

ACTIVITIES REPORT FOR THE QUARTER ENDED 30 SEPTEMBER 2016

QUARTER HIGHLIGHTS:

Corporate

- Farmin/Joint Venture Agreement entered into with OZ Minerals Limited for West Musgrave Project.
- Initial stage of funding commenced 13 October 2016
- Share Purchase Plan underway to raise a maximum of \$2.5million, closing Monday 7 November

West Musgrave Project

- OZ Minerals can earn up to a 70% interest in the Project by sole funding a minimum of \$36 million on development and exploration
- CZI is free carried to completion of Definitive Feasibility Study and decision to mine
- JV includes a minimum of \$8 million expenditure on regional exploration
- Provides a clear and defined development pathway to production
- Cassini to manage Nebo-Babel PFS and regional exploration work
- Initial work program to include advanced metallurgy, resource extension drilling, mining optimisation and infrastructure studies
- Exploration drilling to be conducted at Succoth and One Tree Hill Prospects
- Field work to commence in early November

Cassini Resources Limited (“**Cassini**” or the “**Company**”) is pleased to report on the significant progress made at its development and exploration projects during the September Quarter.

OZ Minerals Farmin/ Joint Venture

The signing of the West Musgrave Joint Venture with OZ Minerals Limited (ASX: OZL) has been the key focus for the Company during the Quarter and is a significant milestone for the Company as it progresses the development of the West Musgrave Project (“WMP”). A binding Heads of Agreement was signed on 29 July, with the final detailed Farmin/JV Agreements signed on 13th October 2016. As such, the Initial Stage funding has commenced.

Under the agreement, OZ Minerals has been granted the right to earn equity in the WMP by sole funding up to \$36 million of development and exploration expenditure, including completion of a Definitive Feasibility Study (DFS), for a 70% interest in the Project. The agreement includes funding for continued studies on Nebo-Babel to progress it to a "Decision to Mine", and the funding of up to \$8 million in regional exploration work to progress a number of identified mineralised targets. Details of the farmin/JV arrangement are outlined below.

Key Agreement Terms

The Joint Venture grants OZ Minerals the right to farmin to Cassini's wholly owned WMP via a three stage process. The key commercial terms of the binding Heads of Agreement are as follows:

Initial Minimum Commitment

- OZ Minerals will sole fund an initial minimum spend of \$3m within a maximum 12 month period to further progress scoping studies on the WMP ("Minimum Commitment"); and
- OZ Minerals will contribute the services of two full time technical employees to work under the instruction of Cassini while the Minimum Commitment is met.

Stage 1 Farmin

At completion of the Minimum Commitment, OZ Minerals may earn a 51% interest ("Stage 1 Farmin") in the WMP by:

- sole funding an additional \$15m within an 18 month period towards completion of a Pre-Feasibility Study ("PFS") and Definitive Feasibility Study ("DFS"); and
- sole funding at least \$4m within the same 18 month period on regional exploration

Stage 2 Farmin

At completion of the Stage 1 Farmin, a joint venture will be formed between Cassini and OZ Minerals and OZ Minerals may earn an additional 19% interest ("Stage 2 Farmin") (for a total of 70% in the WMP) by:

- sole funding further \$10m within a 12 month period towards completion of a DFS; and
- sole funding at least another \$4m within the same 12 month period on regional exploration

Should OZ Minerals complete their obligations to earn a 70% joint venture interest, Cassini will have the right to maintain its 30% interest by contributing to ongoing expenditure on a pro rata basis or dilute under standard industry terms.

Stage	Earn in requirement	JV Interest earned (%)	Timeframe of earn in
Initial Minimum Commitment	<ul style="list-style-type: none"> - \$3m Further Scoping Study; plus - Provision of two full time OZ Minerals technical staff 	0%	Up to 12 months
Stage 1	<ul style="list-style-type: none"> - \$15m expenditure towards PFS/DFS; plus - \$4m regional exploration 	51%	Up to 18 months
Stage 2	<ul style="list-style-type: none"> - \$10m expenditure towards DFS; plus - \$4m regional Exploration 	70%	Up to 12 months
Total	<ul style="list-style-type: none"> - \$36m on project development; plus - Provision of two full time OZ Minerals technical staff 	70%	

Share Purchase Plan

On 17 October 2016 Cassini announced its intention to offer existing Cassini shareholders the opportunity to participate in a Share Purchase Plan at a price of \$0.045 per fully paid ordinary share to subscribe for additional Shares to raise up to a maximum of \$2.5million via the issue of up to 55.56 million Shares.

The Plan entitles Eligible Shareholders, irrespective of the size of their shareholding, to purchase up to \$15,000 worth of Shares at an issue price of \$0.045 per Share free of brokerage and commission. The issue price represents a 19.6% discount to both the closing price of Shares on the ASX on the day immediately prior to the announcement date of the Offer and the volume weighted average market price (VWAP) for the Shares, calculated over the 5 days on which sales in the Shares were recorded before the day on which the issue was announced, being \$0.056.

The funds raised under the Plan will be used by the Company for:

- exploration activities for Cassini Projects that do not form part of the OZ Minerals Earnin/ Joint Venture agreement, and
- general working capital.

The Plan is currently open and is schedule to close on Monday 7th November 2016.

Indicative Timetable

MILESTONE	DATE
Record Date (5.00 pm WST)	Friday, 14 October 2016
Announcement of Plan	Monday, 17 October 2016
Release of Offer documents on ASX	Tuesday, 18 October 2016
Dispatch of Offer document to Shareholders	Wednesday, 19 October 2016
Opening Date of Offer	Wednesday, 19 October 2016
Closing Date of Offer*	Monday, 7 November 2016
Settlement	Friday, 11 November 2016
Issue of Shares under the Plan*	Monday, 14 November 2016
Quotation of Shares on ASX*	Tuesday, 15 November 2016
Dispatch Date for Holding Statements*	Wednesday, 16 November 2016

* These dates are indicative only. The Company may vary the dates and times of the Offer without notice. Accordingly, Shareholders are encouraged to submit their Share Purchase Plan Application Forms as early as possible.

West Musgrave Project (CZI 100%, OZL earning up to 70%)

Since acquiring the WMP in 2014, Cassini has focused on progressing the Project by improving the geological and technical understanding, and through to delivering a positive Scoping Study in April 2015 which was further optimised in April 2016. These studies demonstrated strong potential to become a low cost (first quartile) nickel/copper operation with an initial mine life of over 15 years. The agreement with OZ Minerals enables the Project to be progressed to the next stage, leveraging OZ Minerals' significant funding and development capability.

Cassini and OZ Minerals expect the first works under the agreement to commence during the fourth quarter of 2016. They will include exploration and resource drilling, metallurgical testwork and engineering studies to support further study work.

Development Studies Underway

Metallurgical Testwork Program

Cassini's 2015 Scoping Study included the initial metallurgical testwork that was conducted on five composite samples, each representing different higher-grade Nebo-Babel ores. The testwork that was carried out made use of a split flotation flowsheet to produce separate Ni and Cu concentrates.

This next stage, denoted Further Scoping Studies (FSS), will target the geological units (domains) which contain the bulk of the metal tonnes and those domains that are critical in the early stages of the mine schedule. Some of the key objectives are to:

- improve scoping study Ni and Cu concentrate grades and recoveries;
- test samples at the appropriate Ni and Cu grades that are likely to be mined in 4mtp + size operation; and
- test samples that cover significant variations in silicate and sulphide mineralogy; and test chemical variations within and between the existing geological ore domains (if these variations are considered significant).

Approximately twenty (20) whole ore and composite samples will be adequate for the purposes of FSS. These samples will be derived from existing core samples as well as drilling approximately 4 new PQ diamond holes for 700m. This metallurgy drilling is planned to follow the Succoth exploration hole. The construction of a new geometallurgical domain model is a critical step in this phase of testwork.

Resource Definition Drilling

A number of targets at Nebo-Babel represent an opportunity to increase the size of the existing high-grade domains within the deposits, and thus increase the overall grade of the resources. Examples of these targets are: massive sulphide zones at Nebo, extensions to the Startmeup Shoot at Babel and definition of the roll-over zone at Babel (eg. CZC0129 18m @ 1.50% Ni & 1.52% Cu). All of these targets have significant potential to impact project economics if further high-grade mineralisation can be found.

