rao is the Managing Director at Specialty Finance Partners Corp., and prior to that, he was Managing Director, Fixed Income Sales and Trading, Scotia Capital.

In addition, Mr. Timothy Mann has resigned as President and Chief Executive Officer. A replacement for the President and Chief Executive Officer will be recruited and further announcements on management changes and corporate strategy will be made as steps are taken.

Certain of the transactions described in this news release between the Company and Drake constituted "related party transactions" within the meaning of Multilateral Instrument 61-101 - *Protection of Minority Shareholders in Special Transactions* ("MI 61-101"). In the absence of exemptions, the Company would be required to obtain a formal valuation for, and minority shareholder approval of, the "related party transaction". For these transactions the Company has relied on the exemption from the formal valuation requirements of MI 61-101 contained in section 5.5(b) of MI 61-101 on the basis that no securities of the Company are listed on a specified market set out in such section, and the Company has relied on the exemption from the minority shareholder approval requirements of MI 61-101 contained in Section 5.7(1)(e) of MI 61-101 on the basis of financial hardship.

About Castle Resources

Castle is a Toronto-based junior mineral development company focusing on high-quality, advanced projects. The Company is the 100% owner of the past producing Granduc Copper Mine in Stewart, British Columbia. For more information please visit the Castle Resources' website at www.castleresources.com.

Disclaimer

No stock or securities regulatory authority accepts responsibility for the adequacy or accuracy of this press release. This press release includes certain "forward looking statements" which are not comprised of historical facts. Forward-looking statements include estimates and statements that describe the Company's future plans, objectives or goals, including words to the effect that the Company or management expects a stated condition or result to occur. Forward-looking statements may be identified by such terms as "believes", "anticipates", "expects", "estimates", "may", "could", "would", "will", or "plan". Since forward-looking statements are based on assumptions and address future events and conditions, by their very nature they involve inherent risks

and uncertainties. Although these statements are based on information currently available to the Company, the Company provides no assurance that actual results will meet management's expectations. Risks, uncertainties and other factors involved with forward-looking statements could cause actual events, results, performance, prospects and opportunities to differ materially from those expressed or implied by such forward-looking statements. Forward-looking statements in this press release include, but are not limited to, those relating to the Company's objectives, goals, future plans and exploration and mine development plans.

Factors that could cause actual results to differ materially from such forward-looking statements include, but are not limited to, failure to identify mineral resources, failure to convert estimated mineral resources to reserves, the inability to complete a feasibility study which recommends a production decision, the preliminary nature of metallurgical test results, delays in obtaining or failures to obtain required governmental, environmental or other project approvals or regulatory approvals, political risks, inability to fulfill the duty to accommodate First Nations and other indigenous peoples, uncertainties relating to the availability and costs of financing needed in the future, changes in equity markets, inflation, changes in exchange rates, fluctuations in commodity prices, delays in the development of projects, capital and operating costs varying significantly from estimates, other risks involved in the mineral exploration and development industry, and those risks set out in the Company's public disclosure documents filed on SEDAR. Although the Company believes that the assumptions and factors used in preparing the forward-looking statements in this press release are reasonable, including that the Company will be able to execute on its exploration and development plans, undue reliance should not be placed on such statements, which only apply as of the date of this press release, and no assurance can be given that such events will occur in the disclosed time frames or at all. The Company disclaims any intention or obligation to update or revise any forward-looking statements made herein, whether as a result of new information, future events or otherwise, other than as required by applicable securities laws.

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