



# CASSINI

RESOURCES LIMITED

ABN 50 149 789 337

31 January 2012

Manager of Company Announcements  
ASX Limited  
Level 6, 20 Bridge St  
Sydney NSW 2000

By E-Lodgement

## **Cassini Resources Limited**

December 2011 Quarterly Report

This is Cassini Resources Limited ("Cassini" or "the Company") first Quarterly Report and summarises the Company's activities for the quarter ended 31 December 2011

### **Acquisition of Wirraway Mining and Metals Pty Ltd**

On 12 August 2011, Cassini Resources Limited ("Cassini" or "the Company") entered into a share sale agreement to acquire 100% of the issued capital in Wirraway Metals and Mining Pty Ltd ("Wirraway"). The assets of Wirraway include fourteen (14) tenements in Western Australia with either granted or applications pending grant for exploration licences. Settlement of the agreement was conditional upon the Company's successful listing on the ASX.

On 14 December 2011 Cassini received conditional approval on its acceptance to the official list and settled the Wirraway acquisition.

### **Successful Initial Public Offering**

During the quarter ended 31 December 2011, Cassini successfully closed an Initial Public Offering to raise \$3,000,000 by the issue of 15 million shares on 2 December 2011. The Company subsequently commenced trading on the ASX on 9th January 2012.

The Company has a tight capital structure with 25,750,001 shares on issue of which 17,000,000 are quoted on the ASX, with the remainder unquoted due to escrow restrictions.

Cassini's tenement portfolio offers a mix of projects from those occurring in existing mineral producing regions with good infrastructure, long mining and exploration histories, to those of a more speculative nature near recent exploration activity by BHPB and others in the West Musgrave region.

The funds raised will primarily be used by Cassini to progress its current portfolio of assets, as well as to actively look to expand through acquisition or joint venture opportunities.

### **Strategic Objectives**

The Company strategy going forward is:

- to explore and develop the current projects with granted exploration licenses;
- to progress the projects with pending Exploration License applications to the point of grant; and
- to identify and assess commercially attractive projects

### **Exploration Strategy**

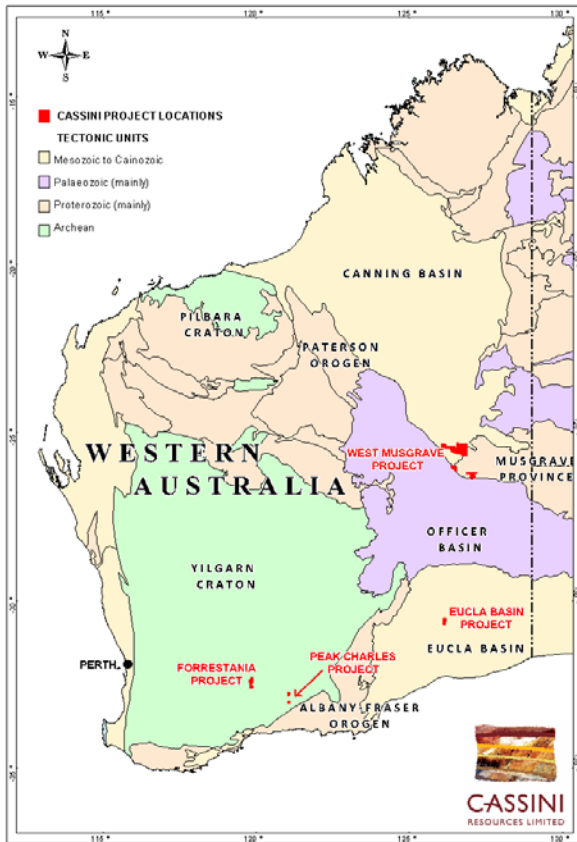
- Cassini has applied for environmental approvals on the Forrestania project E77/1801. Once approval has been granted, a drilling program will be undertaken on the E77/1801 project.
- Genetic metallogenetic modelling of the West Musgrave projects to better define exploration targets; and
- Continued review and targeting assessments of the Peak Charles and Eucla Basin Projects to best assess exploration and drilling programs going forward.



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## Forrestania Project

The Forrestania Project is located approximately 370km E of Perth. The Forrestania greenstone belt is well endowed and is an established mining area with the main mines being the Cosmic Boy and Flying Fox Nickel Mines and the Bounty Gold Mine. Bounty is located 20km north of E77/1801 and produced 1.4 million ounces of gold at 6g/t between 1988 and 2002.

New geophysical surveys have identified a previously unrecognized extension of the greenstone belt masked by alluvial sand cover. The project covers 14km of strike and presents a fantastic opportunity to test for blind gold deposits. Historic gold mining along strike at the Great Southern and Black Prince Mines supports the new geological interpretation.

The Company intends to conduct a drilling programme at the project after listing and has begun the environmental and heritage approval process.