A better understanding of these high-grade domains, in terms of the dip and strike extents, and variations in geometry and grade will enable better planning of the infill drilling that will be required during the PFS for the purposes of ore reserves. Furthermore, additional drilling and a better understanding of the grade variations may also reduce a number of metallurgical test samples that will be required during the PFS.

The RC program will comprise approximately 2,000m and will commence at the start of the 2017 field season.

Energy, Infrastructure and Logistics Studies

The FSS will continue to assess renewable energy opportunities considered during the Scoping Study. Current work demonstrated potential hybrid wind/diesel power savings in the order of 30% compared to conventional diesel power station options. The Company is evaluating the installation of a wind mast to

capture baseline data to be evaluated during the early stages of the PFS.

A further logistics study will build on the Scoping Study and evaluate different concentrate transport options and routes in order to narrow down the alternatives to be considered in more detail during the PFS.

Exploration Program

Succoth Cu Deposit – Babylon Prospect

Cassini has won WA Government EIS funding to drill a diamond hole at the Babylon Prospect, which is part of the broader Succoth Deposit (156mt @ 0.6% Cu). The award is under the co-funded drilling scheme and will refund 50% of the direct drilling costs, worth up to \$148,500.

Babylon has the potential to host massive sulphides and in particular, Ni sulphides. The drill hole will target a wide intersection of the interpreted sub-vertical mineralized zone for a further 260m-350m below the current maximum depth of downhole electromagnetic investigation, and 230m-590m vertically below the mineralisation intersected in hole WMN4023 (1.96% Ni, 0.13% Cu, 1.2g/t Pt+Pd), Figure 1. This mineralisation occurs as massive sulphide xenoliths that have been remobilized in a late-stage dolerite dyke (Figure 2). This observation implies the presence of Ni-rich massive sulphides at depth and given the much higher density of the massive sulphides compared to the mafic magma, thin doleritic intrusions would have not been able to carry those xenoliths for more than about 200 metres.

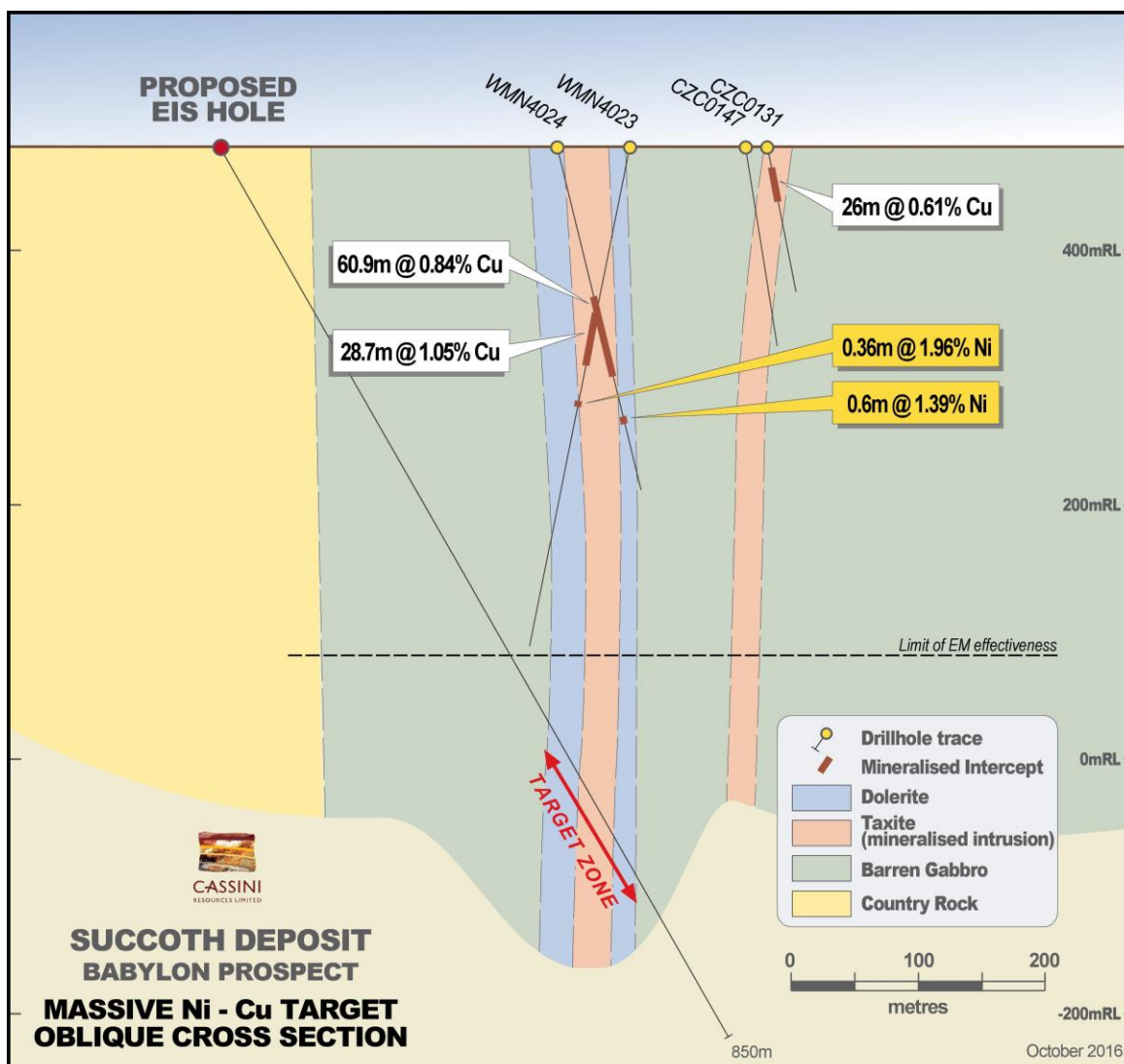


FIGURE 1. Babylon Prospect EIS hole and target zone.

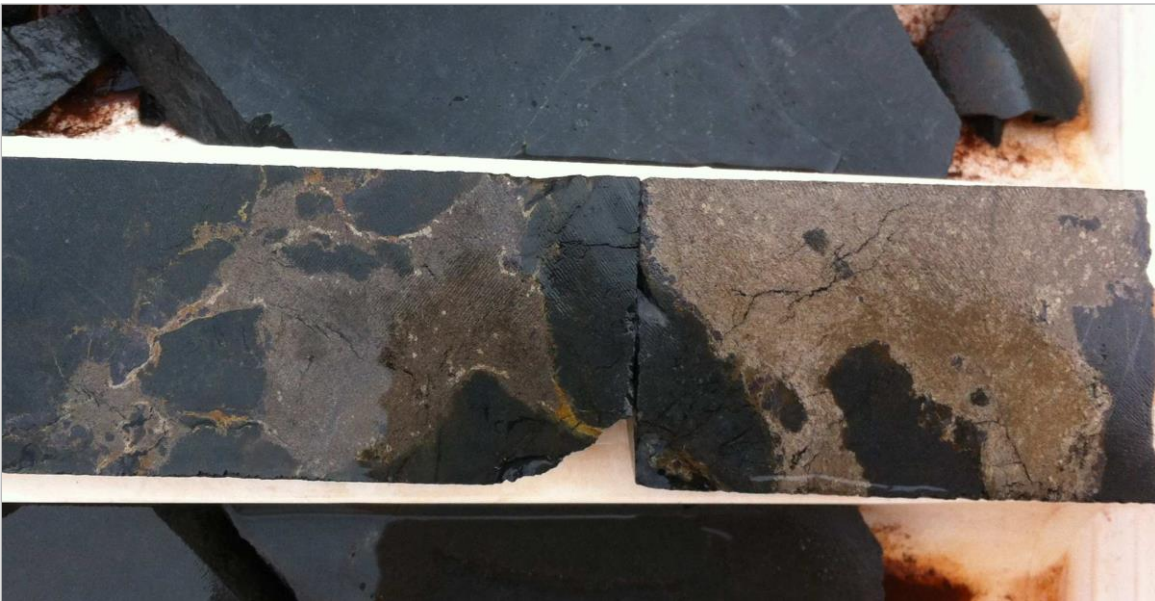


FIGURE 2. WMN4023, 0.36m @ 1.96% Ni at 226m in late-stage dolerite dyke.

