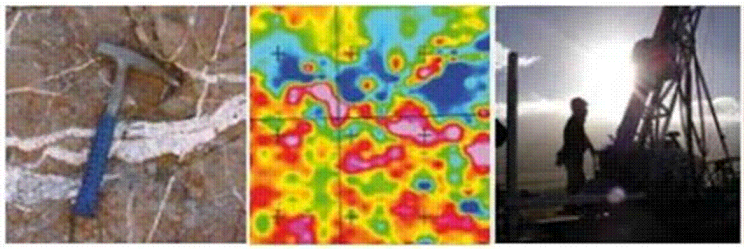
NI 43-101 Technical Report on The Asuogya Licence, Ghana



Report Prepared for:

Castle Peak Mining Ltd
510 - 999 West Hastings Street,
Vancouver,
BC V6C 2W2

SRK Exploration Services Ltd.
12 St. Andrew's Crescent
Cardiff
CF10 3DD
UK

Tel: +44 (0)2920 233 233
Fax: +44 (0)2920 233 211
Email: enquiries@srkexploration.com
www.srkexploration.com

NI 43-101 Technical Report on The Asuogya Licence, Ghana

Report Prepared for:

Castle Peak Mining Ltd
510 - 999 West Hastings Street,
Vancouver,
BC V6C 2W2

SRK ES 7431

SRK Exploration Services Ltd.
12 St Andrew's Crescent,
Cardiff,
UK
CF10 3DD

Tel: +44 29 20 233 233
Fax: +44 29 20 233 211
enquiries@srkexploration.com
www.srkexploration.com

FILE REF: Asuogya NI 43-101-final.docx

30 December 2011

Report Authors

Gareth O'Donovan
Agatha Lacey

Reviewed by:

S Bateman

1 SUMMARY

SRK Exploration Services Ltd ("SRK ES") was instructed by Castle Peak Mining Ltd ("CPM") to prepare a NI43-101 compliant technical report on the Asuogya Licence in Ghana. The Asuogya Licence forms part of Castle Peak's larger Akorade Project. This report has been produced following a site visit by Mr Gareth O'Donovan and Miss Agatha Lacey of SRK ES between the 1st and the 4th of November 2011, and discussions with senior CPM personnel and field geologists.

Netas Mining Ltd ("Netas"), were awarded the Asuogya Licence in 1990. Following various renewals Netas entered into a Joint Venture agreement with Canterbury Mining Ltd ("Canterbury"), a wholly owned subsidiary of CPM in 2005. Netas transferred 95% ownership in the Asuogya Licence to Canterbury under an assignment agreement on April 5th 2011.

The Asuogya Licence covers an area of 2675Ha and is located in the Western Region of the Republic of Ghana, 24km southeast of Tarkwa within the Wassa–West District (Tarkwa-Nsuaem municipality). The Licence is one of nine licence areas that form CPM's Akorade Project. Asuogya is centred on coordinates 2.0000° W – 5.0628° N (WGS84).

Asuogya is situated on the southwest margin of the Ashanti Volcanic Belt and the geology is dominated by the Birimian Supergroup metasedimentary and metavolcanic rocks, along with sedimentary rocks of the Tarkwaian Group and various granitoid intrusions.

Geochemical and geophysical exploration has delineated a 7km long anomalous zone, coincident with the metasedimentary – metavolcanic contact. Local artisanal miners are also exploiting parts of this linear zone.

CPM has conducted a preliminary diamond drilling programme over one part of the anomaly at Asuogya. A total of 3,571 metres were drilled from 18 holes. This drilling has intersected gold mineralisation but has thus far not delineated a major mineralised zone.

Further work is recommended at Asuogya.

Table of Contents

List of Figures

List of Tables

Appendices

SRK Exploration Services Ltd
12 St Andrew's Crescent,
Cardiff,
United Kingdom
CF10 3DD.
e-mail: enquiries@srkexploration.com
URL: www.srkexploration.com
Tel: + 44 (0)29 20 233 233
Fax: + 44 (0)29 20 233 211

Asuogya NI 43-101-final.docx

30 December 2011

NI 43-101 Technical Report on The Asuogya Licence, Ghana

2 INTRODUCTION

2.1 Background

SRK Exploration Services Ltd ("SRK ES") was instructed by Castle Peak Mining Ltd ("CPM") to prepare a NI43-101 compliant technical report on the Asuogya Licence in Ghana. The Asuogya Licence forms part of CPM's larger Akorade Project. This report has been produced following a site visit by Mr. Gareth O'Donovan and Miss Agatha Lacey of SRK ES between the 1st and the 4th of November 2011, and discussions with senior CPM personnel and field geologists.

2.2 Qualifications of Consultants

SRK ES is part of an international group (SRK Group) that comprises over 1,200 professional staff offering expertise in a wide range of geological and engineering disciplines.

The SRK Group's independence is ensured by the fact that it holds no equity in any project and that its ownership rests solely with its staff. The SRK Group has a demonstrated track record of undertaking independent assessments of mineral resource and reserve estimates, project evaluations and audits, competent person's reports and independent feasibility studies on behalf of exploration and mining companies and financial institutions worldwide. The SRK Group has specific experience in transactions of this nature.

This report has been prepared by a team of Geologists from the SRK ES office in Cardiff (United Kingdom) that has extensive experience in gold mineralised systems, management of grass roots exploration through to resource definition drilling, QA/QC issues and application of best exploration practice.

Neither SRK ES nor any of its employees involved in the preparation of this report have any beneficial interest in CPM. SRK ES will be paid a fee for this work in accordance with normal professional consulting practice.

Mr. Gareth O'Donovan is a Corporate Exploration Consultant with over 25 years experience in mining and exploration projects in Africa, South America, the Russian Federation, Europe and Asia. He specialises in the design, implementation and management of exploration projects from grassroots to pre-feasibility in all terrains and environments, mobilising multi-disciplinary field teams, also technical reviews, competent person's reports, audits and valuations of exploration and mining properties world-wide and in a variety of commodities. For the past eight years he has been Managing Director of SRK Exploration Services Ltd. (SRK ES). Mr. O'Donovan is the principal author and Qualified Person for this report.

2.3 Basis of the Technical Report

In summary, this technical report has been based on:

- a site visit by Mr. Gareth O'Donovan, carried out between the 1st and 4th of November 2011 to review the geology and prospectivity of the area;
- access to key personnel at the project site in Ghana for discussion and enquiry;
- a review of Castle Peak data collection procedures and protocols; and
- a review of published and unpublished material outlined in the reference sections.

While SRK ES has reviewed the exploration permits to assess the extent to which these may influence the technical status and development of the asset, SRK ES has not undertaken a legal due diligence study such as would be required to confirm that all statutory consents are in force and current.

All assay results and data pertaining to the Asuogya Licence has been received from Castle Peak in good faith by SRK ES.

3 RELIANCE ON OTHER EXPERTS

The report is based on a site visit by the author and a compilation of proprietary and publicly available information. The author, in writing this report, used sources of information as listed in the references section.

Cited reports were prepared by qualified persons holding post secondary geology, or related university degree(s), and are therefore deemed to be accurate. For reports written by personnel who are not qualified persons, the author must rely upon the professional measures used by the employees of the companies who completed the work. The information in those

reports is assumed to be accurate based on the data review conducted by the author, but is not NI 43-101 compliant.

4 PROPERTY DESCRIPTION AND LOCATION

4.1 Property location

The Asuogya Licence covers an area of 2675Ha and is located in the Western Region of the Republic of Ghana, 24km southeast of Tarkwa. The Licence is one of nine licence areas that form CPM's Akorade Project. Asuogya is centred on coordinates 2.0000° W – 5.0628° N (WGS84).

Table 4-1: Coordinates for the Asuogya Licence

ASUOGYA CO-ORDINATES:		
Pillar	Lat	Long
p1	5.0833°N	2.0166°W
p2	5.0833°N	1.9811°W
p3	5.0255°N	1.9811°W
p4	5.0255°N	2.0011°W
p5	5.0194°N	2.0011°W
p6	5.0194°N	2.0347°W
p7	5.0241°N	2.0291°W
p8	5.0305°N	2.0291°W
p9	5.0305°N	2.0166°W

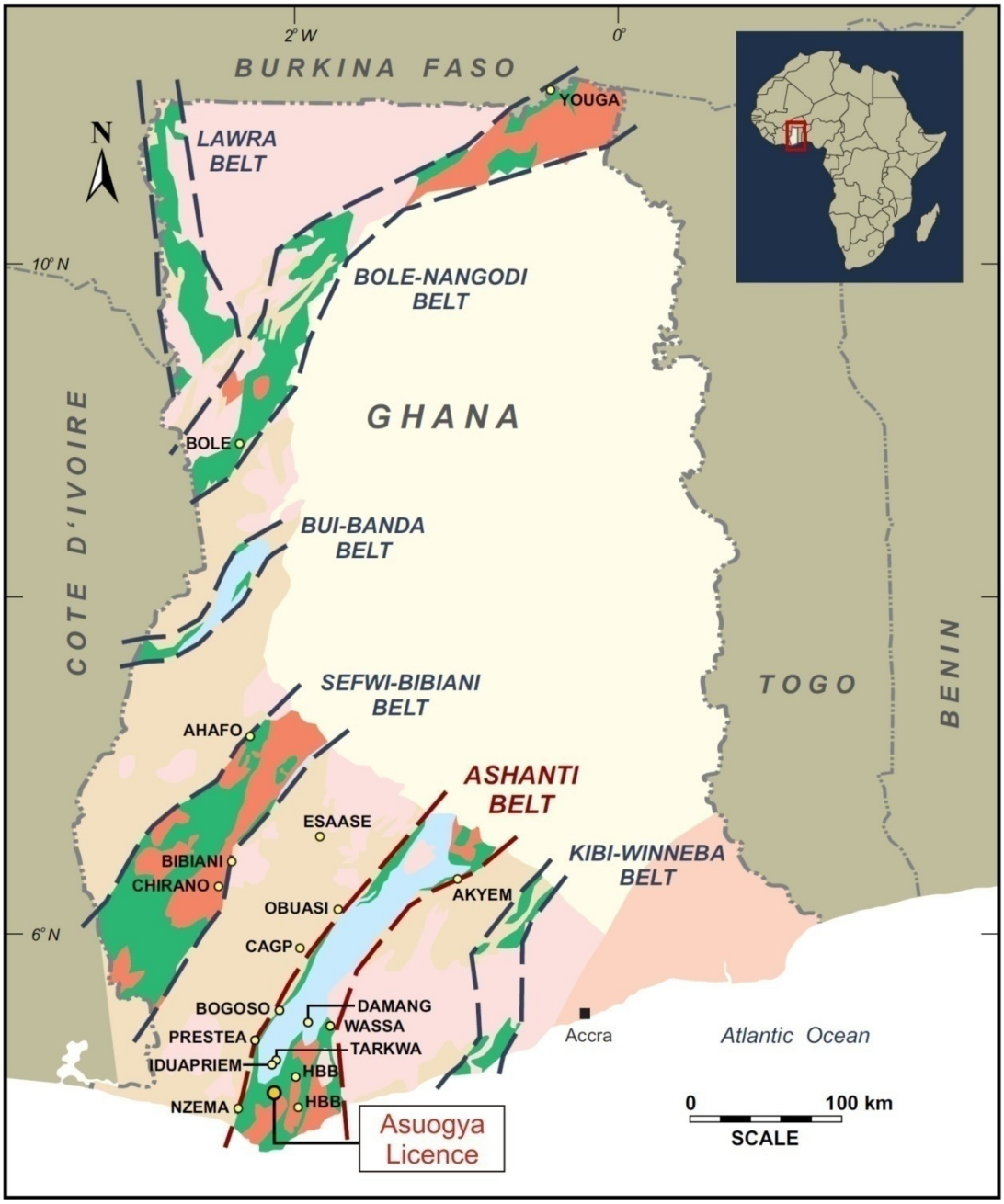


Figure 4-1: Map of Ghana showing the Asuogya Licence location and the Greenstone belts (supplied by Castle Peak)

