

CASTLE RESOURCES INC.

**TECHNICAL REPORT ON THE
PETERSON LAKE PROPERTY,
COLEMAN TOWNSHIP,
ONTARIO
NTS 31 M/05**

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CERTIFICATES

1.0 SUMMARY

At the request of Mr. Stephen Wallace, President and CEO of Castle Resources Inc. (Castle), Micon International Limited (Micon) has been engaged to prepare an independent review of the geologic potential of the Peterson Lake property located in the area of Cobalt, Ontario, and to prepare a Technical Report that is in compliance with the requirements set out in Canadian National Instrument 43-101 (NI 43-101).

Under the terms of a letter of intent, dated December 4, 2007, Castle will acquire all of the issued and outstanding shares of Legends of Cobalt Corporation (LCC), a private Ontario company. The principal asset of LCC is an option to acquire any or all of a claim package totaling approximately 3,083 ha in the Cobalt area. The claim package under option to LCC was assembled by Agnico-Eagle Mines Limited (Agnico) in the 1980's and was subsequently sold to Blackstone Development, Inc. (Blackstone), a private company.

Within the claim package are the advanced exploration projects, the Penna and Peterson Lake properties, that were under development by Agnico prior to its decision to terminate its operations in the Cobalt area in 1990.

The present report relates only to the Peterson Lake property.

The Peterson Lake property is located in Coleman Township, Ontario approximately 2 km east-southeast of the village of Cobalt. The property consists of six patented claims and one mining lease and covers a total area of approximately 192.1 ha.

The Cobalt area is a long established and well-known historic mining area. The silver vein deposits occur along the north and northeastern margins of the Cobalt Embayment. The Cobalt Embayment comprises mainly clastic sediments of the Huronian Supergroup that unconformably overlie Archean basement rocks. Both the sediments and the Archean basement rocks have been extensively intruded by a system of mafic sills and dikes known collectively as the Nipissing diabase. Major fault systems crosscut the Cobalt Embayment of a regional scale.

The general geology of the Cobalt Camp consists of sub-horizontal to locally gently dipping, Proterozoic-aged Huronian Group conglomerates and intercalated finer clastic sediments draped unconformably over an irregular and incised series of older basement rocks of Archean age.

The basement morphology of the Cobalt Camp is structurally complex. Huronian sediments are commonly found filling paleo-valleys or troughs in the Archean basement, while in other locations, Archean basement islands appear to rise unconformably through these flat lying sediments. Archean-hosted faults are generally of two types: an easterly striking normal fault set that may in part host silver-cobalt veins, and a northeast striking reverse fault set that appears for the most part to post date the silver-cobalt mineralizing