

## Cassini recovers the right stuff

Enhanced nickel and copper recoveries from recent metallurgical test work is set to deliver better project economics for Cassini Resources Ltd's West Musgrave JV with Oz Minerals Ltd.

Testing of samples from over 5,000m of PQ core, representing about 9kg, from the flagship Nebo-Babel deposits returned average nickel and copper recoveries of 67.4% and 84.6% respectively, up 8.4% and 12% on the results published in last year's scoping study.

The average copper concentrate grade was also up 3.7% to 26.4%.

Test work remains ongoing and will be factored into a PFS due in Q2 2019.

"For us to get those sorts of improvements in recoveries at this stage I think is a great sign," Cassini managing director Richard Bevan said.

"The way the financial model works, nickel recovery is probably about the third highest sensitivity, so any small improvement in nickel or copper recovery has a big impact on the economics."

On the day of the Australian Nickel Con-

ference, Cassini also reported the best-ever nickel intercept at Nebo – 23m @ 2.91% nickel, 1.13% copper, 0.09% cobalt and 0.47 g/t PGE – from resource infill drilling.

Six drill rigs are currently turning at the West Musgrave project, about 120km east of Warburton, with more than 50 people on site as momentum continues to build on the rejuvenated nickel sulphide play.

Oz recently met its \$22 million expenditure commitment to earn 51% of the project and is now progressing towards a final 70% stake by spending a further \$14 million.



Richard Bevan

"It is a significant project that needs the assistance of a big company to help us get into production," Bevan said.

"We are really in a mining camp here, there's lots of opportunity to expand that with lots of exploration ongoing and opportunities for success."

Last year's scoping study flagged a \$730-800 million capex to produce 20,000-25,000 tpa nickel, 25,000-30,000 tpa copper and 700-1,000 tpa cobalt over an initial eight-year mine life.

Based on those findings and the final JV structure, Cassini will need to fund about \$219-\$240 million of the capex with payback achieved within 2-3 years.

"One of the great characteristics of this deposit is that a lot of the high-grade mineralisation sits on top of the orebody, so the metal production and cash flow in those first five years is higher than the life-of-mine," Bevan said.

"That lends itself to being geared for debt and for a rapid payback which will assist us further down the track."

– Michael Washbourne



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