4.2 Mining Code

Under the Constitution of Ghana and the Minerals and Mining Act of 1986, all minerals in Ghana, in their natural state, are the property of the Republic of Ghana. Title to them is vested in the President on behalf of and in trust for the people of Ghana, with rights of reconnaissance, prospecting, recovery and associated land usage being granted under licence or lease.

Either a licence or lease is required to explore or prospect for minerals in Ghana. The Minister of Mines has the power to negotiate, grant, revoke, suspend or renew any mineral rights, subject to a power of disallowance exercisable by the Cabinet within 30 days of such grant, revocation, suspension or renewal.

The Government acquires, without payment, a 10% carried interest in the rights and obligations of the mineral operations in relation to a mineral right for reconnaissance, prospecting or mining. It also has the option to acquire an additional 20% equity interest where any mineral is discovered in commercial quantities. Both the Government and the holder of the mining lease must agree to terms associated with the acquisition of the additional twenty percent or either party can seek arbitration.

In Ghana, there are three types of mineral rights: Reconnaissance Licences, Prospecting Licences and Mining Leases:

- ***Reconnaissance Licence*** – is issued for a large area, with no specific limit on size, and is normally granted for a maximum 12 month period subject to renewal for an additional 12 months. This type of licence is intended for regional geochemistry, geophysics and mapping. It does not allow trenching and drilling;
- ***Prospecting Licence*** – is issued for areas covering a maximum of 150 sq km in aggregate. Individual blocks need not be contiguous. This type of licence is initially granted for a period of three years and is renewable for an additional two years but after the release of 50% of the original granted area. This right allows all forms of exploration and development;
- ***Mining Lease*** – is normally granted for a period of 30 years on a maximum 50 sq km or an aggregate area of up to 150 sq km if more than one lease is held. The specific terms and conditions are negotiated with the Minister of Mines.

Licences may only be transferred with the written approval of the Minister of Mines. All licence agreements have a requirement for employment and training of local people and local sourcing of supplies.

4.3 Mineral titles

Castle Peak retains a prospecting licence for the Asuogya property that was originally awarded in 1990 to Netas Mining Company Limited (Netas). In 2005, Netas entered in to a JV with Canterbury Mining Limited (Canterbury), a wholly owned subsidiary of CPM, Netas transferred 95% ownership in the Asuogya Licence to Canterbury under an assignment agreement on April 5th 2011.

Asuogya has no payments or royalties. The vendor, Netas, retains a 5% free carried interest as long as Asuogya carries an exploration status.

4.4 Environmental Liabilities and Permitting

Exploration work on a prospecting licence requires a permit from the Environmental Protection Agency (EPA). A new permit must be applied for annually and an annual report must be submitted to the EPA.

A permit to operate in Forest Reserves must be obtained from the Forestry Commission and renewed every six months. The Forestry Department personnel regularly inspect exploration sites.

To obtain the mining lease an Environmental Impact Statement must be accepted by the EPA.

To the best of SRKES's knowledge, all EPA permits are up to date, and no forestry permit is required for the Asuogya Licence. No environmental liabilities are known to exist from previous or current works on the Asuogya Licence.

4.5 Risks to Access, Title or Ability to Conduct Work

To the best of SRKES's knowledge there are no known risks to access, title or ability to conduct work on the property.

5 ACCESSIBILITY, CLIMATE, LOCAL RESOURCES, INFRASTRUCTURE AND PHYSIOGRAPHY

5.1 Access

The Asuogya Licence is accessible via a network of footpaths and roads. Located in the Western Region of Ghana, the Licence is a 40 minute drive southeast of Tarkwa along the Takoradi-Tarkwa main road. Takoradi is a 4 hour drive along the main road to Accra or a 30 minute flight connection from Accra to Takoradi running twice daily.

The Town of Tarkwa is the nearest population centre (~33,466 people) 24km to the northwest of the project and readily accessible by a network of asphalt and dirt roads. Settlement within and around the Licence includes traditionally built villages with little or no infrastructure and individual houses with varying degrees of habitation and amenities. The villages of Nkwanta and Ayiem are less than 2km's outside of the Asuogya Licence.

5.2 Climate

South western Ghana experiences two rainy seasons; one in early April to July, (greater) and one from September to October (lesser). The remainder of the year is hot, (25-32°C). Humid weather prevails across the country, apart from in the north and the very southern coastal areas where the climate is marginally warmer and drier. Exploration can be conducted year round with only minor problems encountered during the rainy seasons in low lying or swampy areas.

5.3 Local resources

Castle Peak has administrative offices in Accra, a site office and core storage facilities in a small hamlet on the main Tarkwa road south of the licence near the town of Busua, and an established field camp on the Nkwanta Licence.

Due to the nature of the current exploration phase, the need for water and electricity is minimal. There are numerous streams across the Licence from which water can be pumped for drilling purposes when needed. Power is supplied by grid power and diesel generators.

The Ashanti region's strong historical connections with the mining and exploration industries has made Tarkwa one of southern Ghana's hubs for mining and there is an abundance of educated technical people as well as an extensive manual labour force, laboratory facilities and a number of contractors and mining companies.

5.4 Physiography

The area is of low gentle topography not exceeding approximately 90 metres above sea level and is divided by a network of river drainage systems. The land use is predominantly

secondary forestry re-growth and subsistence farming of crops such as cocoyam, plantain, cassava and maize. There are some areas of small scale commercial farming which include crops such as rubber, cocoa and palm oil.

6 HISTORY

Ghana has a long history of gold production dating back 2000 years. Arab traders travelled to and traded with Ghana for gold from the 7th Century, accompanied later by European colonials which aptly named Ghana the 'Gold Coast'. During this time, 14 million oz were produced. Two further gold rushes during the 1900's established Obuasi, Tarkwa and Prestea as gold producing regions.

6.1 Past and Present Ownership

Netas Mining Ltd (Netas), were awarded the Asuogya Licence in 1990. Following various renewals, Netas entered into a Joint Venture agreement with Canterbury Mining Ltd (Canterbury), a wholly owned subsidiary of CPM in 2005. Netas transferred 95% ownership in the Asuogya Licence to Canterbury under an assignment agreement on April 5th 2011.

6.2 Previous Exploration Activities

Recent exploration activities on the Asuogya Licence commenced in 2005 with a desk study and a stream sediment survey conducted by the Netas/Canterbury JV, to verify potential gold occurrences on the Licence. The results of the stream sediment survey defined three north-trending stream sediments anomalies (Asuogya east; Asuogya west and Asuogya south) which were then followed up by soil sampling, geological mapping and an auger drilling campaign to delineate a 7km long anomalous zone coincident with the projected phyllite/volcanic boundary.

No previous resources or reserves have been estimated as the project is still in the exploratory stages.

6.3 Historic Production

There has been no commercial historic production recorded on the Asuogya Licence however indigenous exploitation was evident during the SRK ES visit and is likely to have been ongoing at a small scale for decades.

7 GEOLOGICAL SETTING AND MINERALISATION

7.1 Regional Geology

The Palaeoproterozoic Birimian Supergroup forms the northern and eastern portions of the Man shield. Figure 7-1a shows the Leo-man shield and its location, making up the southern segment of the West African Craton. (Junner 1940).

Ghanaian geology can be broadly divided chronologically into three provinces. Palaeoproterozoic units dominate the south-western and north-western parts of the country, and are nearly all part of the Birimian supergroup. Gneiss and supracrustal rocks of neoproterozic age constitute the south and south-easterly portions of the country. Flat lying marine sediments and shelf deposits are late Pre Cambrian to Palaeozoic in age and are found in the central north-eastern regions of the country, comprising much of the Volta Basin. Cenozoic sediments occur on a small strip along the coast.

