



CASSINI
RESOURCES LIMITED

ASX Release (CZI)
30 November 2016

West Musgrave Project Update

HIGHLIGHTS

- **Second diamond rig onsite; drilling commenced at One Tree Hill**
- **Targeting strong off-hole DHEM conductor**
- **Metallurgical drilling at Nebo-Babel progressing on schedule**
- **Babylon Prospect exploration hole complete, interpretation underway**

Cassini Resources Limited (ASX:CZI) (“Cassini” or the “Company”) is pleased to provide an update on operations at the West Musgrave Project (“WMP” or the “Project”), located in Western Australia, as part of the Earn-in/JV Agreement with OZ Minerals Limited (ASX:OZL) (“OZ Minerals”).

The Company is pleased with progress on the work program with a second diamond rig now on site to ensure the program is completed prior to Christmas. Both rigs are working day and night shifts.

One Tree Hill Prospect

The second diamond rig has recently commenced drilling at the One Tree Hill Prospect, located about 13km SW of Babel. In 2015, Down-hole electromagnetic (DHEM) data from historical drilling was remodelled and a poorly defined EM conductor below historical drill hole WMN4035 was tested by CZD0008. The hole intersected two chalcopyrite-rich veins that returned 0.3m @ 10.1% Cu from 193.8m and 0.4m @ 4.48% Cu from 250.9m. DHEM confirmed that CZD0008 failed to intersect the original target and that there was an off-hole conductor, approximately 30m by 30m at 350m (down-hole depth) with an extremely high modelled conductance of >100,000S suggesting massive sulphides (Figure 1).

Significant zones of PGE anomalism (e.g. 35m @ 0.11g/t Pd+Pd and locally up to 0.81g/t) have been intersected in historical drilling and provides encouragement for orthomagmatic nickel-copper sulphide mineralisation, possibly with a later hydrothermal overprint.

CZD0017 is expected to reach the target zone late next week.

