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NEWS RELEASE

CASTLE PEAK ANNOUNCES \$3 MILLION PRIVATE PLACEMENT OF UNITS

THIS NEWS RELEASE IS INTENDED FOR DISTRIBUTION IN CANADA ONLY AND IS NOT FOR DISSEMINATION IN THE UNITED STATES OR FOR DISTRIBUTION TO UNITED STATES NEWSWIRE SERVICES

Vancouver, B.C., August 17, 2011 – Castle Peak Mining Ltd. ('Castle Peak' or the 'Company', TSX.V: CAP), has arranged a non-brokered private placement offering to raise gross proceeds of \$3 million. Under the terms of the private placement, the Company will offer for sale 8,571,428 million units ("Units") at \$0.35 per Unit.

Each Unit will consist of one common share of the Company and one-half of one share purchase warrant (each whole warrant, a "Warrant"), where each Warrant will allow the subscriber to purchase one additional common share of the Company at an exercise price of \$0.50 per share for a period of 12 months from the date of closing, subject to adjustment/acceleration under certain circumstances. The Company may, at its discretion, pay a cash finder's fee of up to 6 percent of the total gross proceeds of the offering. The offering is anticipated to close on or before September 30, 2011.

The securities issued upon the closing of the offering will be subject to customary securities legislation hold periods. The offering is subject to the acceptance of the TSX Venture Exchange.

Proceeds from the private placement will be used to fund the ongoing exploration program at Castle Peak's Akorade project in Ghana, as well as working capital.

The securities being offered have not been, nor will they be, registered under the United States Securities Act of 1933, as amended, and may not be offered or sold in the United States, or to, or for the account or benefit of, U.S. persons absent registration or an applicable exemption from registration requirements. This press release shall not constitute an offer to sell or the solicitation of an offer to buy nor shall there be any sale of the securities in any jurisdictions in which such offer, solicitation or sale would be unlawful. Any offering made will be pursuant to available prospectus and registration exemptions and restricted persons to whom the securities may be sold in accordance with the laws of such jurisdictions and by persons permitted to sell the securities in accordance with the laws of such jurisdictions.

About Castle Peak

Castle Peak Mining Ltd. is a Canadian-based exploration and development company focused on advancing greenfields and early stage gold projects. The Company holds a strategic land package in the Ashanti belt adjacent to several producing gold mines in Ghana, West Africa. The Ashanti belt is known as one of the most prolific gold belts in the world with over 150 million proven ounces uncovered and current investment in excess of \$2.5 B USD. Castle Peak is now executing an aggressive Phase I exploration program on identified gold targets.

On behalf of the Board of Castle Peak Mining Ltd.:

"Darren Lindsay"

President and Chief Executive Officer

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FORWARD-LOOKING STATEMENTS

Except for statements of historical fact, this news release contains certain 'forward-looking information' and 'forward-looking statements' within the meaning of applicable securities laws. Such forward-looking statements are based on the opinions and estimates of management at the date the statements are made, and are subject to known and unknown risks, uncertainties and assumptions that could cause actual results to vary materially from the anticipated results or events predicted in these forward-looking statements, including the closing of the offering and those risk factors identified in the Company's Filing Statement filed under the Company's SEDAR profile. As a result, readers are cautioned not to place undue reliance on these forward-looking statements. The forward-looking statements contained in this news release are made as of the date of this release. Except as required by applicable law, Castle Peak disclaims any intention and assumes no obligation to update or revise any forward-looking statements, whether as a result of new information, future events or otherwise.

Neither TSX Venture Exchange nor its Regulation Services Provider (as that term is defined in the policies of the TSX Venture Exchange) accepts responsibility for the adequacy or accuracy of this release.