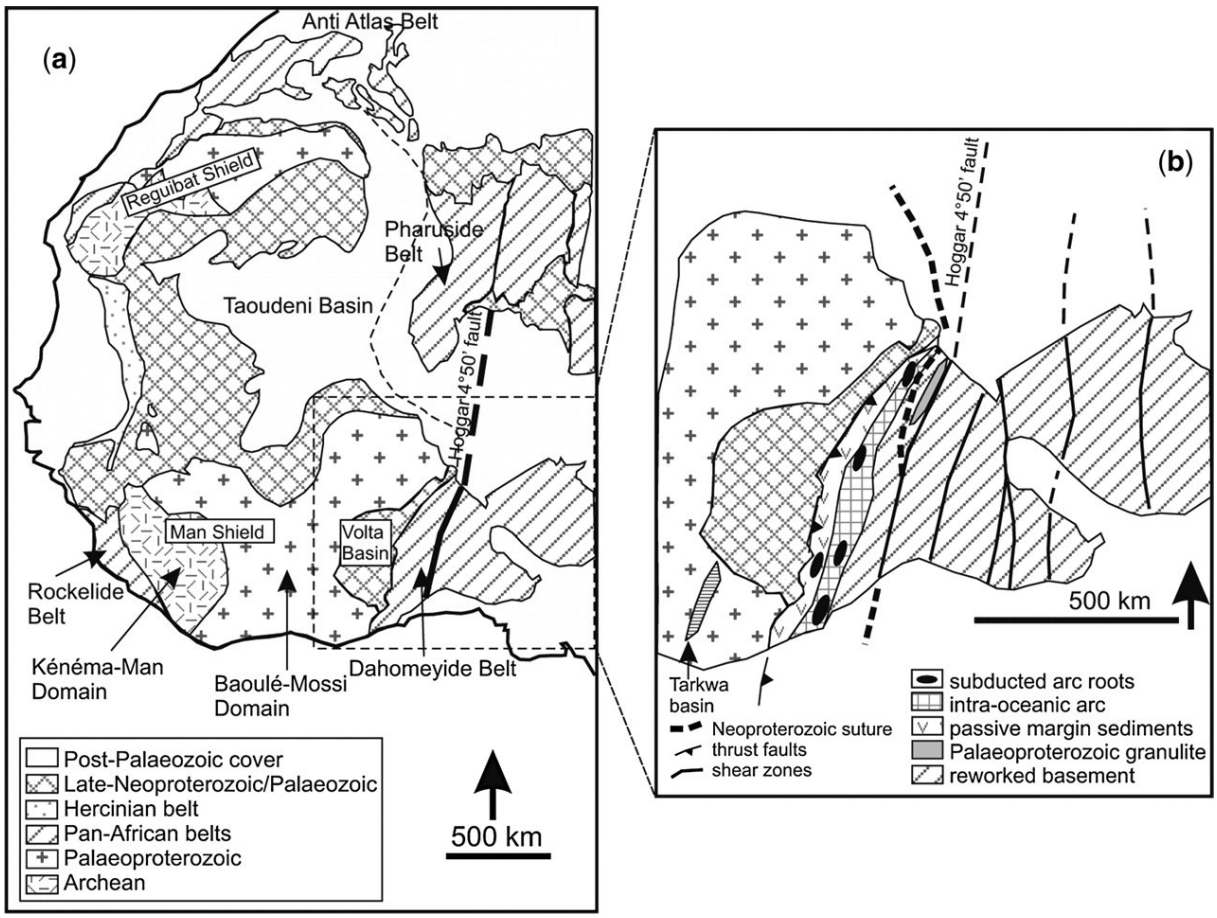


Figure 7-1: Major Tectonic Domains of West Africa (Klein and Moura 2008)

The Birimian Supergroup can be broadly subdivided into two coeval assemblages; the volcanoclastic assemblages that have been emplaced as a series of evenly spaced belts with a north-east, south-west strike (Upper Birimian) and a set of folded metasediments intruded by a variety of granitoids as basinal units between the belts (Lower Birimian). These belts are hundreds of kilometres long and 20-60km wide consisting of low grade metamorphosed lavas. From south to north the belts are named: Kibi Winiba, Ashanti, Sefwi-Bibiani, Bui-Banda, and Lawra. Lawra is the only belt not to exhibit the same NE, SW strike (see Figure 4-1). The belts are separated by basins of Lower Birimian isoclinally folded dacites, volcanoclastics, greywackes and argillites, as well as intruded granitoids. Closer to the Lower and Upper Birimian boundary, weakly metamorphosed tuffs are exhibited. Some of the phyllites contain pyrite and mineralisation along with finely divided carbonaceous matter and silicification is also common among the units closer to the Upper Birimian boundary (Wright 1985).

The transitional zones between the basins and belts are characterized by interbedded cherts, exhalites and fine manganese deposits. During the Eburnean orogeny (2130-1980 Ma) the Birimian units were folded, intruded, uplifted and eroded. The eroded Birimian material was subsequently deposited as Tarkwaian units in grabens as molasse facies sediments.

Most Ghanaian Birimian gold occurrences and mines are concentrated in narrow corridors of 10–15 km width in the transition zone between volcanic belts and sedimentary basins, as are the chemical facies and regionally extensive shear zones at the volcanic-sediment boundary.

Birimian gold in Ghana is present as two major types: (1) the disseminated sulphide type which is generally lithofacies controlled, i.e. controlled by chemical sediments, and to a lesser extent by selvages of gold-quartz veins; and (2) the quartz vein type which is exclusively structurally controlled (Leube 1990).

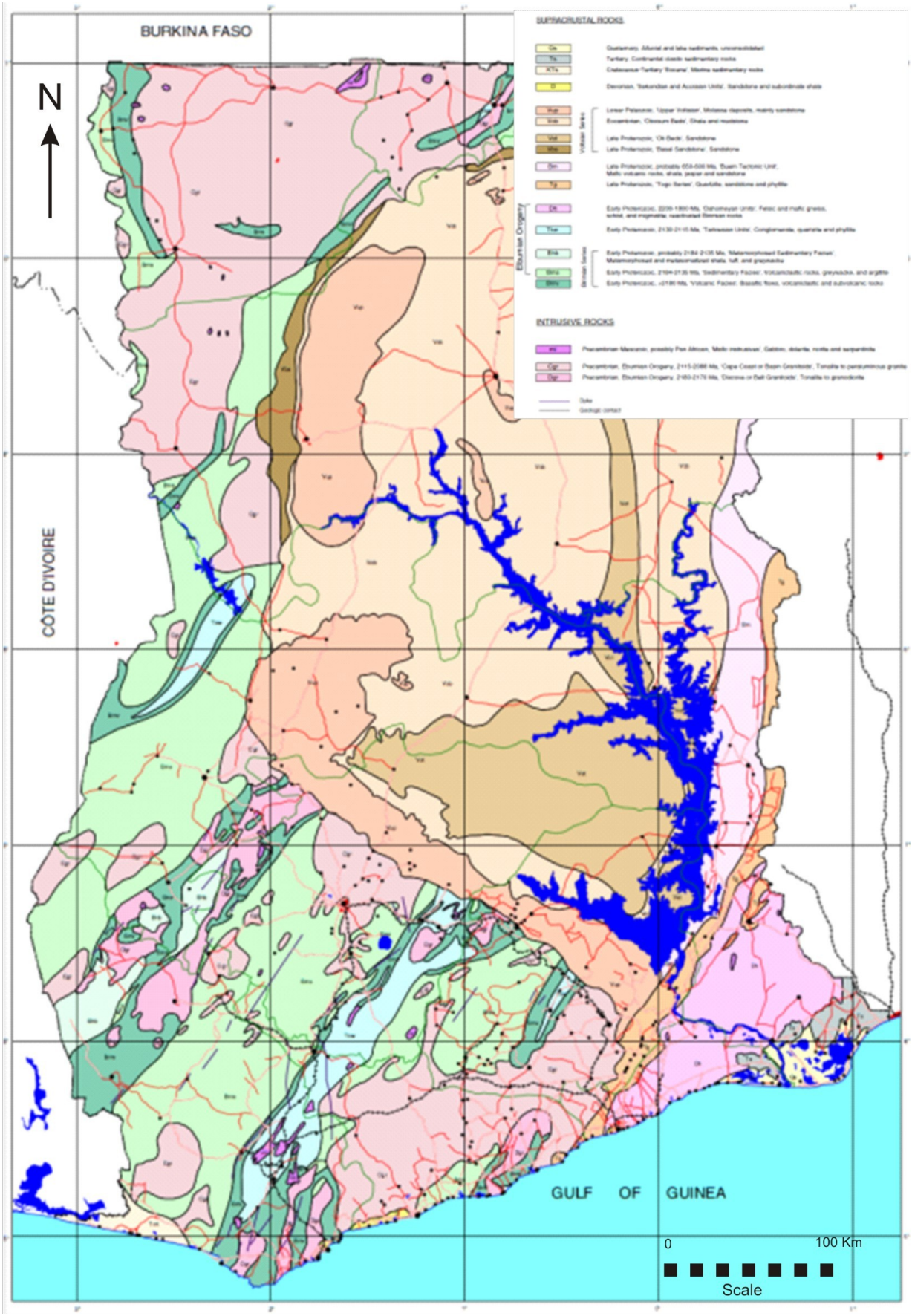


Figure 7-2 Geological Map of Ghana

(http://www.fdi.net/documents/WorldBank/conferences/mining2000/Africadata/Ghana)

7.2 Geology of southwest Ghana

The Akorade Project is situated on the southwest margin of the Ashanti Volcanic Belt and the geology is dominated by the Birimian Supergroup metasedimentary and metavolcanic rocks, along with sedimentary rocks of the Tarkwaian Group and various granitoid intrusions.

The Birimian Supergroup is characterised by northeast striking mafic volcanic belts separated from intervening sedimentary (dominantly turbiditic) basins by major faults that probably controlled early syn-Birimian sedimentary basin down-faulting.

The Tarkwaian Group comprises sedimentary rocks that include conglomerates, various quartzose and arkosic sandstones, siltstones, and minor shales. Tarkwaian rocks are generally confined to Birimian volcanic belts where they occur as either fault-bounded slices or unconformably overlying sedimentary rocks. Rocks of the Tarkwaian Group are distinctively highly magnetic and can be easily recognised on aeromagnetic images.

7.3 Structural geology in southwest Ghana

Two discrete orogenic cycles are recognised in southwest Ghana; An earlier “Eburnian I” orogeny, associated with the eruption of the Birimian volcanic rocks, intrusion of Belt type granitoids, and associated metamorphism between ca. 2200 and 2150 Ma. The second and later orogeny was the “Eburnian II” orogeny which involved deformation and metamorphism of Birimian and Tarkwaian rocks, and intrusion of Basin type felsic intrusions between 2116 and 2088 Ma.

Deformation related to the Eburnian II orogeny dominates the structural geology of southwest Ghana with five distinct and successive deformation phases represented.

7.4 Gold mineralisation in southwest Ghana

Two broad styles of gold mineralisation are present in southwest Ghana: (a) palaeo-placer disseminated gold deposits hosted in Tarkwaian conglomerates (Banket deposits), and (b) structurally controlled lode gold deposits hosted in a wide range of lithologies.

Most gold mineralisation is associated with major northeast striking, 5 to 40 m wide graphite-chlorite-sericite fault zones. In particular, gold mineralisation is developed where the northeast fault zones intersect major east-northeast striking fault zones and especially where they are recognised to have influenced granite emplacement. Such faults are commonly associated with pervasive hydrothermal alteration.

As the gold mineralisation is related to faulting which post-dates the formation of the host rocks, it is termed epigenetic. Typically the gold is associated with pyrite, arsenopyrite and other sulphide minerals and the veins themselves are often characterised by zones of iron-rich hydrothermal alteration of the adjacent wall-rocks. Silicification, sulphidation and potassium metasomatism of the host rocks are also characteristic of these deposits.

Gold bearing structures of the Ashanti Belt region are classically steeply dipping and have a north-south strike. Mineralisation of the Ashanti Belt has an off normal to en-echelon steeply dipping configuration.