One Tree Hill Prospect

The One Tree Hill prospect is located about 13km SW of Babel and is associated with a major regional structural intersection. In 2015, Down-hole electromagnetic (DHEM) data from historical drilling was remodelled and a poorly defined EM conductor (below-hole from WMN4035) was drill 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 but there was an off-hole conductor, 30m by 30m at 350m with an extremely high modelled conductance of >100,000S suggesting pyrrhotite-rich massive sulphide mineralisation (Figure 2).

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.

A single hole will be drilled to test the off-hole conductor.

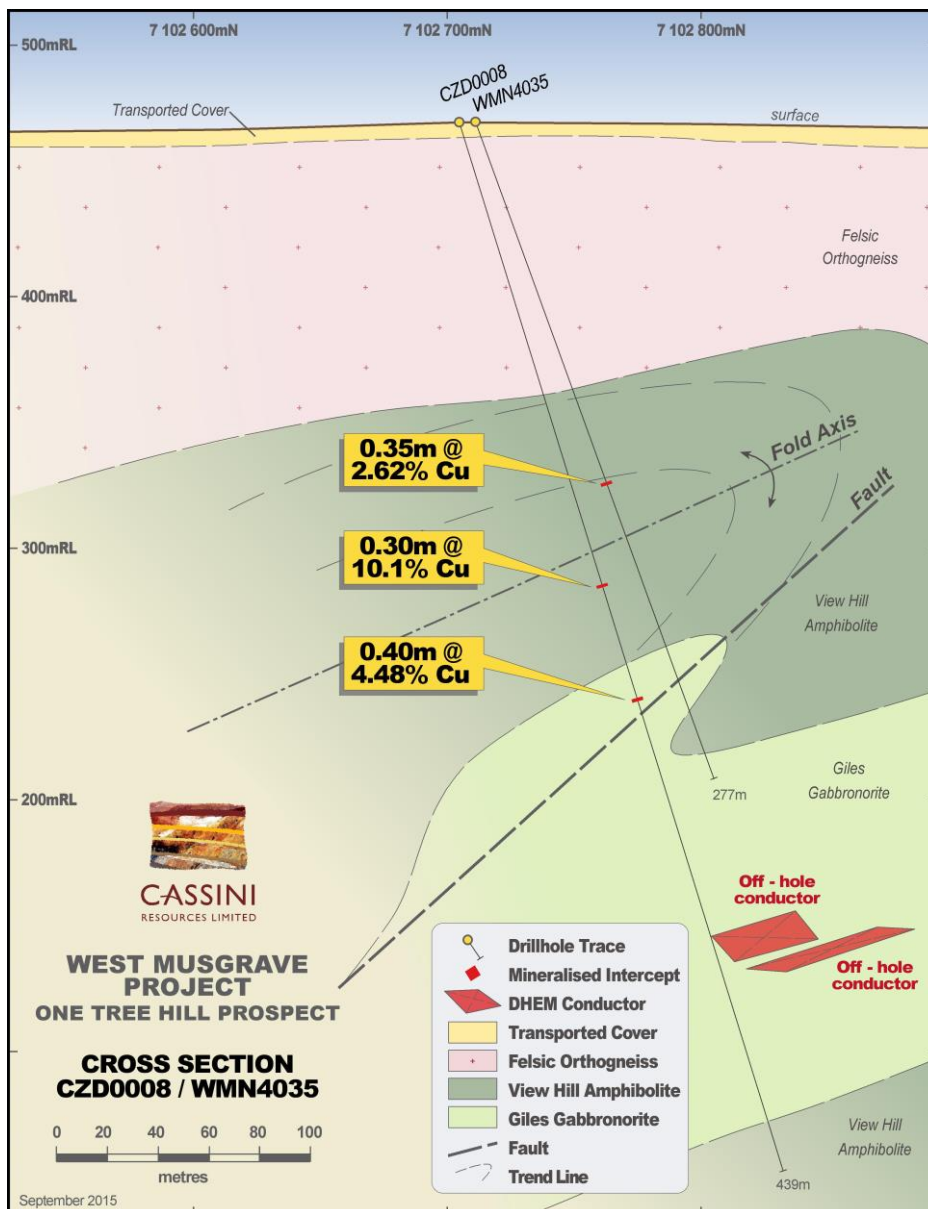


FIGURE 3. One Tree Hill section showing off-hole conductors from CZD0008.

Mount Squires Project (100% CZI)

Cassini has continued to progress land access permitting with the Ngaanyatjarra Land Council during the quarter and expects that this will be finalised during the December Quarter.

Background

Gold prospectivity was first identified at Mount Squires by Western Mining Corporation (WMC) during geochemical surveying in the late 1990's. The Company's primary target was nickel and copper sulphide which returned poor results although several gold anomalies were identified. Despite this the tenements were later surrendered.

Cassini has been developing the Project over the past 12-18 months through the consolidation of tenements with a number of prospective gold targets, which includes a range of conceptual to advanced prospects. Previous RC by Beadell Resources Ltd in the mid 2000's identified a number of gold prospects with further soil geochemistry, rock chip sampling and mapping. Drilling of these anomalies led to the discovery of significant mineralisation at the Handpump Prospect with significant intercepts of 15m @ 2.3g/t from 31m

including 5m @ 4.7g/t from 34m and 12m @ 1.3 g/t including 5m @ 2.0g/t from 25m (Figure 4). Mineralisation is described as flat-lying, hosted in rhyolite breccias and has epithermal style or intrusion-related mineralisation characteristics. Beadell's exploration after the initial discovery was limited due to a change in corporate strategy and the project was later surrendered. Only 26 RC holes have been drilled at this prospect and mineralisation remains open in most directions. Whilst at an early stage of exploration, the thickness and tenor of gold mineralisation demonstrates the economic potential of the Project.

New interpretation provides numerous targets

Recent geological interpretation has benefited from Cassini's growing knowledge base at the adjacent West Musgrave Project through identification of structures controlling mineralisation in the Mount Squires Project. This has highlighted a structural corridor striking over 50km. The previous fractured ownership has prevented the structural corridor from being explored thoroughly.

Handpump is associated with a subtle magnetic anomaly. This signature has been used to identify other magnetic features elsewhere along the structural corridor that may potentially host similar styles of mineralisation.

In addition to the Handpump Prospect, the Mount Squires Project contains a number of recognised gold and pathfinder element geochemical anomalies including the Centrifugal Prospect, 3km south east of Handpump which is part of the interpreted structural trend (Figure 5). Much of the structural corridor is obscured by a veneer of sand cover which has potentially inhibited prospecting and soil geochemistry, particularly in the south-eastern corner of the project area. The Company has also recognised fault intersections and magnetic anomalies in under-explored areas of the project which present prospective exploration targets.

