

**ASX ANNOUNCEMENT**

**29 April 2020**

### **THIRD QUARTER ACTIVITIES REPORT**

Cassius Mining Limited (“**Cassius**” or “the **Company**”) (**ASX Code: CMD**), is pleased to provide shareholders with the Company’s Activities Review for the quarter ending 31 March 2020.

#### **Notice of Intent to Commence International Arbitration served on Ghanaian Government**

Following a series of on-going administrative delays relating to the renewal of the Gbane Prospecting Licence, the Company prepared a legal brief and sought legal advice from Pinsent Masons (London Office) - an experienced international legal firm, well versed in International Arbitration with foreign State entities, and with a successful track record.

After a comprehensive review of the documentation with its lawyers, and after Ghana advised it was unable to grant the license renewal (without valid reason), on 16 April 2020 Pinsent served a Notice of Intent to take the Government of the Republic of Ghana (“Ghana”) to International Arbitration over the Gbane gold project.

In essence:

- Ghana has breached its obligations in Cassius’ Licence Agreement, the Minerals & Mining Act 2006 and the Constitution
- Ghana has illegally refused to renew the Gbane Prospecting Licence despite prior formal agreement to do so
- Legal action will pursue full compensation (including damages and costs) which it anticipates to be valued in excess of USD 275 million

The Notice sets out a number of fundamental matters and claims including but not limited to:

- Ghana actively encouraged Cassius to invest in Ghana
- Key breaches by Ghana, not according fair and equitable treatment to Cassius, include:
  - knowledge of the Company’s neighbour, Shaanxi Mining (Gh) Mineral Processing Company Limited Ltd and related entities (“**Shaanxi**”), illegally trespassing on and removing assets from Cassius’ licence, without providing any protection for Cassius’ investment or compensation to the Company
  - attempts to unilaterally re-demarcate licence boundaries in favour of Shaanxi, to Cassius’ detriment, which would then illegally transfer a portion of Cassius’ asset to Shaanxi

- delays and refusal to issue routine permits and the licence renewal to Cassius without any valid reason (whilst Shaanxi continues to operate illegally and trespass into Cassius' licence), thereby expropriating Cassius' investment without compensation
- failure to act on allegations of and demonstrated corruption at senior levels of government, resulting in decisions being made against the interests of Cassius

The proposed action is designed to provide for full protection of the Company's interests, including:

- the value of its historic investment in Ghana, and
- recovery of the value of illegally extracted sub-surface assets (gold) by Shaanxi, and
- recovery of the value of the loss of future profit from the unlawful prevention of Cassius' ability to develop its asset and earn value from its investment for the benefit of its shareholders, and
- compensation for the harmful effect on Cassius' value due to its inability to progress to mining, plus
- any additional damages and costs.

Litigation funding options to prosecute the case are already well progressed (with costs minimised on a risk-to-reward basis).

### **Gbane Project – Asset Protection**

The Company is currently continuing its previously advised injunctive action within Ghana against Shaanxi Mining Ltd's illegal sub-surface trespass and asset (gold) removal from the Company's license, subject to Cassius replacing such domestic action with formal International Arbitration.

### **Soalara Limestone Project, Madagascar**

In relation to the Company's Soalara Limestone Project in Madagascar, the Company has received a new enquiry from a major international conglomerate and is in the process of setting out due diligence terms.

The Company is also concurrently negotiating with prospective drilling contractors for its planned resource estimation programme, subject to delays caused by the Covid-19 impact.

### **Corporate Activities**

During the quarter the Company completed its interim financial report for the half-year ended 31 December 2019.

This announcement was authorised for release to the ASX by the Board of Directors of the Company

## FURTHER INFORMATION

**James Arkoudis**

Director

t: +61 2 8321 7943

e: [james@cassiusmining.com](mailto:james@cassiusmining.com)

**Anthony Karam**

Director

t: +61 2 8321 7941

e: [anthony@cassiusmining.com](mailto:anthony@cassiusmining.com)

**Wayne Kernaghan**

Director/Co. Secretary

t: +61 2 8226 3323

e: [wayne@cassiusmining.com](mailto:wayne@cassiusmining.com)

## Schedule of Tenements (as at 31 March 2020)

| Location             | Tenement Details                                                       | Interest | Comments                                                                                                                                                                                                                    |
|----------------------|------------------------------------------------------------------------|----------|-----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| <b>Ghana</b> ^^      | Gbane Project part of Large Scale Prospecting Licence [No. 1373814-16] | 68.97%   | Gold exploration Project<br><br>CMD as at 31 March 2020 has earned a 68.97% in the Gbane project which is on part of the Large Scale Prospecting Licence, the remainder of which the Company has an option over to acquire. |
| <b>Madagascar</b> *^ | R14542 (12.5km <sup>2</sup> )                                          | 100%     | Limestone Exploration Project                                                                                                                                                                                               |
|                      | R14960 (6.25km <sup>2</sup> )                                          | 100%     | Limestone Exploration Project                                                                                                                                                                                               |