7.5 Licence Geology

The Asuogya property is located on a south eastern extension of the Ashanti belt and predominantly underlain by N-S trending pelitic units and undifferentiated metavolcanics, see Figure 7-3.

Mineralisation at Asuogya is associated with quartz veins in metamorphosed volcanics on metasedimentary contacts, observed within a N-S trending graphitic shear zone.

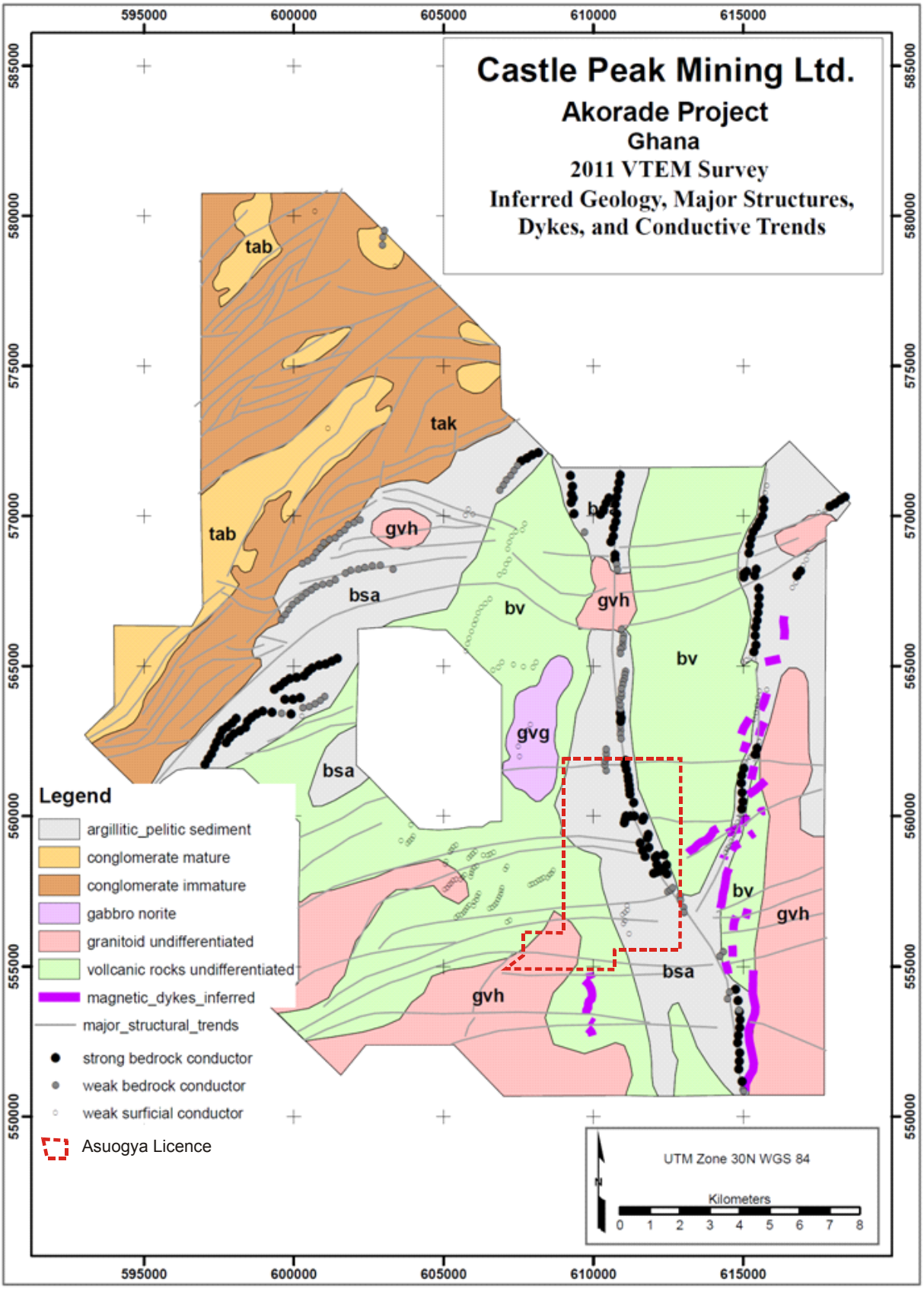


Figure 7-3 Geological map of the Akorade project area

8 DEPOSIT TYPE

The geological model applied to much of the Tarkwa area is of Greenstone-hosted quartz-carbonate vein deposits. Dubé and Gosselin (2007) provide an overview of the model type as below;

"Greenstone-hosted quartz-carbonate vein deposits are structurally controlled, complex epigenetic deposits that are hosted in deformed and metamorphosed terranes. They consist of simple to complex networks of gold-bearing, laminated quartz-carbonate fault-fill veins in moderately to steeply dipping, compressional brittle-ductile shear zones and faults, with locally associated extensional veins and hydrothermal breccias. They are dominantly hosted by mafic metamorphic rocks of greenschist to locally lower amphibolites facies and formed at intermediate depths (5-10 km).Greenstone-hosted quartz-carbonate vein deposits are typically associated with iron-carbonate alteration. The relative timing of mineralization is syn- to late-deformation and typically post-peak greenschist-facies or syn-peak amphibolite facies metamorphism. They are formed from low salinity environments .Greenstone-hosted quartz-carbonate vein deposits are distributed along major compressional to transpressional crustal-scale fault zones in deformed greenstone terranes of all ages."

The focus for the Asuogya Licence has been the structural controls influencing the epithermal gold mineralization associated with greenstone hosted quartz-carbonate vein deposits. Due to the proximity of the granitic intrusions there is the possibility that the magmatism has had an influence on the distribution and remobilization of mineralization. The mineralization currently being targeted is largely associated with disseminated pyrite in affiliation with deformed boundinaged quartz veins within metasedimentary packages of greywackes, phyllites, graphitic phyllites and localized amphibolitic intrusions. These structures are likely to follow the overall structural trends on both the regional and local scale of NE, SW deformation and shear.

9 EXPLORATION

Exploration in the Asuogya Licence is still in the early stages, however the following work has been conducted over the licence area since exploration commenced in 2005;

- Stream sediment sampling
- Geochemical soil sampling
- Rock chip sampling
- Auger sampling
- Airborne geophysics – Mag – EM
- Diamond drilling
- Topographic surveying

Figure 9-1 provides an overview of the exploration conducted thus far at Asuogya.

9.1 Stream sediment sampling

Stream sediments samples were taken from both dry and flowing first and second order streams. The sample sites were pre-determined from 1:50000 topographic maps and located in the field by means of handheld GPS. At each location composite stream sediment samples were collected over a distance of 50 m and bagged. The weight of each sample ranged between 3 and 5 kg. Each sample was logged and a sample database created containing spatial and non-spatial information.

9.2 Soil sampling

Soils samples were collected from the B-horizon (between 0.4 and 1.0 m depth) Samples with an average weight of 2 kg were bagged, numbered and sealed and submitted for Bulk Liquid Extractable Gold (BLEG) analysis. Regular grids were cut over the delineated stream sediment anomalies. The initial grid was spaced at 200m x 50m. Sample locations were systematically pegged and numbered.

9.3 Rock chip sampling

Grab samples were collected from the artisanal workings (where present).

9.4 Auger sampling:

Auger sampling (up to 4m deep or point of refusal) on a 100 x 200 m grid was conducted in 2011. Samples were collected from established grids (Geophysical/soil anomaly). Spatial and non-spatial sampling information were then taken at each station

9.5 Airborne Geophysics

The airborne geophysical surveys were conducted across the whole Akorade Project by Geotech Airborne Ltd in March 2011 and interpretation of the data was conducted by Geo-Digit-Ex. Geo-Digit-Ex identified 8 structural targets within the Akorade Project area, one of which has been the focus for exploration within the Asuogya Licence as it is concurrent with

Au soil anomalies and proximally located to the sediment volcanic unit boundary. (See Appendix II for geophysical maps) Figure 7-3 shows the interpreted geology from the geophysical survey.

9.6 Topographic survey

The topographic survey was conducted by Tomlee Survey Consult Ltd. In order to produce a topographic and digital terrain map of the Asuogya drill site in August 2011.

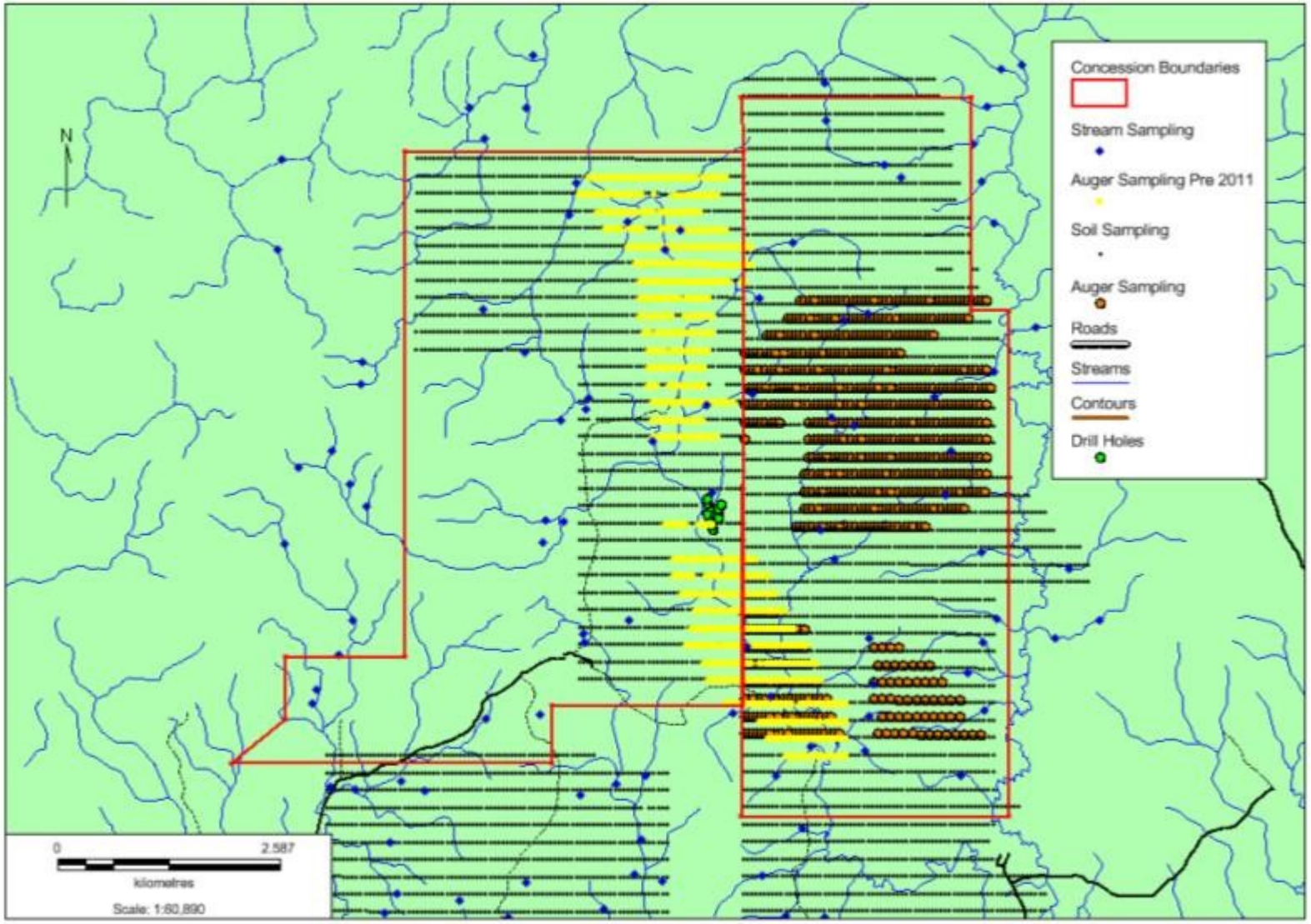


Figure 9-1 Exploration Licence overview of Asuogya and Ayiem (Compiled from Castle Peak Mining Ltd data)