## West Musgrave Project

The Musgrave is a poorly explored province currently experiencing aggressive exploration expenditure following the discovery of BHPB's Nebo and Babel nickel-copper-PGE sulphide deposits. Beadell Resources' "Handpump" project has seen the first intersections of economic gold mineralisation in the Musgrave.

The tenements are prospective for nickel, copper, Platinum Group Element's (PGE), gold and iron.

Many of the gravity and magnetic anomalies identified by majors BHP Billiton and Anglo Australian are located on the project. None of these have been tested by drilling. Cassini looks forward to commencing exploration or partnership opportunities on successful grant of the tenements.

## Peak Charles Project

The Peak Charles project is 125km NW of Esperance and 120km NE of Ravensthorpe. The Project lies near the boundary of the Yilgarn Craton and the Albany-Fraser Orogen, a complex structural setting suitable for permeating mineralised mantle fluids.

Cassini considers the tenements to be prospective for a range of commodities including nickel, REE, thorium, PGE's and gold.

The Company will target several aeromagnetic anomalies associated with structural features which are yet to receive any modern exploration.

## Eucla Basin Project

The tenement application is located approx 450 km E of Kalgoorlie and about 50km N of the Trans Australian Railway.

Current active tenement owners in the western Eucla Basin include Teck Corporation, Richmond Mining, United Orogen, General Mining Corporation and Venus Metals. Most of these are targeting geophysical anomalies beneath thick sedimentary cover.

The tenements are prospective for Ni-Cu-PGE sulphides and gold.

Tenement Schedule	Status	Area (Sq Km)
<b>Forrestania</b>		
E77/1801	LIVE	104.66
E77/1967	PENDING	40.54
<b>Musgrave</b>		
E69/2907	PENDING	523.21
E69/2909	LIVE	406
E69/2911	PENDING	18.56
E69/2917	PENDING	619.39
E69/2918	PENDING	411.3
E69/2908	PENDING	132.55
E69/2912	PENDING	83.19
E69/2915	PENDING	356.69
<b>Peak Charles</b>		
E63/1452	LIVE	60.61
E74/0487	LIVE	71.96
<b>Eucla Basin</b>		
E69/2910	LIVE	198.03
	<b>TOTAL</b>	<b>3,026</b>

## Appendix 5B

### Mining 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

Name of entity

Cassini Resources Limited

ABN

50 149 789 337

Quarter ended ("current quarter")

31 December 2011

#### Consolidated statement of cash flows

Cash flows related to operating activities	Current quarter \$A'000	Year to date (6 months) \$A'000
1.1 Receipts from product sales and related debtors	-	-
1.2 Payments for (a) exploration & evaluation	(206)	(263)
(b) development	-	-
(c) production	-	-
(d) administration	(70)	(106)
1.3 Dividends received	-	-
1.4 Interest and other items of a similar nature received	5	9
1.5 Interest and other costs of finance paid	-	-
1.6 Income taxes paid	-	-
1.7 Other (provide details if material)	-	-
<b>Net Operating Cash Flows</b>	<b>(271)</b>	<b>(360)</b>
<b>Cash flows related to investing activities</b>		
1.8 Payment for purchases of: (a) prospects	-	-
(b) equity investments	-	-
(c) other fixed assets	(1)	(1)
1.9 Proceeds from sale of: (a) prospects	-	-
(b) equity investments	-	-
(c) other fixed assets	-	-
1.10 Loans to other entities	30	30
1.11 Loans repaid by other entities	-	-
1.12 Other (provide details if material)	-	-
<b>Net investing cash flows</b>	<b>29</b>	<b>29</b>
1.13 Total operating and investing cash flows (carried forward)	<b>(242)</b>	<b>(331)</b>

+ See chapter 19 for defined terms.

**Appendix 5B**  
**Mining exploration entity quarterly report**

1.13	Total operating and investing cash flows (brought forward)	(242)	(331)
	<b>Cash flows related to financing activities</b>		
1.14	Proceeds from issues of shares, options, etc.	3,000	3,000
1.15	Proceeds from sale of forfeited shares	-	-
1.16	Proceeds from borrowings	-	-
1.17	Repayment of borrowings	-	-
1.18	Dividends paid	-	-
1.19	Other (share issue costs)	(55)	(55)
	<b>Net financing cash flows</b>	<b>2,945</b>	<b>2,945</b>
	<b>Net increase (decrease) in cash held</b>	<b>2,703</b>	<b>2,614</b>
1.20	Cash at beginning of quarter/year to date	314	403
1.21	Exchange rate adjustments to item 1.20		
1.22	<b>Cash at end of quarter</b>	<b>3,017</b>	<b>3,017</b>

**Payments to directors of the entity and associates of the directors**  
**Payments to related entities of the entity and associates of the related entities**

		Current quarter \$A'000
1.23	Aggregate amount of payments to the parties included in item 1.2	Nil
1.24	Aggregate amount of loans to the parties included in item 1.10	30

1.25 Explanation necessary for an understanding of the transactions

IPO raising of \$3million completed in December 2011

**Non-cash financing and investing activities**

2.1 Details of financing and investing transactions which have had a material effect on consolidated assets and liabilities but did not involve cash flows

Issue of 1,750,000 to the asset vendor under a share sale agreement.