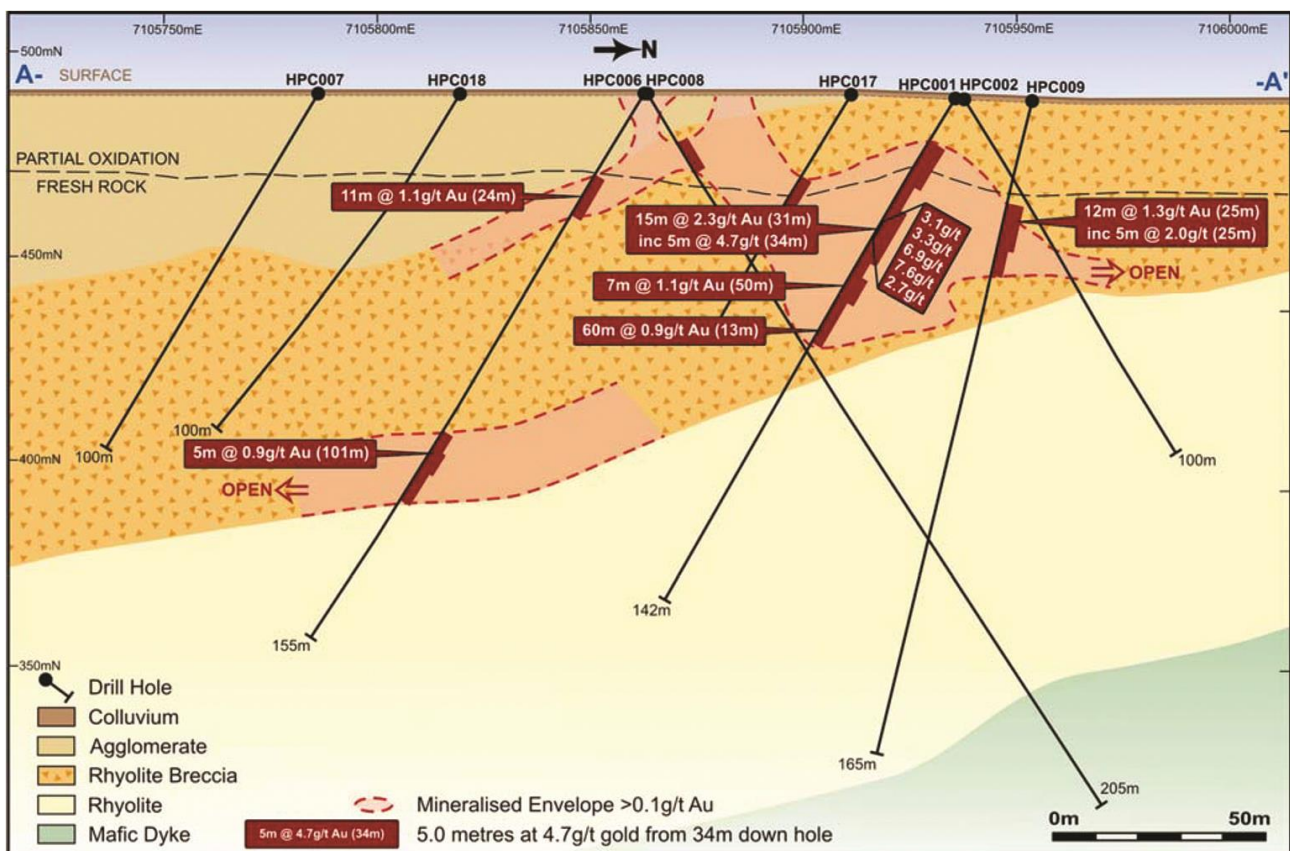


FIGURE 4. Handpump Prospect Section 332200E (Source: Beadell Resources Ltd ASX release 1 March 2010).

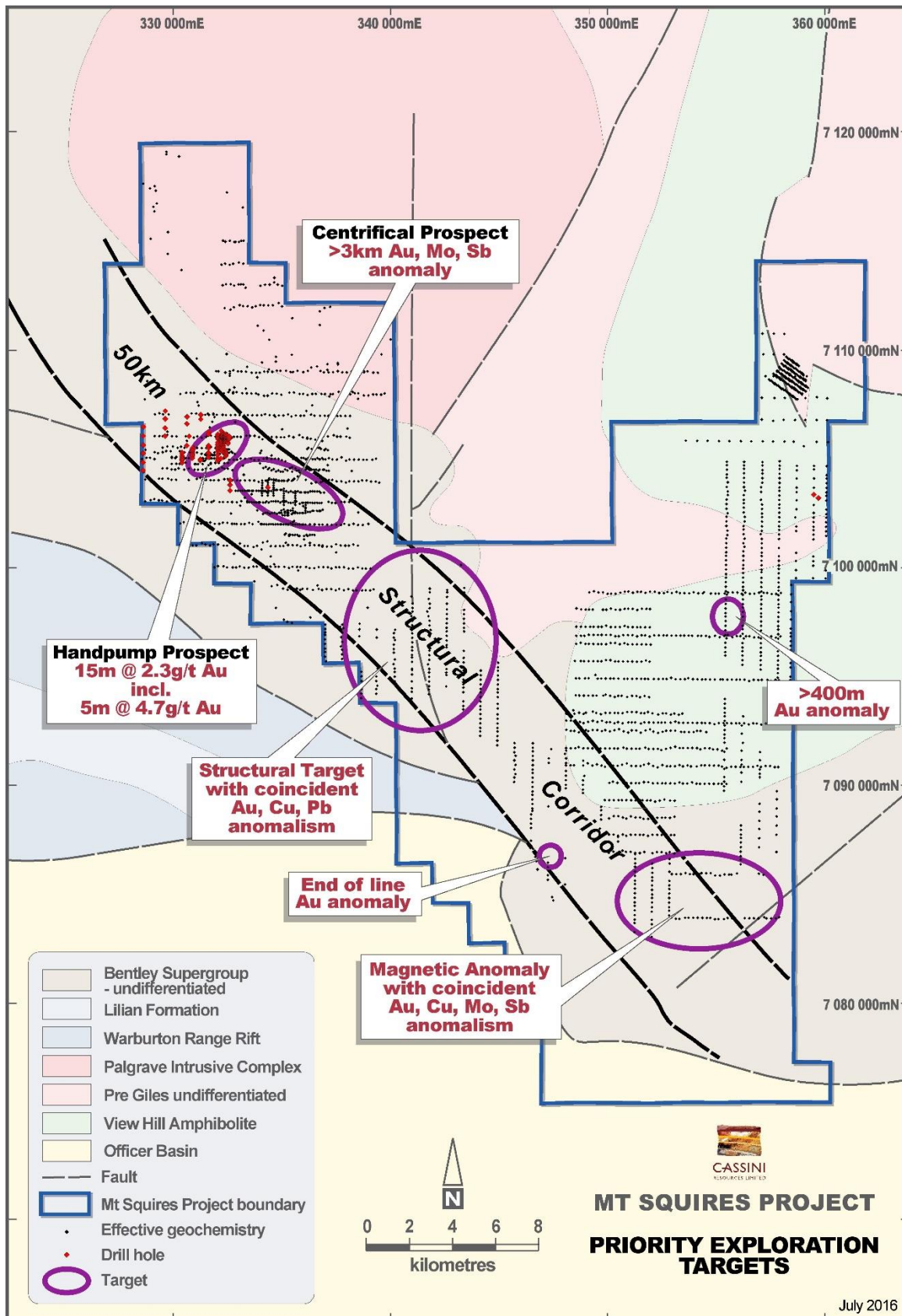


FIGURE 5. Mount Squires Project geology and exploration targets.

Next Steps

Cassini has compiled all previous exploration into a consolidated database and utilised public geological and geophysical datasets to assist with geological interpretation and targeting. The Company is finalising work programs involving targeted reverse circulation (RC), reconnaissance RAB drilling and soil geochemistry programs to be undertaken upon receipt of heritage and environmental approvals.

Step-out and infill RC drilling is warranted at the Handpump Prospect to determine the extent of mineralisation and controlling structures. Drilling is currently on 100m to 200m spaced sections. A second priority is drilling at the nearby Centrifugal Prospect which has very encouraging gold, molybdenum, antimony, lead and arsenic geochemical anomalies without any effective drill testing.

RAB drilling will target the NW-SE trending structural corridor, particularly in areas of cover and/or where soil geochemistry is considered to be ineffective.

A number of low order soil anomalies are recognised and require follow-up. These have primarily been sampled on a very broad spacing and require infill to assist drill targeting.

The adjacent West Musgrave Project provides a useful logistics base and the Company has demonstrated expertise in operating in the region (Figure 6). The Mount Squires Project complements the Company's diversified portfolio alongside the flagship West Musgrave nickel and copper assets and the early-stage West Arunta Zinc Project.