10 DRILLING

CPM has conducted a preliminary diamond drilling programme over one of the coincident geochemical and geophysical anomalies at Asuogya. A total of 3,571 metres were drilled from 18 holes. All holes were drilled in close proximity to known artisanal workings, centrally located along the N-S geochemical anomaly (see Figure 9-1)

Table 10-1 Table of the collar locations for the Asuogya diamond drilling

Hole ID	NORTHING	EASTING	ELEVATION	AZIMUTH	DIP	END_DEPTH
ASUDDH001	557758	612564	72	265	-70	152.0
ASUDDH002	557813	612562	67	265	-50	64.2
ASUDDH003	557760	612564	72	85	-50	151.7
ASUDDH004	557603	612596	85	265	-50	68.0
ASUDDH005	557603	612597	85	265	-60	151.0
ASUDDH006	557656	612580	74	265	-60	200.0
ASUDDH007	557716	612560	67	265	-60	155.8
ASUDDH008	557813	612562	67	265	-60	187.5
ASUDDH009	557815	612562	66	85	-60	212.2
ASUDDH010	557851	612556	67	265	-60	227.5
ASUDDH011	557913	612532	66	265	-60	197.3
ASUDDH012	557957	612526	69	265	-60	222.8
ASUDDH013	557775	612538	70	265	-60	208.0
ASUDDH014	557769	612630	77	265	-55	305.5
ASUDDH015	557816	612666	78	265	-60	362.2
ASUDDH016	557851	612664	78	265	-55	227.5
ASUDDH017	557725	612667	45	265	-55	242.0
ASUDDH018	557885	612689	78	265	-55	236.0

Co-ordinates in UTM WGS84

Out of the 18 drill holes that have been drilled 8 or 44% have displayed significant Au mineralisation (significant for the purposes of the report has been defined at 1 g/t). With the maximum grade reported being from Hole ASUDDH009 at 3.39g/t Au over 0.6m.

CPM are planning further drilling in areas of high geochemical anomalies delineated by auger and soil sampling and geophysical surveys

A table of the best intersections returned thus far is displayed as Table 10-2 below.

Table 10-2: Table of the best drill core intersections, Asuogya.

The exact orientation of the mineralised zone is still uncertain; therefore true widths shown below are based upon the regional orientation for similar types of mineralisation

Hole Id	From(m)	To (m)	Length (m)	Au (g/t)	Estimated true widths(m)

ASUDDH001	47.0	60.0	13.0*	1.00	10.40
includes	55.0	52.0	2.0	2.10	1.60
ASUDDH007	34.0	69.0	35.0	0.45	27.50
includes	34.0	41.5	7.5	1.70	6.00
ASUDDH008	32.5	49.0	16.5	1.13	13.20
includes	40.0	47.0	7.0	2.18	5.50
ASUDDH009	64.8	65.4	0.6	3.96	0.47
ASUDDH009	78.5	79.0	0.5	2.51	0.44
ASUDDH009	159.0	160.0	1.0	1.27	0.80
ASUDDH012	55.0	56.0	1.0	1.81	0.80
ASUDDH016	135.5	138.3	2.8	0.94	2.25

11 SAMPLE PREPARATION, ANALYSIS AND SECURITY

11.1 Sample Preparation and Analyses – Streams and Soils

The treatment of gold exploration samples with alkaline cyanide solutions can be successfully applied to soil and stream sediment samples. The cyanide solutions are very dilute and as a result it is economically feasible to leach large samples (up to 2.5kg) in contrast to fire assay. The ability to leach large samples using the Bulk Liquid Extractable Gold (BLEG) technique helps counteract the problem of sample heterogeneity. This method is a very cost effective grassroots exploration tool to detect low grade gold dispersions as low as 0.1 ppb.

Sample preparation and BLEG analysis (on 1.0 kg samples with a fraction of -75µm) were performed by the Transworld Laboratory in Ghana (now Intertek). The procedure was as follows:

- Sample received and sorted
- Controlled oven drying at 120º
- Entire sample jaw crushed and sieved to 6mm
- Entire sample pulverised to 0.75mm (-200#)
- Homogenised by mat rolling and weighed 1kg placed into BLEG roll bottle, residual pulp retained
- 30g Ca(OH), 1.5/1g NaCN and 1000ml water added and rolled for 24 hours
- Removed from roller and allowed to settle for 2 hours
- 50ml of clear sub sample liquor filtered into flask and tails discarded
- 3ml or 5ml of DIBK extracted
- Au determine by AAS

There was no systematic quality assurance or quality control (QA/QC) programme for the soil, stream sediment, and rock chip sample programmes. This was largely the result of cost saving measures to limit the number of assay samples required for analysis. It could be argued that the sample size required for the BLEG method is adequately representative, even after accounting for the approximately 90% recovery that is typical of this method. SRK ES do not consider the lack of a QA/QC protocol for this stage to be material as this data has been treated as qualitative only and would not form part of any Mineral Resource Estimate.

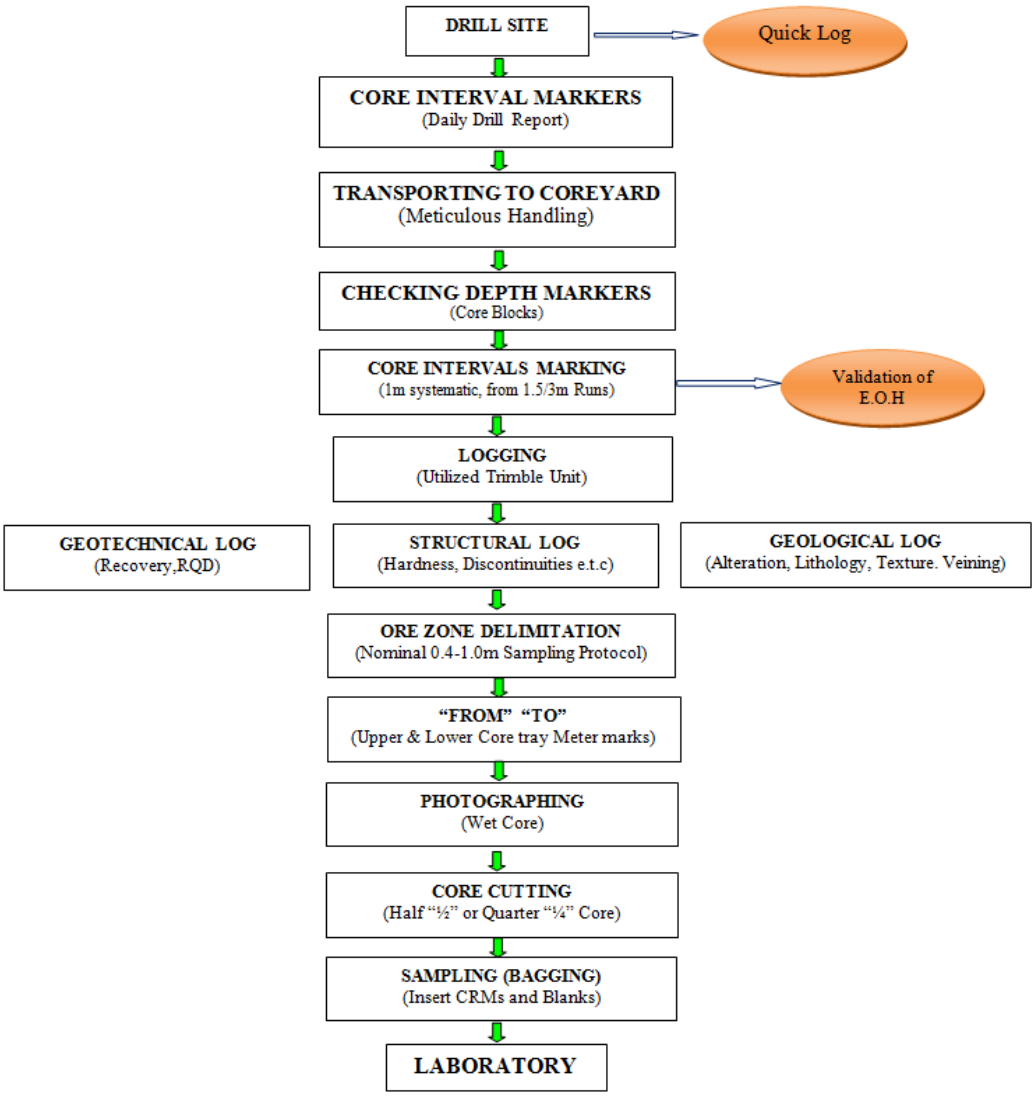
Quality control measures at Transworld Laboratory, where the BLEG analyses were carried out, include a number of direct and indirect procedures. Direct procedures include internal and external standards, internal duplicates and repeats, reagent and sample blanks, refilters, check assays and sieving tests on pulverised material. However, it should be noted that these quality control measures are created to assess the analytical equipment analysing the samples only. It does not account for the systematic irregularities in the sample preparation stage of the assaying process

11.2 Sample Preparation and Analyses – Drill cores

All drill core samples collected by CPM were taken to SGS Laboratory Services (Ghana) Ltd in Tarkwa. To the best of SRK ES's knowledge no member of the SGS laboratory has a vested interest within Castle Peak.