2.2 Details of outlays made by other entities to establish or increase their share in projects in which the reporting entity has an interest

n/a

**Financing facilities available**

*Add notes as necessary for an understanding of the position.*

+ See chapter 19 for defined terms.

	Amount available \$A'000	Amount used \$A'000
3.1 Loan facilities	-	-
3.2 Credit standby arrangements	-	-

### Estimated cash outflows for next quarter

	\$A'000
4.1 Exploration and evaluation	150
4.2 Development	-
4.3 Production	-
4.4 Administration	100
<b>Total</b>	<b>250</b>

### Reconciliation of cash

Reconciliation of cash at the end of the quarter (as shown in the consolidated statement of cash flows) to the related items in the accounts is as follows.	Current quarter \$A'000	Previous quarter \$A'000
5.1 Cash on hand and at bank	3,017	314
5.2 Deposits at call	-	-
5.3 Bank overdraft	-	-
5.4 Other (provide details)	-	-
<b>Total: cash at end of quarter (item 1.22)</b>	<b>3,017</b>	<b>314</b>

### Changes in interests in mining tenements

	Tenement reference	Nature of interest (note (2))	Interest at beginning of quarter	Interest at end of quarter
6.1	Interests in mining tenements relinquished, reduced or lapsed			

+ See chapter 19 for defined terms.

**Appendix 5B**  
**Mining exploration entity quarterly report**

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6.2 Interests in mining tenements acquired or increased	E69/2910	Granted - 100%	0%	100%
	E77/1801	Granted - 100%	0%	100%
	E77/1966	Pending - 100%	0%	100%
	E77/1967	Pending - 100%	0%	100%
	E69/2907	Pending - 100%	0%	100%
	E69/2909	Granted - 100%	0%	100%
	E69/2911	Pending - 100%	0%	100%
	E69/2917	Pending - 100%	0%	100%
	E69/2918	Pending - 100%	0%	100%
	E69/2908	Pending - 100%	0%	100%
	E69/2912	Pending - 100%	0%	100%
	E69/2915	Pending - 100%	0%	100%
	E63/1452	Granted - 100%	0%	100%
	E74/0487	Granted - 100%	0%	100%

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+ See chapter 19 for defined terms.

### Issued and quoted securities at end of current quarter

*Description includes rate of interest and any redemption or conversion rights together with prices and dates.*

		Total number	Number quoted	Issue price per security (see note 3) (cents)	Amount paid up per security (see note 3) (cents)
7.1	<b>Preference securities</b> <i>(description)</i>				
7.2	Changes during quarter (a) Increases through issues (b) Decreases through returns of capital, buy-backs, redemptions				
7.3	<b>+Ordinary securities</b>	25,750,001	25,750,001 (10,750,000 subject escrow) to		Fully Paid
7.4	Changes during quarter (a) Increases through issues (b) Decreases through returns of capital, buy-backs	16,750,000	16,750,000	20 cents	Fully Paid
7.5	<b>+Convertible debt securities</b> <i>(description)</i>				
7.6	Changes during quarter (a) Increases through issues (b) Decreases through securities matured, converted				
7.7	<b>Options</b> <i>(description and conversion factor)</i>	7,000,000	7,000,000 (subject escrow) to	<i>Exercise Price</i> 20 cents	<i>Expiry Date</i> 30 June 2015
7.8	Issued during quarter	1,000,000	1,000,000	20 cents	30 June 2015
7.9	Exercised during quarter				
7.10	Expired during quarter				
7.11	<b>Debentures</b> <i>(totals only)</i>				

+ See chapter 19 for defined terms.

7.12	Unsecured notes (totals only)		
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## Compliance statement

- 1 This statement has been prepared under accounting policies which comply with accounting standards as defined in the Corporations Act or other standards acceptable to ASX (see note 5).
- 2 This statement does /does not\* (*delete one*) give a true and fair view of the matters disclosed.

Sign here:  .....  
(Managing Director)

31 January 2012  
Date: .....

Print name: RICHARD GWYNN BEVAN  
.....

## 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 wanting to disclose additional information is encouraged to do so, in a note or notes attached to this report.
- 2 The "Nature of interest" (items 6.1 and 6.2) includes options in respect of interests in mining tenements acquired, exercised or lapsed during the reporting period. If the entity is involved in a joint venture agreement and there are conditions precedent which will change its percentage interest in a mining tenement, it should disclose the change of percentage interest and conditions precedent in the list required for items 6.1 and 6.2.
- 3 **Issued and quoted securities** The issue price and amount paid up is not required in items 7.1 and 7.3 for fully paid securities.
- 4 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.
- 5 **Accounting Standards** ASX will accept, for example, the use of **International Financial Reporting Standards** for foreign entities. If the standards used do not address a topic, the Australian standard on that topic (if any) must be complied with.

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