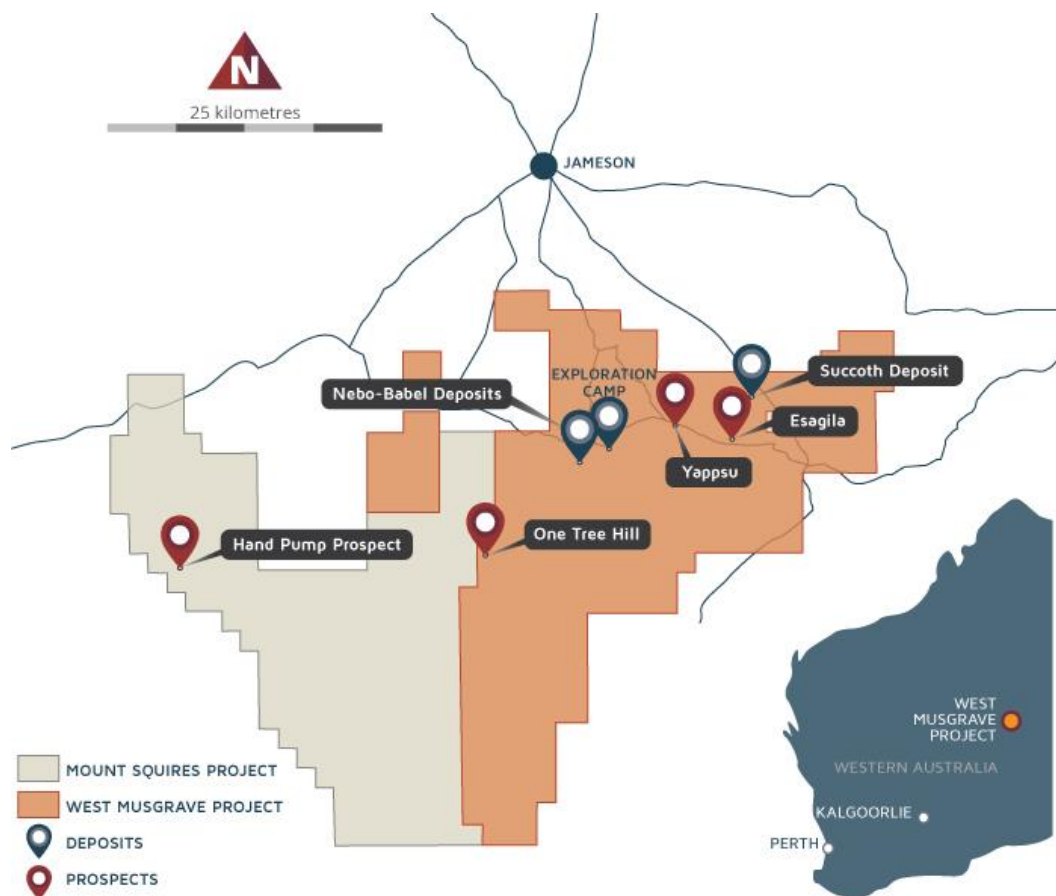


FIGURE 6. Mount Squires and West Musgrave Project location.

West Arunta Project (100% CZI)

The West Arunta Project is a highly prospective base and precious metals target in an underexplored region near Lake McKay in Western Australia. During the Quarter the Company continued to interpret results from the May 2016 drilling program and plan follow-up exploration.

Background

Cassini is targeting large-scale, sedimentary Zn-Pb mineralisation, similar to those deposits found in the Mt Isa region in Queensland. A modern day analogue is the Century Deposit mined by MMG, with a pre-production resource of 167mt @ 8.1% Zn, 1.2% Pb and 33g/t Ag. Century produced a prominent Zn-Pb soil anomaly centred on a siltstone outcrop. Rock chip samples from this outcrop returned only 1-2% Pb & Zn and was later recognised as part of the orebody, but due to strong leaching and a lack of iron oxides, produced a very subtle geochemical and visual expression of the mineralisation.

Drilling during May 2016 returned broad zones of sub-surface enrichment in zinc and associated elements within the weathered zone at both Iapetus and Enceladus Prospects. Best results include 22m @ 0.26% Zn from 13m including 2m @ 0.89% Zn from 22m in WAC0007 at the Enceladus Prospect (Figure 7). Anomalous zones of accessory metals were also intersected such as 21m @ 1.2g/t Ag from 9m in WAC0010. Individual samples of Pb & Cu peaked at 697ppm in WAC0010 and 178ppm in WAC0012 respectively. See Appendix A for a full table of results.

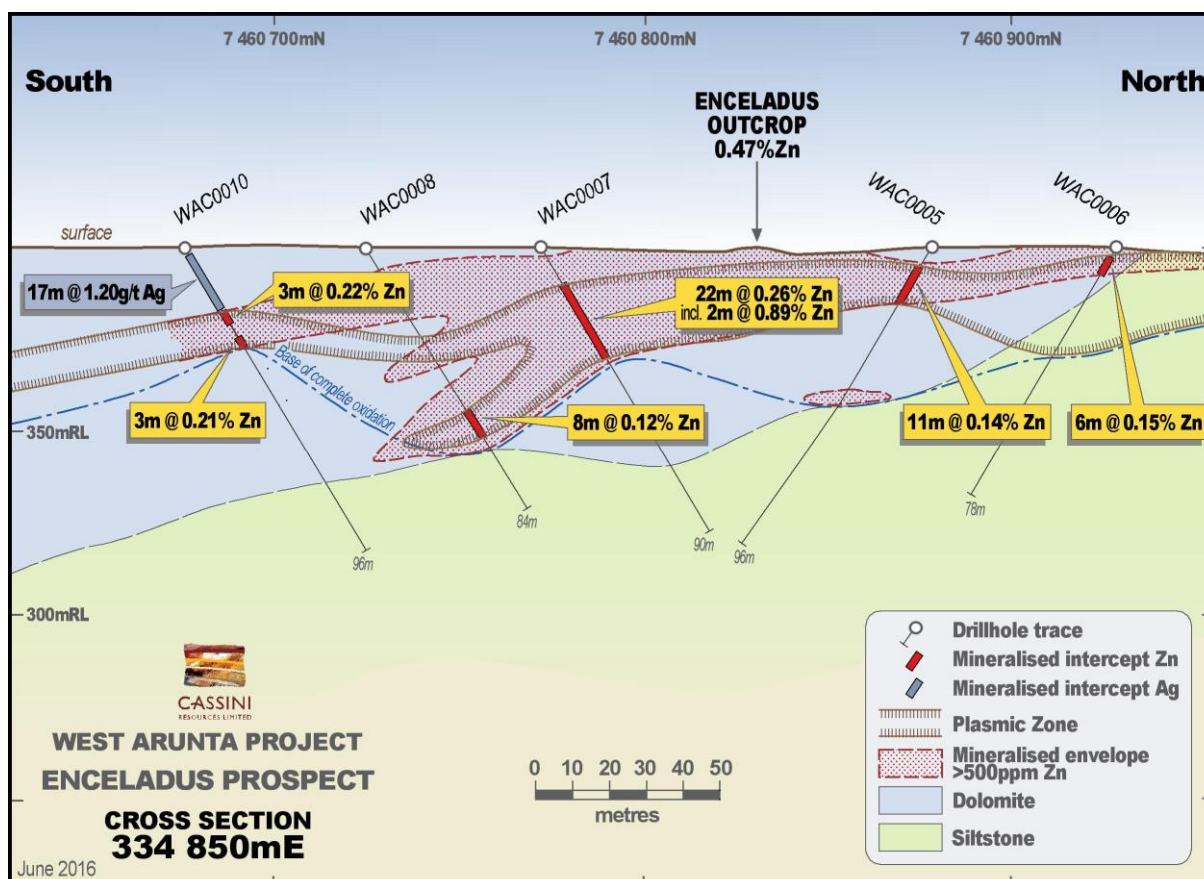


FIGURE 7. Enceladus cross section.

All zinc enrichment was intersected in the weathered zone within two main sub-horizontal layers. The zinc-anomalous ferruginous-zones, originally hypothesized as gossans, which were the target of drilling, are reinterpreted to represent hydromorphic ferricretes. These are iron-rich accumulations that have been deposited in the regolith through the lateral movement of groundwater. It is very likely that zinc-rich ferricretes are the result of dispersion plumes from a proximal primary zinc mineralisation source as most ferricretes in the area are not base-metal anomalous.

The quantum of zinc anomalism and the presence of accessory metals such as silver are very encouraging and point to a primary zinc sulphide source nearby.