CPM drill core sampling protocol is presented below;

Table 11-1 Drill Core Sampling protocols (supplied by Castle Peak mining)



11.3 Security

Drill core samples were prepared and sealed by a CPM geologist, samples were then kept on site at the core shed which has gates and a perimeter wall. The samples are then transported by CPM to SGS Laboratories in Tarkwa by truck. Once checked into the laboratory they are listed, numbered and CPM retains a carbon copy of the receipt.

11.4 Sample Analysis

CPM used the SGS Mineral Laboratory Tarkwa for the analysis of the drill core samples. Their chosen method is a 50g fire assay with AA finish (Au -FAA505), lower detection limit of 0.01 ppm and upper limit of 1000 ppm as outlined below;

Fire Assay:

- Sample post pulverisation is weighed and mixed with a fluxing agent.
- Lead is added as a collector of the precious metal and the sample is heated to ~1000°C
- As the Pb settles in the melt it scavenges the precious metals from the melt to form a lead 'button'
- The button is separated from the slag, and precious metals are extracted through cupellation . During cupellation the lead oxidises and dissolves into the cupel to leave a precious metal bead (prill).
- The prill composition is then determined by dissolving it in aqua regia and selecting a finishing technique.

AA Finish:

- Once the gold is in solution it is analysed with flame atomic absorption (AA).
- The solution is aspirated in an acetylene flame
- A beam of light with a wavelength matching that of gold is passed through the flame.
- The gold in the sample absorbs the light proportionately depending on the concentration of the element in solution.
- The absorption is compare to standard samples to determine gold concentration in samples.

11.5 Quality Control Measures

CPM insert a series of Certified Reference Materials ("CRM"), ST 528, ST 16-5357and ST 403 as well as blank material (locally obtained voltaian rocks). No field duplicates are inserted.

Due to the accreditation attached to both the laboratories used the authors are confident the sample results are relatively reliable. This is further enforced by the inspection of the SGS laboratory in Tarkwa by SRK ES whilst on the site visit in Ghana.

A total of 182 blanks were submitted, and 84 delivered results greater than 0.00g/t Au, approximately 46%. However the levels of Au that are present are very low with only one above 0.09ppm. The traces of gold within the samples may relate to minor contamination of the laboratory equipment from previous sample or low levels of gold within the material used

as blanks. A preliminary review of the data suggests that slightly elevated values are observed following higher grade field samples. This would suggest that laboratory contamination could be the source of this variance. However at this stage, SRK ES does not consider this to have a significant impact on the project thus far.

Of the 90 samples of Standard ST403 submitted to the SGS laboratories, Tarkwa, 32 samples or 35.5% came back outside of the acceptable 2 standard deviations from the mean values. Of the 40 samples of Standard ST528, 10 samples or 25% came back out of the acceptable range of two standard deviations of the mean. Of the 51 samples of Standard ST16-5357, 10 samples or 19.6% came back out of the acceptable range of two standard deviations of the mean.

Overall this is a poor performance for the CRM's however as there is no obvious bias in any particular direction this may be due to the nature of the CRM rather than inherent problems in the laboratory. Again due to the early stage of the project and the fact that these data are not being used in a quantitative manner SRK ES does not consider this to be a material issue at this stage. SRK ES would however strongly recommend that a detailed study of the CRMs is conducted, with particular reference to the matrix material and that more robust protocols are maintained as the project goes forward.

12 DATA VERIFICATION

SRK ES collected samples during the November site visit in order to conduct independent verification of the drill results presented by CPM. A total of 10 samples were selected by SRK ES. Two of the samples were quarter core samples and the remaining 8 were selected from coarse rejects. The quarter core was cut from stored half core with a rock saw and re-sampled by SRK ES.

The coarse rejects were located either at the CPM core shed or at SGS laboratories, split and re labelled by SRK ES. The samples were then delivered by hand to Intertek Minerals Services laboratory in Tarkwa where they were analysed for gold by a 50g fire assay with AA finish. Results are presented in Table 12-1 below.

Table 12-1: SRK ES verification sample results.

CPM ID	SRK ES Sample ID	CPM Au g/t	SRK ES Au g/t
500045	ES0000901	2.73	1.01
502145	ES0000902	0.43	<0.01
502329	ES0000903	0.24	<0.01
503611	ES0000904	<0.01	<0.01
502548	ES0000905	0.23	0.34
500195	ES0000906	1.11	0.07
503619	ES0000907	<0.01	<0.01
503628	ES0000908	<0.01	<0.01
500222	ES0000909	1.37	2.03
502052	ES0000910	0.03	<0.01

Whilst there is some discrepancy between the original results and those obtained by the re-sampling, SRK ES considers these to be within acceptable orders of magnitude and consistent with the style and distribution of the gold mineralisation.

13 MINERAL PROCESSING AND METALLURGICAL TESTING

No formal mineral processing or metallurgical test work has been undertaken at Asuogya to date.

14 MINERAL RESOURCE ESTIMATES

No mineral resource estimates have been undertaken at Asuogya to date.

15 ADJACENT PROPERTIES

The Asuogya Licence forms part of CPM's larger Akorade Project and directly to the north, east, south-east and south of the property are Licences POW, Ayiem, Hopthorn (pending) and Nkwanta respectively. To the west other Licences of the Akorade Project are within 3 km distance.

There are numerous operational gold mines within a 60km radius of Asuogya; these include Golden Star's Bogoso/Prestea deposit (6.3M oz), Goldfield's Tarkwa/Damang deposit (28.6M oz), AngloGold Ashanti's Iduapriem deposit (7.9M oz) and Golden Star's Wassa deposit (4.7M oz). See Figure 15-1.

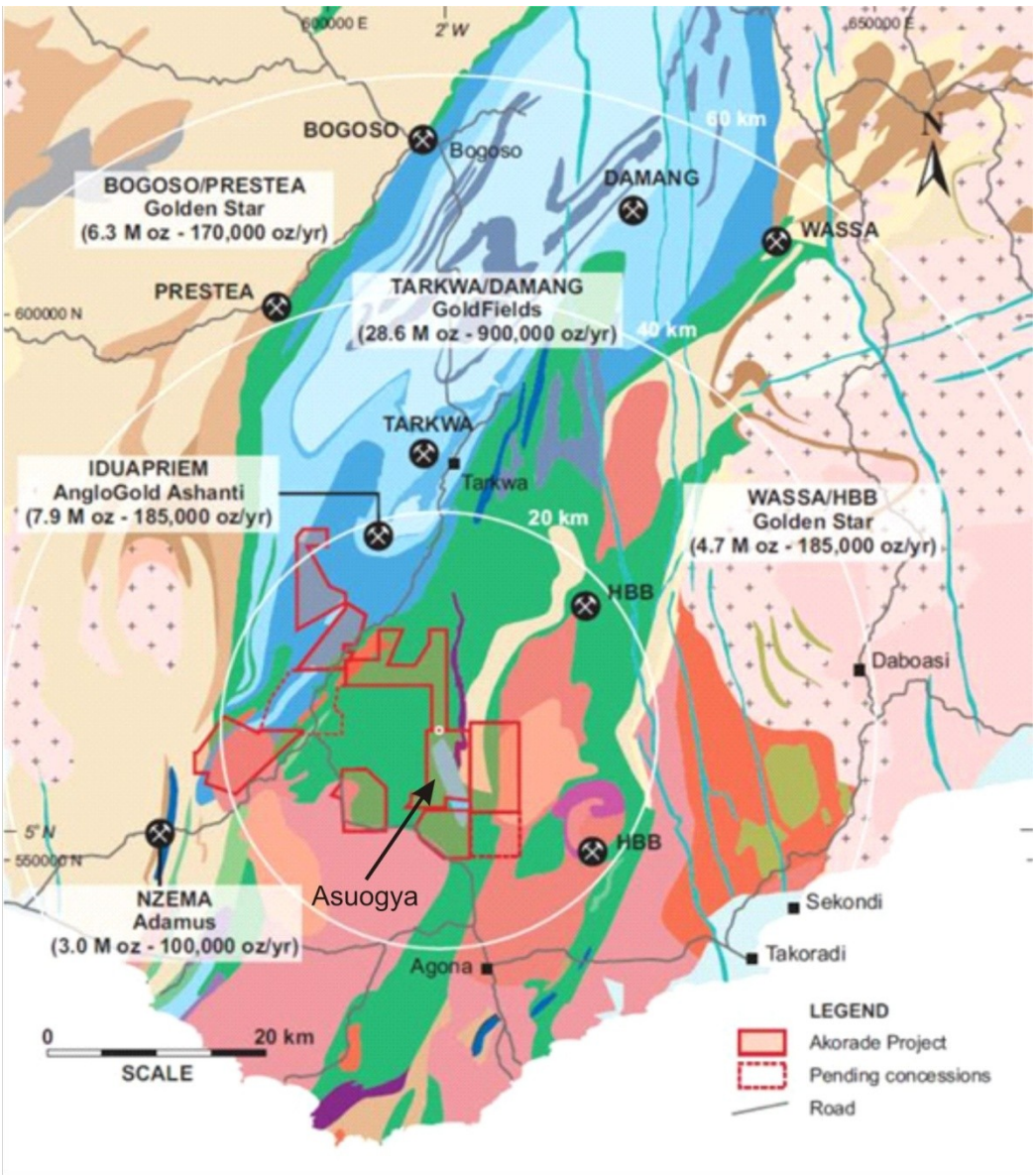


Figure 15-1 Location of known gold deposits in proximity to the Asuogya Licence.

16 OTHER RELEVANT DATA AND INFORMATION

There is no other relevant data or information which would materially impact the conclusions of this report.

17 INTERPRETATION AND CONCLUSIONS

17.1 Interpretation

The Asuogya Licence sits within the Ashanti Belt which hosts numerous world class gold deposits. The author's interpretation is based on knowledge of the surrounding geology.

Stream sediment, soil and auger geochemistry has delineated a 7km long zone of anomalous gold values, coincident with the projected contact of Birimian metasediments and metavolcanics.

Artisanal workers are exploiting the same zone at several locations and appear to be recovering gold from quartz veins associated with carbonaceous shears.

Geophysical data suggests a linear zone of bedrock conductivity in keeping with the typical mineralisation styles in the district.

Diamond drilling conducted to date has targeted one section of the anomalous trend where local miners are active. This drilling has intersected mineralisation but does not appear to have intersected a major mineralised zone.

