

This release is intended for distribution in Canada only and is not intended for distribution to United States newswire services or for dissemination in the United States

GOLD BULLION DEVELOPMENT CORP. ANNOUNCES FILING OF PRELIMINARY PROSPECTUS FOR “SPIN-OUT” AND INITIAL PUBLIC OFFERING BY CASTLE SILVER MINES INC.

- *Castle Silver Mines initial public offering to raise maximum of \$3.4 million*
- *Proceeds from initial public offering to be used in part for exploration on Castle Silver Mine property, Gowganda, Ontario*
- *Gold Bullion shareholders to receive one share of Castle Silver Mines for every 85 shares of Gold Bullion held on distribution record date*

September 19, 2011 – Gold Bullion Development Corp. (TSXV:GBB) (OTCPINK:GBBFF) announces that Castle Silver Mines Inc., a wholly-owned subsidiary of Gold Bullion, has filed a preliminary prospectus with the securities commissions of each of the provinces of Canada in connection with an initial public offering, and a secondary offering to the shareholders of Gold Bullion of shares of Castle Silver Mines by way of dividend in kind.

Initial Public Offering

Castle Silver Mines is effecting an initial public offering of 4,750,000 “flow-through” units at a price of \$0.40 per unit, and a minimum of 3 million and a maximum of 5 million common share units at a price of \$0.30 per unit, for maximum gross proceeds to Castle Silver Mines of \$3.4 million. Each “flow-through” unit will consist of one common share of Castle Silver Mines and one-half of a common share purchase warrant. Each common share unit will consist of one common share of Castle Silver Mines and one common share purchase warrant. Each full warrant will entitle its holder to acquire one additional common share of Castle Silver Mines at a price of \$0.50 for a period of 18 months.

The proceeds from the initial public offering will be used by Castle Silver Mines for exploration work on its Castle Silver Mine property, future property acquisitions and for working capital and general corporate purposes. A description of the recommended exploration program for the Castle Silver Mine property is summarized in the prospectus, which will be available under Castle Silver Mines’ company profile on SEDAR at www.sedar.com.

Industrial Alliance Securities Inc. is acting as agent for the initial public offering on a “best-efforts” basis. Castle Silver Mines will grant Industrial Alliance Securities an option to offer up to 750,000 additional common share units and up to 712,500 additional “flow-through” units, representing 15% of the number of units offered, to cover over-allotments, if any. The over-allotment option may be exercised at the offering prices for a period of 30 days from the date of closing of the offering. If Industrial Alliance Securities exercises the over-allotment option in full after a maximum offering, the total gross proceeds of the offering will be \$3,910,000.

“Spin-Out” to Shareholders of Gold Bullion

Concurrently with the initial public offering, Gold Bullion Development Corp., the sole shareholder of Castle Silver Mines, will distribute an aggregate of approximately 1,950,000 common shares of Castle Silver Mines to the shareholders of Gold Bullion, by way of dividend in kind. Gold Bullion shareholders will receive one common share of Castle Silver Mines for approximately every 85 issued and outstanding

Gold Bullion shares on the distribution record date. The record date for the distribution of the Castle Silver Mines shares will be set by the Board of Directors of Gold Bullion in accordance with the policies of the TSX Venture Exchange. Gold Bullion will issue a press release announcing the record date and the distribution ratio. Gold Bullion will retain approximately 7.8 million shares of Castle Silver Mines.

In the event of an initial public offering by Castle Silver Mines in a maximum amount of \$3.4 million, investors in the initial public offering will hold 50% of the outstanding shares of Castle Silver Mines, Gold Bullion will hold 40% of the outstanding shares, and the shareholders of Gold Bullion will hold in the aggregate 10% of the outstanding shares.

Castle Silver Mines

Castle Silver Mines Inc. was incorporated in March 2011 as a wholly-owned subsidiary of Gold Bullion, for the purpose of taking over the silver assets and exploration activities currently carried on by Gold Bullion, so that Gold Bullion can devote itself solely to exploration for gold. Prior to the distribution record date, Castle Silver Mines Inc. will acquire the Castle Silver Mine property in Gowganda, Ontario from Gold Bullion, which comprises Gold Bullion's sole silver exploration property. After such transfer, Gold Bullion does not intend to be directly involved in silver exploration. Castle Silver Mines may acquire additional interests in silver exploration properties in the future.

The initial public offering by Castle Silver Mines and the distribution by Gold Bullion of approximately 1,950,000 Castle Silver Mines common shares to the shareholders of Gold Bullion are subject to regulatory approval, including that of the TSX Venture Exchange.

Castle Gold Mines' common shares have not been registered under the United States Securities Act of 1933, as amended, and may not be offered or sold within the United States or to, or for the account or benefit of, U.S. persons absent U.S registration or an applicable exemption from U.S. registration requirements.

About Gold Bullion Development Corp.

Gold Bullion Development Corp. is a TSX Venture-listed junior natural resource company focusing on the exploration and development of its Granada Property near Rouyn-Noranda, Québec, and its Castle Silver Mine property in Gowganda, Ontario.

For more information on Gold Bullion Development Corp. (TSXV:GBB) (OTCPINK:GBBFF), visit our web site: <http://www.GoldBullionDevelopmentCorp.com>

For further information contact:

Frank J. Basa, P.Eng., President and Chief Executive Officer
Tel.: (416) 625-2342

Roger Thomas, Director
Tel.: (613) 292-2438

Progressive Investor Relations (Canada)
Tel.: (604) 689-2881 or e-mail info@progressive-ir.com
Torrey Hills Capital (United States) Tel.: (858) 456-7300

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

This news release may contain forward-looking statements including but not limited to comments regarding the timing and content of upcoming work programs, geological interpretations, receipt of property titles, potential mineral recovery processes, etc. Forward-looking statements address future events and conditions and therefore, involve inherent risks and uncertainties. Actual results may differ materially from those currently anticipated in such statements.