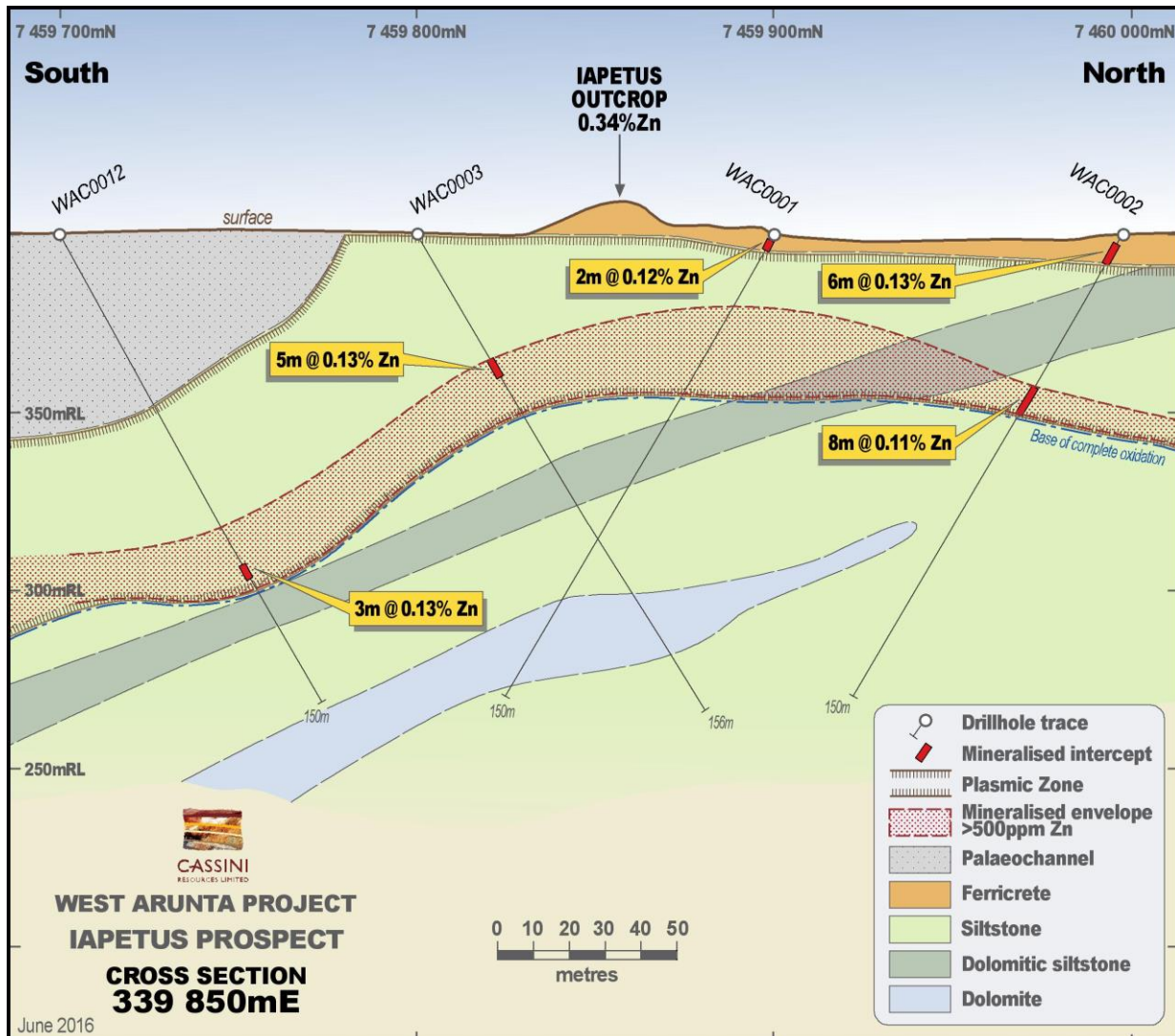


FIGURE 8. Iapetus cross section.

Advancing the West Arunta Project

The Company has taken enormous strides in understanding the geology of the West Arunta Project through this drilling program.

The geology is dominated by dolomites and siltstones with an apparent gentle southerly dip. The degree of weathering is much stronger and deeper than first interpreted. The regolith profile includes a plasmic zone with complete oxidation of primary minerals to clays and is generally associated with zinc enrichment. The geology is broadly similar at both prospects.

Zinc enrichment occurs as an upper enrichment zone at, or near, the surface as well as a deeper saprolitic enrichment at the base of complete weathering. The upper enrichment zones manifest as ferricretes, originally hypothesised as gossan outcrops. No primary zinc mineralisation was intersected.

The near-surface zinc-enriched ferricretes and the lower zinc enriched zones have been formed by hydromorphic dispersion, that is, zinc has been deposited in the regolith through the lateral movement of ground water and variations in the water table. It is very likely that such zinc-rich ferricretes relate to a nearby primary zinc mineralisation source. Most ferricretes in the area are simply not base-metal anomalous.

Additional evidence for a nearby primary source at the West Arunta includes the following points:

- Drilling did not intersect any zinc-enriched lithological units in the fresh rock that could plausibly produce zinc-anomalous regolith concentrations through land surface leaching and residual enrichment in the regolith
- Other ferricretes have been found in the project area with no zinc enrichment.

The Company has also re-interpreted public gravity data over the region and has discovered a large residual gravity anomaly to the west of Enceladus (Figure 9). Residual gravity enhances anomalies in a localised area from shallow sources. Gravity is a useful exploration tool in sedimentary zinc provinces due to the contrast between high density sulphide minerals and low density sediments. This is a very positive development and requires follow-up.

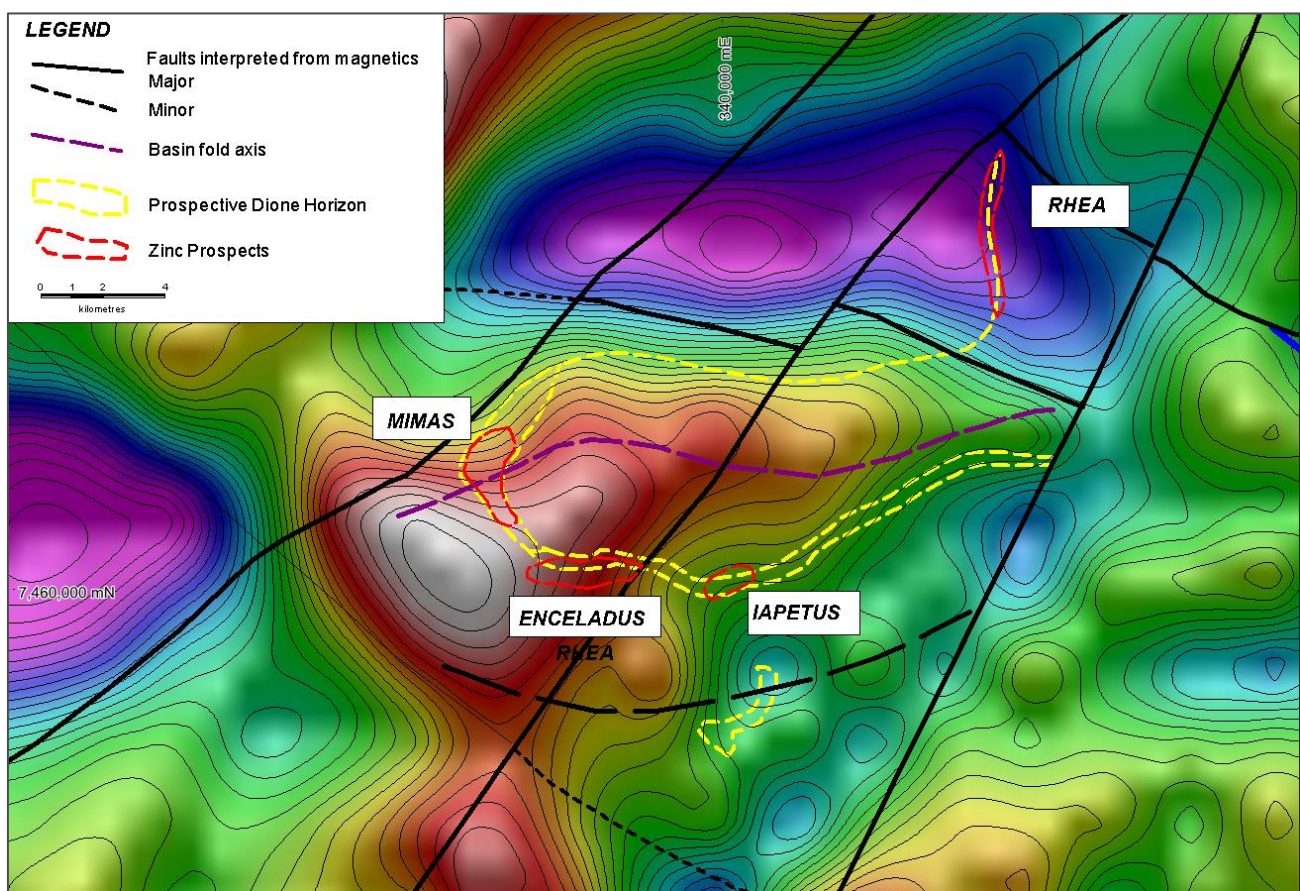


FIGURE 9. Residual gravity image of West Arunta Project showing zinc prospects.