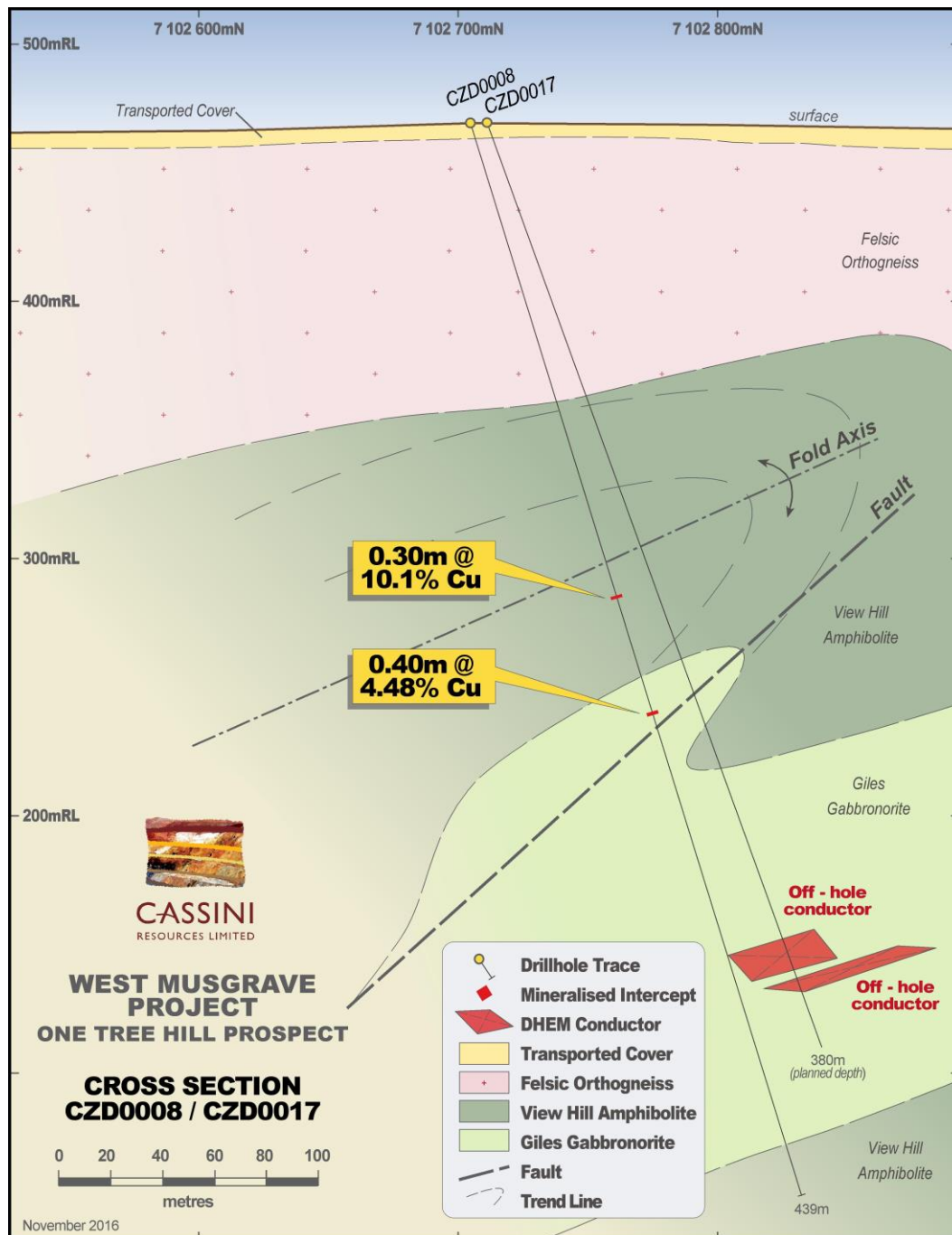


FIGURE 1. One Tree Hill section showing off-hole conductors from CZD0008.

Metallurgical Drill Program

Steady progress has been made on the metallurgical drill program with 3 of 4 PQ (85mm diameter) diamond holes now complete. All holes are designed to “twin” 2014 RC holes, which will also provide confirmation of the style and grade of existing mineralisation.

Drilling will provide approximately twenty (20) whole ore and composite samples for the next stage of metallurgical test work which is scheduled to begin early in the New Year.

The Company has contracted Bureau Veritas Minerals, Perth to undertake the testwork and has engaged GR Engineering Services to manage the metallurgical test work program.



Image 1: Copper sulphides intersected in Babel Metallurgical drilling.

Babylon Prospect

Diamond drilling has concluded at the Babylon Prospect, located at the western end of the Succoth Cu Deposit, with hole CZD0011 terminated at 791.9m.

The existing mineralised zone at the shallower levels within this part of the deposit was not intersected at depth by CZD0011, indicating a possible plunging or flattening geometry of the host intrusion. Whilst no significant visible mineralisation was intersected, the primary reason for the drill hole, which was to test for a massive sulphide position at depth, remains unanswered. Furthermore, the complex geology encountered is perhaps more suitable for massive sulphide accumulations compared to the original conceptual targeting model, as change from sub-vertical to a sub-horizontal orientation of host intrusion is considered favourable setting for accumulation of massive sulphides. The interpretation of the geological data is still underway and will be complemented by a DHEM survey, likely to be completed early in the 2017 field season. The DHEM survey will be the first opportunity to gain geophysical information at this depth and will greatly assist future targeting.

Costs of the Babylon hole were offset by the WA Government EIS co-funded drilling scheme.

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Competent Persons Statement

The information in this report that relates to Exploration Results is based on information compiled or reviewed by Mr Greg Miles, who is an employee of the company. Mr Miles is a Member of the Australian Institute of Geoscientists and has sufficient experience of relevance to the styles of mineralisation and the types of deposits under consideration, and to the activities undertaken, to qualify as a Competent Person as defined in the 2012 Edition of the Joint Ore Reserves Committee (JORC) Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves. Mr Miles consents to the inclusion in this report of the matters based on information in the form and context in which it appears.

The Company is not aware of any new information or data, other than that disclosed in this report, that materially affects the information included in this report and that all material assumptions and parameters underpinning Mineral Resource Estimates and Exploration Results as reported in the market announcements dated 13, April 2015 and 7 December 2015, continue to apply and have not materially changed. Further details regarding previous drilling at One Tree Hill can be found in ASX announcement dated 14th September 2015.