

OZ, Cassini eye new ground

WEST Musgrave joint venture OZ Minerals and Cassini Resources have entered separate new Australian projects.

- [Kristie Batten](#) 29 Jan 2018 8:44 News
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Cassini drilling in the West Musgrave

OZ has entered into a new earn-in with Woomera Exploration over ground in the remote Eastern Musgrave province in South Australia's far north.

Under the joint venture, OZ will fund around 4000m of drilling on seven targets, after which it can elect to spend A\$2.5 million to earn 51% within 18 months.

It can spend a further \$5 million to earn 75%.

OZ will be targeting magmatic nickel and copper sulphides, similar to those at the West Musgrave JV with Cassini.

OZ head of exploration Richard Holmes said the application of the vector residual magnetic intensity (VRMI) geophysical technique, in addition to previous encouraging exploration drill results, had led to the identification of multiple drill-ready targets on the tenements.

"Current targeting will use the VRMI technique, as it has been shown to enhance the ability to focus on prospective targets in areas with complex magnetic responses," he said.

"Previous work undertaken on Woomera Exploration's prospects has shown prospective geology and mineralisation occurring within the tenement package.

"Modelling of the processed magnetic data suggests prospective geology may occur as shallow as 10 metres below surface.

“However, traditional geophysical processing methods do not highlight the anomalies that are usually associated with mineralisation.

“Application of the VRMI technique, which is traditionally used in iron ore and gold exploration, should enable rapid exploration of the region. If successful, it will provide another layer on which we can target prospective geology under cover.”

Woomera is currently completing a backdoor listing on the ASX and is looking to raise \$4-7 million.

Listed shell Ausroc Metals will be renamed Woomera Mining.

The tenements are 500km east of the West Musgrave project, which OZ recently moved to prefeasibility study stage.

OZ will spend \$20-30 million on the project this year, triggering a move to 51% ownership.

Cassini said OZ’s work at West Musgrave would allow it to restart exploration on its 100%-owned projects.

Today the company announced the acquisition of the early stage Yarawindah Brook nickel-copper-cobalt project 130km northeast of Perth.

The company has paid private company Souwest Metals a \$50,000 option fee, and has committed to spend \$250,000 on the project by March 2019.

After that, Cassini can decide to progress to 80% of the project by spending a further \$300,000.

Drilling in 2007 hit 7m at 1.3% nickel, 0.22% copper, 0.06% cobalt and 432 parts per billion palladium from 74m.

Cassini is planning a VTEM survey, followed by reverse circulation drilling later in the year.

Shares in OZ dropped by 0.2% to \$9.23, while Cassini shares fell by 2.5% to 7.9c.