Next Steps

The Company is encouraged that the results to date support the geological model which points to a primary source of zinc mineralisation within the project area.

The dispersion plume that has formed the zinc-enriched ferricretes at Iapetus and Enceladus can be tracked to its source, likely to be only up to a few kilometres away. Ground water flow is controlled by the topographic gradient, which can be modelled using modern geophysical techniques. Clay-rich, dispersion plume zones can be mapped by Airborne electromagnetics (AEM). Infilling the regional gravity survey over the anomaly west of Enceladus is also being considered.

Cassini has also received a co-funded drilling grant to the value of \$150,000 to be used towards drilling the Rhea and Mimas Prospects.

The Mimas and Rhea Prospects both cover large areas along the prospective Dione horizon which strikes

over 35km within the Project (Figure 10). Rhea is a geochemical anomaly striking over 5km with zinc in rock chips up to 0.4% Zn. The Mimas Prospect has no surface expression due to extensive sand cover but manifests as the strongest magnetic anomaly and interpreted to represent a sulphide accumulation in the synclinal position of the Dione Horizon; an ideal setting for thick packages of sedimentary zinc mineralisation. Mimas also lies alongside the gravity anomaly mentioned above.

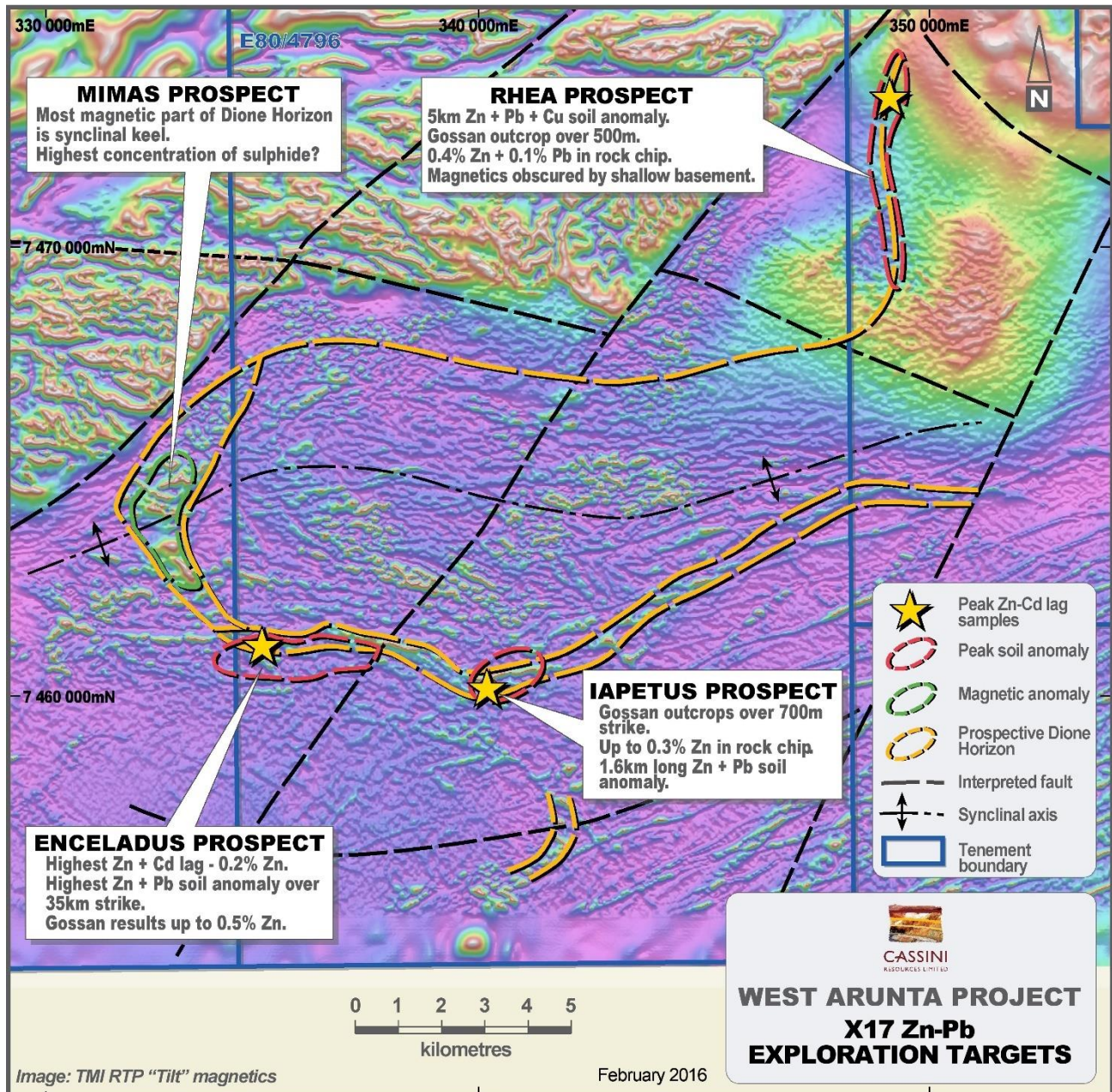


FIGURE 10. West Arunta Project Exploration Targets

For further information, please contact:

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Email: admin@cassiniresources.com.au

About the West Musgrave Project

The WMP is a large undeveloped nickel and copper asset located in the Musgrave region of Western Australia and includes the advanced stage Nebo-Babel deposits (Table 1) and highly prospective exploration ground, including but not limited to the large Succoth copper deposit (Table 2).

Table 1. Nebo-Babel Indicated and Inferred Mineral Resource (0.3% Ni cut off) - February 2015

Prospect	Classification	Tonnes Mt	Ni %	Cu %	Co ppm	Fe ₂ O ₃ %	MgO %	As ppm	S %
Nebo	Indicated	25.8	0.52	0.46	215	15.9	4.7	2.0	2.8
	Inferred	3.0	0.60	0.48	229	16.4	4.9	2.5	4.0
	Total	28.9	0.53	0.46	217	16.0	4.7	2.0	3.0
Babel	Indicated	69.7	0.39	0.42	139	14.8	7.7	1.9	2.4
	Inferred	104.5	0.38	0.40	135	14.8	7.8	2.3	2.3
	Total:	174.2	0.39	0.41	137	14.8	7.7	2.2	2.4
Combined	Total:	203.1	0.41	0.42	148	15.0	7.3	2.1	2.4

Table 2. Succoth Deposit Inferred Mineral Resource estimate (0.3% Cu cut-off)

Type	Tonnes (Mt)	Cu (%)	Cu Metal (t)	Pt (ppm)	Pd (ppm)
Oxide	5	0.59	31,000	0.04	0.11
Fresh	151	0.60	912,000	0.04	0.11
Total	156	0.60	943,000	0.04	0.11

About Cassini

Cassini Resources Limited (ASX: CZI) is an Australian resource company that successfully listed on the ASX in January 2012. In April 2014, Cassini acquired the significant Nebo and Babel nickel and copper sulphide deposits in the Musgrave region of WA. The Company's primary focus is now on the development of these deposits and progression to successful mineral production as a matter of priority.

Cassini aims to progress its development projects, to explore and add value to its exploration stage projects with the aim to increase shareholder value.

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 as reported in the market announcement dated 25 of February 2015 (Nebo & Babel Deposits) and 7 December 2015 (Succoth Deposit) continue to apply and have not materially changed.

Additional information regarding exploration results can be found in ASX releases of 30 May 2016 and 23 June 2016.