17.2 Conclusions

SRK ES consider the work conducted at Asuogya has been conducted in accordance with industry norms and that the results returned to date support the geological model proposed. The resolution of the exploration work conducted to date has been sufficient to outline a broad zone of anomalous gold content which when combined with other geological data provides an exciting exploration target. Future work should focus on obtaining higher resolution geological data within the target zone prior to testing with diamond drilling. The Asuogya Licence continues to be prospective for gold mineralisation and is worthy of continued exploration.

The mineralised intersections observed in the diamond drill cores occur within sheared zones of pelitic/graphitic metasediments on a contact with metavolcanics within quartz veins. This is indicative of the region and is likely to be related to N-S trending steeply dipping en-echelon vein systems. SRK ES consider that the drilling has located mineralised structures but has yet to locate a mineralised zone of sufficient size to be economic.

18 RECOMMENDATIONS

The delineation of this style of mineralisation is notoriously difficult, and extensive drilling is normally required to delineate mineralised zones of a size that could prove economic. The Asuogya Licence is one of a number of licences that CPM has in its portfolio and must be prioritised accordingly.

The mineralised zones encountered in this part of Ghana are often narrow and structural discontinuous and thus often difficult to trace with any accuracy, particularly when covered by deeply weathered tropical soils. Diamond drilling, provides the best geological data but is expensive and needs to be accurately located for the best results.

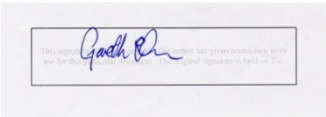
The main target zone has been delineated by the previous work but locating the main mineralised structures within the target zone has proved elusive, as the recent drilling has shown.

SRK ES would recommend that a detailed structural study is conducted on the core that has been recovered to date, to try and establish the main controls on the mineralisation. As the core is not orientated 3D modelling may prove difficult however applying regional trends to the data may be still be useful.

In order to get better resolution over the target areas SRK ES recommends that detailed ground geophysics is conducted. Ground magnetics on 50-100 metre line spacing should provide sufficient resolution to assist with a more detailed structural interpretation. Trenching conducted over the target zones may also assist in locating the mineralised zones and provide more robust targets for diamond drilling.

Further drilling will be required at Asuogya but this should only be conducted after all reasonable efforts have been made to assure its success.

For and on Behalf of SRK Exploration Services Ltd.



A.G O'Donovan, MSc, CEng, FIMM, FGS
Corporate Exploration Consultant and Managing Director

19 REFERENCES

Ayensu. E.S., (1997) Ashanti gold: the African legacy of the world's most precious metal. Illustrated, Marshall editions

Hilson. G., (2002) Harvesting mineral riches: 1000 years of gold mining in Ghana., *Resources policy, 28 (1-2) pp. 13-26.*

Harcouet. V et al. (2004) Pre-mineralization thermal evolution of the Palaeoproterozoic gold-rich Ashanti belt, Ghana. *Geological Society, Special Publications,* 248,103-118 p

Hilson. G., (2001) A contextual Review of the Ghanaian Small-scale Mining Industry., *Mining, Minerals and Sustainable Development*, 76 (September)

Junner, N.R (1940: Geology of the Gold Coast and western Togoland, with revised Geological Map (1:1,000,000).-Bull.Geol.Surv.Gold Coast11,9-19;Accra

Klein, E.L., and Moura, C. A. (2008) São Luís Craton and Gurupi Belt (Brazil): possible links with the West African Craton and surrounding Pan-African belts. *Geological Society London, Special Publications* 298, 137-151

Leube, A., Hirdes, W., Mauer, R.& Kesse, G.O (1900):The Early Proterozoic Birimian Supergroup of Ghana and Some Aspects of its associated Gold Mineralization- Precambrian Research 46, 139 - 165; Amsterdam.

Oberthür, T, Weiser.T , Amanor, J.A., and Chryssoulis S. L., (1997): Mineralogical sitting and distribution of gold in quartz veins and sulphide ores of the Ashanti mine and other deposits in the Ashanti belt of Ghana: genetic implications. *Mineralum Deposita,* 32,1, 2-15pp

Poulsen, K.H., Robert, F., and Dubé, B., 2000, Geological Classification of Canadian Gold Deposits: Geological Survey of Canada, Bulletin 540,106 p

Appendix I

Author Certificate and consent

CERTIFICATE Of Qualified person

To Accompany the report entitled: NI 43-101 Technical Report on the Asuogya Licence, Ghana. dated December 30th 2011.

1 I, Anthony Gareth O'Donovan residing at The Old Vicarage, Vicarage Terrace, Maesteg CF34 9PF, UK, do hereby certify that: I am a Corporate Exploration Consultant with the firm of SRK Exploration Services Ltd ("SRK ES") with an office at 12 St. Andrews Crescent, Cardiff, CF10 3DD, UK;

2 I am a graduate of the University of Keele, UK in 1983 and Rhodes University, South Africa in 1992, I obtained bachelors and Masters degrees respectively. I have practiced my profession continuously since 1986, as a mine geologist, exploration geologist and 12 years as a consultant with the SRK Group;

3 I am a Professional Exploration Consultant registered with the Engineering Council and the FIMMM 533068;

4 I have personally inspected the Asuogya Licence during November 2011;

5 I have read the definition of "qualified person" set out in National Instrument 43-101 and certify that by virtue of my education, affiliation to a professional association and past relevant work experience, I fulfill the requirements to be a "qualified person" for the purposes of National Instrument 43-101.

6 I, as a qualified person, am independent of the issuer as defined in Section 1.5 of National Instrument 43-101;

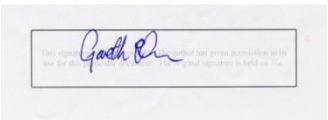
7 I am the author of this report and accept professional responsibility for this technical report.

8 Prior to my appointment as independent QP to the Asuogya project in September 2011, I visited the property in 2008.

9 I have read National Instrument 43-101 and confirm that this technical report has been prepared in compliance therewith;

10 I have not received, nor do I expect to receive, any interest, directly or indirectly, in the Asuogya Licence or securities of Casle Peak Mining; and

11 That, as of the date of this certificate, to the best of my knowledge, information and belief, this technical report contains all scientific and technical information that is required to be disclosed to make the technical report not misleading.



["signed and sealed"]
A.G O'Donovan, MSc, CEng, FIMM, FGS
Corporate Exploration Consultant and Managing Director
SRK Exploration Services Ltd.

Project number: ES 7431

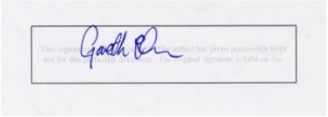
CONSENT of AUTHOR

I, Anthony Gareth O'Donovan, do hereby consent to the public filing of the technical report entitled "Ni 43-101 Technical Report on the Asuogya Licence, Ghana," (the "Technical Report") and dated December 29th 2011, and any extracts from or a summary of the Technical Report under the National Instrument 43-101 disclosure of Castle Peak Mining Ltd. and to the filing of the Technical Report with any securities regulatory authorities.

I further consent to the company filing the report on SEDAR and consent to press releases made by the company with my prior approval.

I also confirm that I have read the Disclosure and that it fairly and accurately represents the information in the Technical Report that supports the Disclosure.

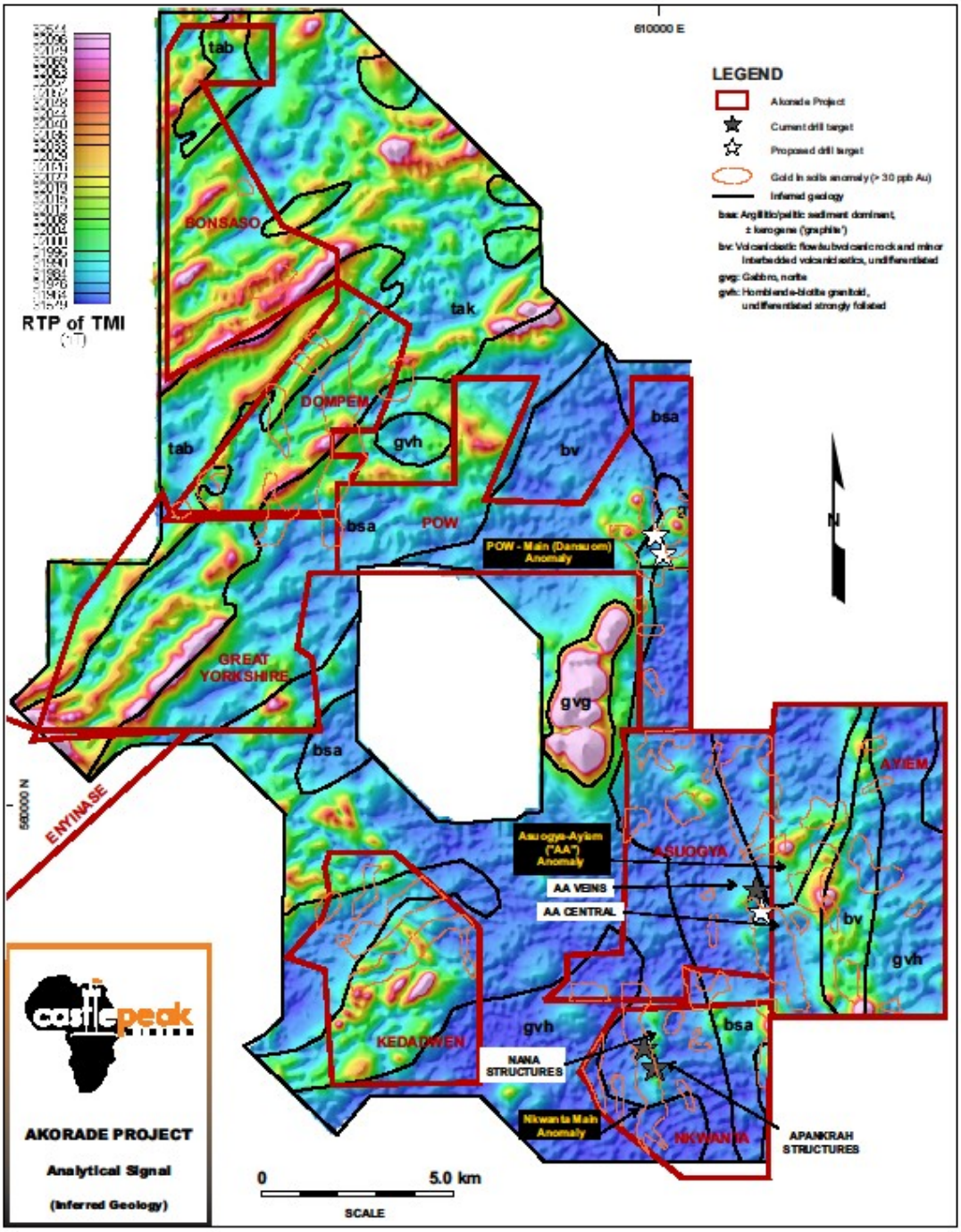
Dated this 30th day of December 2011.

