

Alcida, September 17, 2011

Mike Sylvestre, President, CEO and Director
Castle Resources Inc.
20, Victoria Street, 8th Floor
Toronto, Ontario, Canada
M5C 2N8

RE: Overwhelming community opposition to the Elmtree Mine

Mr. Sylvestre,

I write to you as the President of the Comité d'intervention de la Mine d'Or Elmtree (CIMEO), which is a group composed of local concerned citizens. We welcome your wisdom to have stated publicly numerous times that your company will only proceed with the Elmtree Mine proposed project if the community is behind your project. Therefore, we have been thoroughly researching the potential impacts of this proposed project in our community.

Our main concerns for our quality of life are (1) the contamination of our drinking water – an accident or leak can happen and prove itself devastating for our water sources and the water source of the Village of Petit-Rocher; (2) the diminution of the quantity of ground water resulting from the drainage required to dry your pit, which would directly affect our wells; (3) the disturbance from blasting, dust and increased traffic which would have a direct impact on our tranquility; and (4) the deviation of the South Branch of the Elmtree river and the discharge of water, containing arsenic and metals, drained from the pit, in this stream which bears Atlantic Salmon and flows to the Baie of Chaleur – the basis of the lobster fishing economy in our region.

We have been working extensively with our community – including the Local Services Districts of Dauversière, Alcida and Madran and the Villages of Nigadoo and Petit-Rocher. We have been witnessing the overwhelming opposition of the community to your proposed project. Thus far, over 800 members of the community have signed a petition, urging the Federal Minister of Environment, the Honorable Peter Kent, to deny a permit for your company to proceed with the exploitation of this mine. Attached to this letter is a copy of the said petition.

Additionally, we expect you are also aware that the New-Brunswick Mining Act (section 109(4)) forbids you causing actual damage to or interfering with the use and enjoyment of land occupied by any building or curtilage thereof or as a garden or cultivated land, without the consent of the owner thereof. Your proposed mining project site stands directly on property occupied by a maple tree plantation – used for the making of maple

syrup - and by several 'camps'. Noting the overwhelming opposition of the community to this project, and the legal rights of the landowners to deny their consent, due to the damage or interference with the said maple tree plantation and camps, we would like to inform you that the community will not stand behind your project.

Our quality of life is important to us. Many of us have lived on this land for generations, and plan to continue to do so undisturbed.

Sincerely,

Edgar Boudreau
President of the CIMOE