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TSX-V Trading Symbol:	CSG
Total Shares Outstanding:	75.3MM
Fully Diluted:	82.8MM
52-Week Trading Range:	C\$0.15 - \$0.71

FOR IMMEDIATE RELEASE: June 18, 2009

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## CASTLE GOLD PROVIDES UPDATE ON STRATEGIC ALTERNATIVE REVIEW PROCESS

**CASTLE GOLD CORPORATION** ("Castle Gold") (TSX Venture Exchange: CSG) is pleased to provide an update in advance of the Company's Annual General Meeting from the Mergers & Acquisitions Committee which has been leading a Strategic Alternative Review ("SAR") process along with our financial advisor. This SAR was announced in a press release on March 2, 2009.

The Committee has selected three expressions of interest to move forward and allow these candidates to complete their final detailed due diligence, including a review of our latest drill results and metallurgical testing. These expressions of interest were the result of an intensive multi-month process which began with a list of 38 potential candidates. The Committee hopes to receive final, binding offers from these three selected candidates and plans to make a final decision no later than July 10, 2009.

The process has been extremely involved with substantial interest from multiple parties in the company's assets and its growth potential and included the execution of twelve confidentiality agreements with selected candidates, eight onsite technical due diligence reviews and four reciprocal onsite technical due diligence reviews.

"Terms and conditions of any possible transaction with any of the foregoing candidates, including price and transaction structure, have not been finalized. There can be no assurance that, as a result of the SAR and the foregoing activities, any offer will be made to or by Castle Gold, that a mutually acceptable agreement with another party will be reached, or that one will occur. If a mutually acceptable agreement for a transaction is reached with another party, such transaction would be subject to a number of closing conditions which may or may not be satisfied."

**James Mark Plaxton, Chairman of the Board and M&A Committee of Castle Gold Corp. Comments,** "We began this process to help unlock the value and growth potential of Castle Gold's assets. I am very pleased with the results to date and the Board looks forward to making a final decision early next month. It all comes down to maximising Shareholder value relative to all alternatives in consideration of consummating a win-win strategic transaction, so if we do not receive a final offer that is consistent with our valuation of the company's assets, then we plan to aggressively pursue an alternate aggressive organic growth strategy through an expansion at El Castillo, the development of La Fortuna, and acquisition of other Mexican gold projects (i.e. Castle Gold as the Acquirer)."

### Forward Looking Statements

Certain statements in this press release constitute "forward-looking" statements that involve known and unknown risks, uncertainties and other factors which may cause the actual results, performance or achievements of Castle Gold to be materially different from any future results, performance or

achievements expressed or implied by such forward-looking statements. When used in this news release, words such as “plans”, “hope” and “expects” and similar expressions to the extent they relate to Castle Gold are intended to identify forward-looking statements. There is no assurance that any strategic transaction will be completed. Unless required by applicable securities law, Castle Gold does not assume any obligation to update forward-looking statements.

### **About Castle Gold**

Castle Gold Corporation is a growth oriented gold producer with projects focused in the America's. The Company owns a 100% interest in the El Castillo gold mine in Mexico and a 50% interest in the El Sastre gold mine in Guatemala. Castle Gold is also advancing exploration and development work at its La Fortuna gold-silver-copper project in Mexico.

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