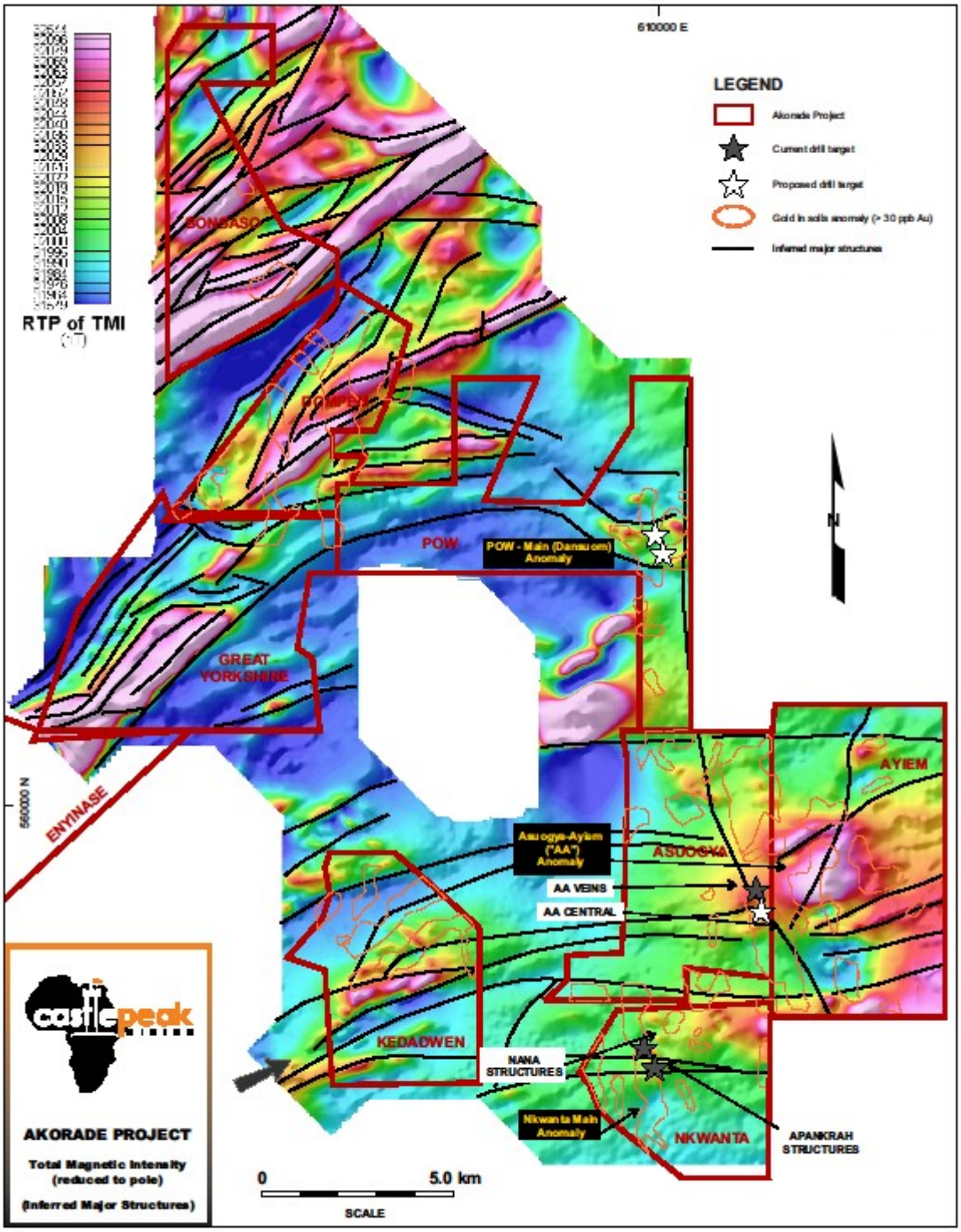


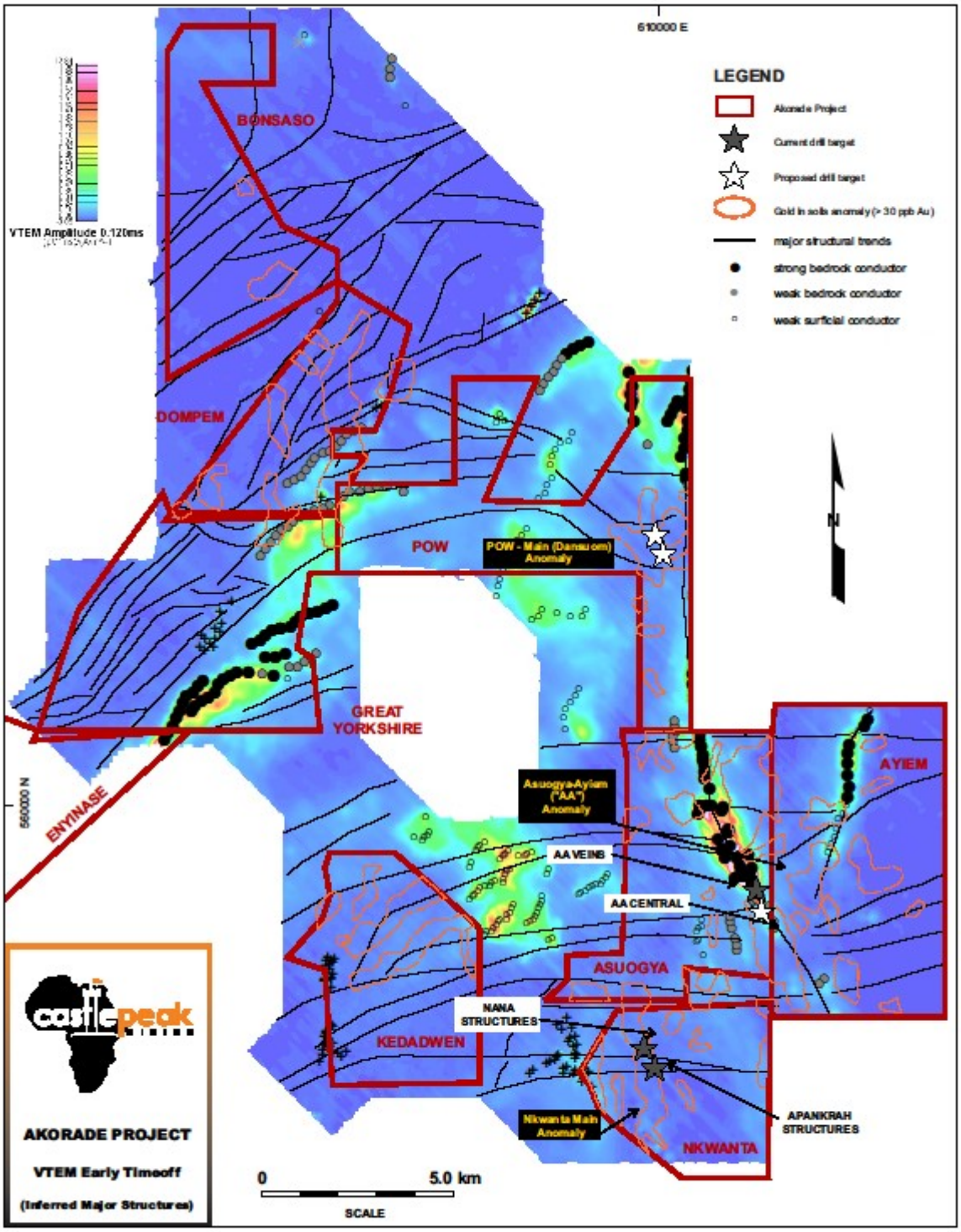
["signed and sealed"]
A.G O'Donovan, MSc, CEng, FIMM, FGS
Corporate Exploration Consultant and Managing Director
SRK Exploration Services Ltd.

Appendix II

Airborne Geophysics for the Akorade project


RTP of TMI
610000 E
LEGEND
Akorade Project
Current drill target
Proposed drill target
Gold in soils anomaly (> 30 ppb Au)
Inferred geology
bsa: Argillitic/pelitic sediment dominant, ± kerogene ('graphite')
bv: Volcaniclastic flow/subvolcanic rock and minor interbedded volcaniclastics, undifferentiated
gvg: Gabbro, norite
gvh: Hornblende-biotite granitoid, undifferentiated strongly foliated
tab
tak
BONSASO
DOMPEM
gvh
bv
bsa
POW
POW - Main (Dansuom) Anomaly
GREAT YORKSHIRE
gvg
ENYINASE
580000 N
Asuogya-Ayiem ("AA") Anomaly
ASUOGYA
AYIEM
AA VEINS
AA CENTRAL
KEDADWEN
NANA STRUCTURES
Nkwanta Main Anomaly
NKWANTA
APANKRAH STRUCTURES
N
AKORADE PROJECT
Analytical Signal
(Inferred Geology)
0
5.0 km
SCALE


610000 E
LEGEND
Akorade Project
Current drill target
Proposed drill target
Gold in soils anomaly (> 30 ppb Au)
Inferred major structures
RTP of TMI
(nT)
BONSASO
POW
POW - Main (Damsu om) Anomaly
GREAT YORKSHIRE
ENYINASE
560000 N
AYIEM
Asuogya-Ayiem ("AA") Anomaly
ASUOGYA
AA VEINS
AA CENTRAL
KEDADWEN
NANA STRUCTURES
Nkwanta Main Anomaly
NKWANTA
APANKRAH STRUCTURES
N
0
5.0 km
SCALE
castlepeak
AKORADE PROJECT
Total Magnetic Intensity (reduced to pole)
(Inferred Major Structures)


610000 E
LEGEND
Akorade Project
Current drill target
Proposed drill target
Gold in soils anomaly (> 30 ppb Au)
major structural trends
strong bedrock conductor
weak bedrock conductor
weak surficial conductor
VTEM Amplitude 0.120ms
BONSASO
DOMPEM
POW
POW - Main (Dansuom) Anomaly
GREAT YORKSHIRE
ENYINASE
560000 N
Asuogya-Ayiem ("AA") Anomaly
AA VEINS
AA CENTRAL
AYIEM
ASUOGYA
NANA STRUCTURES
KEDADWEN
Nkwanta Main Anomaly
APANIKRAH STRUCTURES
NKWANTA
N
AKORADE PROJECT
VTEM Early Timeoff
(Inferred Major Structures)
0
5.0 km
SCALE