^^ The Gbane Project and the Prospecting License is currently in dispute with the Ghanaian government, as detailed in this report and the ASX announcement dated April 17<sup>th</sup> 2020. Subject to that dispute, it is a joint venture between Cassius Mining Limited (Ghanaian entity/Licence holder) and Cassius Mining Limited (formerly Gulf Industrials Limited). The primary purpose of the joint venture is to conduct gold exploration project in Bolgatanga, Ghana. The Gbane Project is classified by the Group as a joint venture. As at 31 March 2020, the Group has a 68.97% economic interest in Gbane Project with an option to acquire up to 100% of the Licence. As previously announced, the Company has agreed to terms to acquire the remaining interest in the Gbane Project joint venture, as well as the balance of the whole Large-Scale License Area which covers an area of 13.79km<sup>2</sup> (Proposed Acquisition). The completion of the Proposed Acquisition, which will be subject to shareholder approval, will result in the Licence Holder becoming a wholly owned subsidiary of the Company.

\*^ The Licence Permits are held by wholly owned subsidiary Soalara Calcaire SARLU, the Permits were granted on 3 November 2015 and expire on 3 November 2055

## COMPETENT PERSONS STATEMENT

Information in this report that relates to the Gbane Project is based on information compiled by Rob Seed, a direct consultant to Cassius and member of the Australian Institute of Geoscientists and a member of the Institute of Mining Metallurgy and Materials UK. Mr Seed has sufficient experience which is relevant to the style of mineralisation under consideration and to the activity which he is undertaking to qualify as a Competent Person, as defined in the 2012 edition of the 'Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves.' Mr Seed consents to the inclusion in this report of the statements based on his information in the form and context in which it appears.

## DISCLAIMER

This ASX announcement has been prepared by Cassius. It should not be considered as an offer to subscribe for or purchase any securities in the company or as an inducement to make an offer or invitation with respect to those securities. No agreement to subscribe for securities in the company will be entered into on the basis of this announcement.

This announcement contains summary information about Cassius, its subsidiaries and their activities which is current as at the date of the announcement. The information in this announcement is of a general nature and does not purport to be complete nor does it contain all the information which a prospective investor may require in evaluating a possible investment in Cassius.

By its very nature exploration for minerals is a high-risk business and is not suitable for certain investors. Cassius securities are speculative. Potential investors should consult their stockbroker or financial advisor. There are a number of risks, both specific to Cassius and of a general nature which may affect the future operating and financial performance of Cassius and the value of an investment in Cassius including but not limited to economic conditions, stock market fluctuations, gold price movements, regional infrastructure, constraints, timing of approvals from relevant authorities, regulatory risks, operational risks and reliance on key personnel and foreign currency fluctuations.

Certain statements contained within this announcement, including information as to the future financial or operating performance of Cassius, are forward looking statements that:

- May include, among other things, statement regarding targets, estimates and assumptions in respect of mineral reserves and mineral resources, and anticipated grades and recovery rates, production, prices, recovery costs, results capital expenditure, and are or may be based on assumptions and estimates related to future technical, economic, market, political, social and other conditions;
- Are necessarily based upon a number of estimates and assumptions that, while considered reasonable by Cassius, are inherently subject to significant technical, business, economic, competitive, political and social uncertainties and contingencies; and,
- Involve unknown and known risk and uncertainties that could cause actual events or results to differ materially from estimated or anticipated events or results reflected in such forward looking statements.

Cassius disclaims any intent or obligation to update publicly any forward-looking statements, whether as a result of new information, future events or results or otherwise. The words “believe”, “expect”, “anticipate”, “indicate”, “contemplate”, “target”, “plan”, “intends”, “continue”, “budget”, “estimate”, “may”, “will”, “schedule”, and similar expressions identify forward looking statements.

All forward looking statements made in this announcement are qualified by the foregoing cautionary statements. Investors are cautioned that forward looking statements are not guarantees of future performance and accordingly investors are cautioned not to put undue reliance on forward looking statements due to inherent uncertainty therein.

No verification: Although all reasonable care has been undertaken to ensure that the facts and opinions given in this Announcement are accurate, the information provided in the Announcement has not been independently verified.

**Ghana Office**  
HNO. 4, 9<sup>th</sup> Street, Adjiringanor  
Greater Accra, GHANA  
P.O Box GP 17867  
ACCRA  
+233 (0)38 202 2333

**Cassius Mining Limited**  
**ACN 115 027 033**  
  
[www.cassiusmining.com](http://www.cassiusmining.com)

**Sydney Office**  
Level 14, 3 Spring Street  
Sydney NSW AUST 2000  
P.O Box R189  
Royal Exchange NSW  
1225  
+61 2 8321 7941