

A development project with exploration upside

Perth-based Cassini Resources Limited (ASX:CZI) is progressing its flagship West Musgrave project, which comprises the largest undeveloped nickel and copper deposits in Australia. The current phase of exploration and development work coincides with the commencement of the recent joint venture with OZ Minerals Limited (ASX:OZL), where OZ Minerals can contribute a minimum of \$36 million to earn up to 70 per cent of the project.

The initial stage sees OZ Minerals fund \$3 million within a 12-month period to conduct detailed scoping study activities, including metallurgy, mining optimisation and alternative power solutions, to identify an optimised pathway to commercialisation for the project. The West Musgrave project is a world-class asset comprising the Nebo and Babel nickel and copper sulphide deposits (jointly referred to as Nebo-Babel), and the Succoth copper deposit. These deposits currently have more than 850,000 tonnes of contained nickel and 1.8 million tonnes of contained copper in a shallow open pit resource.

Cassini acquired the project in 2014, and has made significant progress by advancing development work and exploration. The company reported JORC-compliant resources for Nebo-Babel and the nearby Succoth deposit (refer to table below), and released an initial scoping study in April 2015, with



further updates in November 2015.


The West Musgrave Project still shows significant exploration upside, demonstrated by numerous mineralised intersections from historical drilling. \$8 million of the joint venture funds has been earmarked for regional exploration work to facilitate future discovery.

Cassini has a pipeline of other exploration projects in its portfolio. Conducted in May 2016, maiden drilling from the company's West Arunta project, in Western Australia, showed broad zones of anomalous zinc mineralisation, confirming the potential for a new discovery.

The Mount Squires Gold Project neighbours the West Musgrave Project. The project is at an early stage of

exploration, but has already demonstrated ore-grade gold intercepts from historical drilling. Cassini plans to be on the ground in early 2017, testing a 50-kilometre-long prospective corridor with 'walk up' drill targets and soil anomalies.

The company currently has a solid exploration and development program for the next 12 months, through activities at the West Musgrave project funded by the OZ Minerals joint venture, as well as other exploration activity undertaken in its own right.

Cassini is focused on bringing the West Musgrave project into production and continuing to undertake exploration work to expose the company and its shareholders to the benefits of exploration success. 

West Musgrave Project Indicated and Inferred Mineral Resources

PROSPECT	Classification	Tonnes Mt	Ni %	Cu %	Co ppm	Au ppm	Pt ppm	Pd ppm
Nebo	Indicated	25.8	0.52	0.46	215	0.05	0.07	0.09
	Inferred	3.0	0.60	0.48	229	0.04	0.08	0.10
	Total	28.9	0.53	0.46	217	0.05	0.07	0.09
Babel	Indicated	69.7	0.39	0.42	139	0.07	0.10	0.12
	Inferred	104.5	0.38	0.40	135	0.08	0.11	0.12
	Total	174.2	0.39	0.41	137	0.08	0.11	0.12
Nebo + Babel	Total	203.1	0.41	0.42	148	0.08	0.10	0.12
Succoth	Inferred	156	0.06	0.60	-	0.02	0.04	0.11

Nebo-Babel indicated and inferred mineral resource (0.3 per cent nickel cut-off), February 2015.

Succoth Deposit Inferred Mineral Resource estimate (0.3 per cent copper cut-off), December 2015.

The mineral resource estimates have been completed in accordance with the guidelines of the JORC Code (2012 edition). Refer to the company website page at cassiniresources.com.au/jorc-compliance.