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Cassini Resources in a sweet spot as it focuses on nickel-copper with OZ Minerals

Tharun George, Proactive Investors 14:55 02 Oct 2018

West Musgrave Project is the largest undeveloped nickel-copper project in Australia.



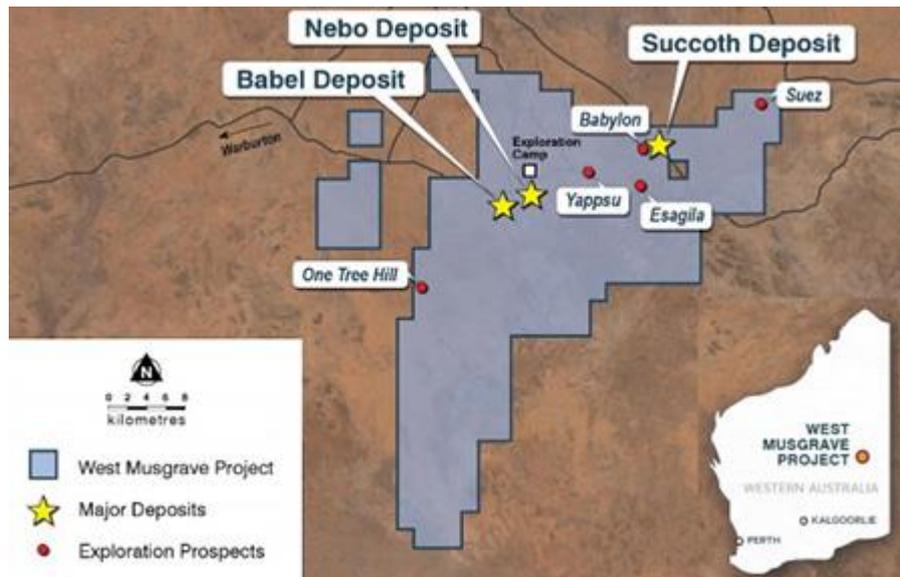
The project is timed to capture the rising demand for battery metals

Cassini Resources Ltd (ASX:CZI) is continuing to make significant progress on its pre-feasibility Study (PFS) for the Nebo-Babel Deposits, part of the West Musgrave Project in Western Australia.

West Musgrave project background

West Musgrave Project is the largest undeveloped nickel-copper project in Australia with a resource of over 1 million tonnes of contained nickel and 2 million tonnes of contained copper.

The project is a new mining camp with three existing nickel and copper sulphide deposits and a number of other significant regional exploration targets already identified.



The West Musgrave project includes a number of deposits

In August 2016, Cassini entered into a three-stage \$36 million earn-in/joint venture agreement with **OZ Minerals Ltd (ASX:OZL)**.

The joint venture partners are currently undertaking a PFS on the Nebo-Babel Deposits with a concurrent regional exploration program.

Cassini recently discovered a significant new body of mineralisation, named the Angie Lode, to the east of the Nebo deposit.

As part of the PFS resource infill drilling, a number of holes have been designed to target potential high-grade extensions of mineralisation at Nebo.

Highlights include 5.6 metres at 2.68% nickel, 2.09% copper, 0.09% cobalt and 0.33 g/t PGE within a broader zone of 50.35 metres at 0.62% nickel, 0.54% copper, 0.02% cobalt and 0.15 g/t PGE.

The Angie Lode is located close to, but outside of, the current mine design and may extend over 550 metres of strike-length – follow-up drilling is now being planned.

The company also drilled an 80-meter zone of nickel-copper sulphide mineralisation at the Yappingsu Prospect within the West Musgrave Project.

This is the second significant intersection assayed in recent diamond drilling at Yappingsu.

Within the broader 80-meter intersection, 5.75 metres at 0.28% nickel, 0.63% copper, 0.01% cobalt, 0.30 g/t PGEs and 0.15 g/t gold from 545 metres was intersected.

In August, Cassini completed a \$4.2 million placement to high-quality investors, adding Guangzhou Tinci Materials Technology Co Ltd chairman Xu Jinfu as a cornerstone investor as it progresses the West Musgrave project PFS.

While OZ Minerals is funding the PFS, the \$4.2 million capital raising will help Cassini fund activities over the next 6 to 12 months as it continues exploration at its other projects.

Cassini managing director Richard Bevan told Proactive Investors the placement would provide the company with working capital during what he called the current funding phase.

The company plans to continue exploration at its other Western Australian projects during the 12-month period.

This includes the Mt Squires Gold Project in West Arunta region and the Yarawindah Nickel-Copper-Cobalt Project to which it holds a right to acquire a 70% stake.

Last week, Cassini commenced a 2,000-metres reverse circulation (RC) drilling program at its 100% owned West Arunta Zinc Project.

Drilling will test new undrilled sedimentary zinc targets at the Janus and Mimas prospects.

The targets were generated from airborne electromagnetic and gravity surveys as well as soil geochemistry exploration.

Focusing on rising battery metal demand

The timing for delivery of the West Musgrave Project to production (2022) looks to be spot on to meet the increasing demand from electric vehicles and battery markets.

Cassini's managing director Richard Bevan said: "Our West Musgrave Joint Venture has had several recent successes with new discoveries at Nebo, Babel and Yappsu.

"The pre-feasibility study is well on track and we look to provide further updates on this shortly.

"Now we've commenced a drill program to look for a new zinc province in one of the last mineral frontiers in Australia.

"Our strategy is to provide our shareholders exposure to both short-term exploration success and the medium-term development of a nickel-copper-cobalt sulphide project, timed perfectly to capture rising battery metal demand."