APPENDIX 1 – TENEMENT SUMMARY – 30 September 2016

1. MINING TENEMENTS HELD				
Tenement Reference	Location	Nature of interest	Interest at beginning of quarter	Interest at end of quarter
West Musgrave				
E69/3163	WA	Granted	100%	100%
E69/3169	WA	Granted	100%	100%
E69/3137	WA	Granted	100%	100%
E69/3164	WA	Granted	100%	100%
E69/3165	WA	Granted	100%	100%
E69/3168	WA	Granted	100%	100%
E69/1505	WA	Granted	100%	100%
E69/1530	WA	Granted	100%	100%
E69/2201	WA	Granted	100%	100%
E69/2313	WA	Granted	100%	100%
M69/72	WA	Granted	100%	100%
M69/73	WA	Granted	100%	100%
M69/74	WA	Granted	100%	100%
M69/75	WA	Granted	100%	100%
P69/0064	WA	Granted	100%	100%
Crossbow (West Arunta/X17)				
E80/4749	WA	Granted	100%	100%
E80/4796	WA	Granted	100%	100%
E80/4813	WA	Granted	100%	100%
E80/4982	WA	Granted	0	100%

2. MINING TENEMENTS ACQUIRED/DISPOSED				
Tenement Reference	Location	Nature of interest	Interest at beginning of quarter	Interest at end of quarter
<u>Acquired</u> E80/4982	WA	Granted	0	100%
<u>Disposed</u> White Flats Project (12 claims)	Nevada	Leased	100% (leased)	0%
Cortez East (40 claims)	Nevada	Leased	100% (leased)	0%
Quinn Canyon (12 claims)	Nevada	Leased	100% (leased)	0%

3. BENEFICIAL PERCENTAGE INTERESTS HELD IN FARM-IN OR FARM-OUT AGREEMENTS				
Tenement Reference	Location	Nature of interest	Interest at beginning of quarter	Interest at end of quarter
Nil				

4. BENEFICIAL PERCENTAGE INTERESTS HELD IN FARM-IN OR FARM-OUT AGREEMENTS ACQUIRED OR DISPOSED				
Tenement Reference	Location	Nature of interest	Interest at beginning of quarter	Interest at end of quarter
<u>Acquired</u> Nil				
<u>Disposed</u> Nil				

Appendix 5B

Mining exploration entity and oil and gas exploration entity quarterly report

Introduced 01/07/96 Origin Appendix 8 Amended 01/07/97, 01/07/98, 30/09/01, 01/06/10, 17/12/10, 01/05/13, 01/09/16

Name of entity

Cassini Resources Limited

ABN

50 149 789 337

Quarter ended ("current quarter")

September 2016

Consolidated statement of cash flows	Current quarter \$A'000	Year to date 3 months) \$A'000
1. Cash flows from operating activities		
1.1 Receipts from customers		
1.2 Payments for		
(a) exploration & evaluation	(199)	(199)
(b) development	-	-
(c) production	-	-
(d) staff costs	(221)	(221)
(e) administration and corporate costs	(272)	(272)
1.3 Dividends received (see note 3)	-	-
1.4 Interest received	2	2
1.5 Interest and other costs of finance paid	-	-
1.6 Income taxes paid	-	-
1.7 Research and development refunds	-	-
1.8 Other (provide details if material)	(7)	(7)
1.9 Net cash from / (used in) operating activities	(697)	(697)

2. Cash flows from investing activities		
2.1 Payments to acquire:		
(a) property, plant and equipment	-	-
(b) tenements (see item 10)	-	-
(c) investments	-	-
(d) other non-current assets	-	-

Consolidated statement of cash flows		Current quarter \$A'000	Year to date 3 months) \$A'000
2.2	Proceeds from the disposal of:		
	(a) property, plant and equipment	-	-
	(b) tenements (see item 10)	-	-
	(c) investments	-	-
	(d) other non-current assets	-	-
2.3	Cash flows from loans to other entities	-	-
2.4	Dividends received (see note 3)	-	-
2.5	Other (provide details if material)	-	-
2.6	Net cash from / (used in) investing activities	-	-

3.	Cash flows from financing activities		
3.1	Proceeds from issues of shares	-	-
3.2	Proceeds from issue of convertible notes	-	-
3.3	Proceeds from exercise of share options	-	-
3.4	Transaction costs related to issues of shares, convertible notes or options	-	-
3.5	Proceeds from borrowings	-	-
3.6	Repayment of borrowings		
3.7	Transaction costs related to loans and borrowings	-	-
3.8	Dividends paid	-	-
3.9	Other (provide details if material)	-	-
3.10	Net cash from / (used in) financing activities	-	-

4.	Net increase / (decrease) in cash and cash equivalents for the period		
4.1	Cash and cash equivalents at beginning of period	1,386	1,386
4.2	Net cash from / (used in) operating activities (item 1.9 above)	(697)	(697)
4.3	Net cash from / (used in) investing activities (item 2.6 above)	-	-
4.4	Net cash from / (used in) financing activities (item 3.10 above)	-	-
4.5	Effect of movement in exchange rates on cash held	-	-
4.6	Cash and cash equivalents at end of period	689	689

5. Reconciliation of cash and cash equivalents at the end of the quarter (as shown in the consolidated statement of cash flows) to the related items in the accounts	Current quarter \$A'000	Previous quarter \$A'000
5.1 Bank balances	611	611
5.2 Call deposits	78	78
5.3 Bank overdrafts	-	-
5.4 Other (provide details)	-	-
5.5 Cash and cash equivalents at end of quarter (should equal item 4.6 above)	689	689

6. Payments to directors of the entity and their associates

- 6.1 Aggregate amount of payments to these parties included in item 1.2
- 6.2 Aggregate amount of cash flow from loans to these parties included in item 2.3
- 6.3 Include below any explanation necessary to understand the transactions included in items 6.1 and 6.2

**Current quarter
\$A'000**

181

-

Director fees, geological consulting to a company associated with Dr Hronsky and company secretarial and financial management consulting services to a company associated with Mr Warren.

7. Payments to related entities of the entity and their associates

- 7.1 Aggregate amount of payments to these parties included in item 1.2
- 7.2 Aggregate amount of cash flow from loans to these parties included in item 2.3
- 7.3 Include below any explanation necessary to understand the transactions included in items 7.1 and 7.2

**Current quarter
\$A'000**

-

-

N/A

Mining exploration entity and oil and gas exploration entity quarterly report

8. Financing facilities available <i>Add notes as necessary for an understanding of the position</i>		Total facility amount at quarter end \$A'000	Amount drawn at quarter end \$A'000
8.1	Loan facilities	-	-
8.2	Credit standby arrangements	-	-
8.3	Other (please specify)	-	-
8.4 Include below a description of each facility above, including the lender, interest rate and whether it is secured or unsecured. If any additional facilities have been entered into or are proposed to be entered into after quarter end, include details of those facilities as well.			
N/A			

9. Estimated cash outflows for next quarter	\$A'000
9.1 Exploration and evaluation	(1,280)
9.2 Development	-
9.3 Production	-
9.4 Staff costs	(100)
9.5 Administration and corporate costs	(600)
9.6 Other (cash calls from JV Partner)	1,328
9.7 Total estimated cash outflows	(652)

10. Changes in tenements (items 2.1(b) and 2.2(b) above)	Tenement reference and location	Nature of interest	Interest at beginning of quarter	Interest at end of quarter
10.1 Interests in mining tenements and petroleum tenements lapsed, relinquished or reduced	Nevada: White Flats Project (12 claims) Cortez East (40 claims) Quinn Canyon (12 claims)	Withdrawn	100%	-
10.2 Interests in mining tenements and petroleum tenements acquired or increased	E80/4982 Western Australia	Granted	-	100%

Compliance statement

- 1 This statement has been prepared in accordance with accounting standards and policies which comply with Listing Rule 19.11A.
- 2 This statement gives a true and fair view of the matters disclosed.

Sign here: Date: 31 October 2016
(Director/Company secretary)

Print name: Steven Wood
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Notes

1. The quarterly report provides a basis for informing the market how the entity's activities have been financed for the past quarter and the effect on its cash position. An entity that wishes to disclose additional information is encouraged to do so, in a note or notes included in or attached to this report.
2. If this quarterly report has been prepared in accordance with Australian Accounting Standards, the definitions in, and provisions of, AASB 6: Exploration for and Evaluation of Mineral Resources and AASB 107: Statement of Cash Flows apply to this report. If this quarterly report has been prepared in accordance with other accounting standards agreed by ASX pursuant to Listing Rule 19.11A, the corresponding equivalent standards apply to this report.
3. Dividends received may be classified either as cash flows from operating activities or cash flows from investing activities, depending on the accounting policy of the entity.