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NEWS RELEASE

CASTLE PEAK REPORTS FINAL 2011 PHASE I DRILL RESULTS; APANKRAH 16M OF 3.3 G/T AU INCLUDING 4M OF 12.5 G/T AU; ANNOUNCES THE FILING OF NI 43-101 TECHNICAL REPORT ASUOGYA CONCESSION

Vancouver, B.C., January 3, 2012 – Castle Peak Mining Ltd. ('Castle Peak' or the 'Company', TSX.V: CAP) reports the final drill results for the 2011 Phase I drill evaluation program completed on December 20, 2011. The final hole of the Phase I program returned 16 metres ('m') of 3.3 grams per tonne ('g/t') gold ('Au') from the Apankrah target on the Nkwanta concession. This hole was a follow-up on NKDDH010 intercept of 7.5m of 7.2 g/t Au from the Apankrah target. The final three holes from the seven hole Dansuom target on the POW concession, from which Castle Peak demobilized early due to road safety issues, returned 14m of 0.5 g/t Au from POWDDH005, 17.8m of 0.3 g/t Au from POWDDH006 and 1.5m of 1.8 g/t Au from POWDDH007. Additionally, Castle Peak files a NI 43-101 compliant Technical Report from SRK Exploration Ltd ('SRK'), covering the Asuogya concession.

The final drill hole, NKDDH016, of the initial Phase I drill evaluation program was completed on the Apankrah structure returning 16m of 3.3 g/t Au, including 4m of 12.5 g/t Au. These results confirm the presence of high grade shoots on ENE trending shear structures within the metavolcanic rock package and additional drilling is planned to initiate the definition of a potential high grade resource. Significant sulphide haloes to the higher grade zones are recognized and will be exploited using geophysical surveys to prioritize targets on known parallel structures and assist in the identification of additional target structures.

The completion of the drilling on the Dansuom target adds to previously released significant intercepts of 11m of 2.9 g/t Au and 7m of 1.0 g/t Au with 14m of 0.5 g/t Au in hole POWDDH005 and 5.3m of 0.6 g/t Au including 1.5m of 1.8 g/t Au in hole POWDDH007. This drilling has extended the mineralized zone for 500m of strike and 100m depth and remains open in all directions with potential for higher grade shoots below holes POWDDH004 and POWDDH0003. Hole POWDDH007 also evaluated a northeast trending vein structure crossing the main N-S trending Dansuom target and returned 4m of 0.6 g/t Au from this target zone. A high priority for 2012 resource building is additional drilling on the Dansuom target, once the access road is improved. Additionally, chip sampling of a shear zone exposed during road construction returned 6m of 0.2 g/t Au and 1m of 0.6 g/t Au. This structure will receive additional ground follow up work during the 2012 target generation program.

President and CEO Darren Lindsay reports, "We have a very positive set of Phase I results to move to the next step of initial definition of potential resources at both the Apankrah and Dansuom targets. The developing target at Kedadwen and the aggressive target generation on the Birimian-Tarkwaian structural corridor has also given us our next set of Phase I targets to evaluate for potential additional resource centres."

Table of Significant Results

HoleID	Target	From (m)	To (m)	Length (m)	Au (g/t)	Notes
NKDDH016	Apankrah	143.0	159.0	16.0	3.33	
Includes		149.0	153.0	4.0	12.5	
Which includes		150.2	153.0	2.8	17.4	High grade shoot
POWDDH005	Dansuom	87.0	101.0	14.0	0.47	N-S structure
Includes		94.0	98.0	4.0	0.90	
POWDDH006	Dansuom	20.0	37.8	17.8	0.33	N-S structure
And		114.0	116.0	2.0	0.93	
POWDDH007	Dansuom	98.0	103.3	5.3	0.65	N-S structure
Includes		101.1	102.6	1.5	1.84	
And		164.0	168.0	4.0	0.56	NE structure

- i. Lengths are core lengths; estimated true widths range from 75% to 90%
- ii. Composites are length weighted averages with a cut off of 0.1 g/t Au and inclusive of up to 3m of assays below the cut off value.
- iii. Lengths considered as anomalous haloes around structures are length weighted composites with a cut off of 0.03 g/t Au.

43-101 Technical Report on Asuogya Concession

Castle Peak has received an NI 43-101 compliant Technical Report from SRK covering the Asuogya concession, host to a portion of the 9km gold in soil anomaly known as the Asuogya-Ayiem trend. SRK recommends additional ground based target generation activity including trenching or detailed geophysical surveys to prioritize higher potential portions of the regional structure. The Asuogya-Ayiem trend is a substantial gold anomaly which has a similar footprint to the anomaly hosting the nearby Obuasi Mine.

The Asuogya concession hosts a portion of the Asuogya-Ayiem geochemical anomaly that is coincident with the regional structure defining the contact between Birimian metavolcanic and metasedimentary rocks units. The structure was partially defined during Castle Peak's Phase I drill program identifying a gold enriched, vein hosting, carbonaceous shear zone that returned intervals of 13m of 1.0 g/t Au and 16m of 1.1 g/t Au from drilling earlier in the year (July 18 and August 15, 2011). SRK stated "*SRK ES confirms that the work conducted at the Asuogya concession 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.*"

Technical Disclosure

Castle Peak's technical disclosure in this news release has been reviewed and approved by Darren Lindsay, P.Geo., Castle Peak's President and CEO, who serves as a Qualified Person under the definition in National Instrument 43-101 ('NI 43-101'). The procedures include the systematic insertion of blanks, standards and duplicates into the sample stream both in the field and at the lab; samples are placed in sealed bags and are delivered to SGS Laboratory Services GH Ltd. in Tarkwa, Ghana, for routine gold analysis by 50g charge fire assay with atomic absorption finish. The Akorade project is an early stage exploration project and does not contain any mineral resources as defined by NI 43-101. The potential quantities and grades disclosed herein are conceptual in nature and there has been insufficient exploration to define a mineral resource for the targets disclosed herein. It is uncertain if further exploration will result in these targets being delineated as a mineral resource. Further information is available in the NI 43-101 compliant technical report dated February 14, 2011 and entitled "NI 43-101 Technical Evaluation Report on Nkwanta & Ayiem concessions, Wassa-West District, Republic of Ghana, West Africa" authored by Daniel Gaudreault, P.Eng. and Alain-Jean Beauregard, P.Geol. of Geologica Groupe-Conseil Inc., and in the NI 43-101 compliant technical report dated January 2, 2012 and entitled "NI 43-101 Technical Report on the Asuogya License, Ghana" authored

by Gareth O'Donovan, Corporate Exploration Consultant, of SRK Exploration Services Ltd, copies of which are filed under the Company's profile on SEDAR at www.sedar.com.

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.

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 including statements regarding proposed exploration and drilling programs and potential resource estimation. 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 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.

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