



CASSINI
RESOURCES LIMITED

ABN: 50 149 789 337

ASX Announcement

Tuesday 31 July 2012

Company Highlights

- Potential company making projects.
- Poised for near term exploration success.
- Located in world class mining districts.
- Excellent in-country management and expertise.
- Nevada JV partner with excellent discovery track record.
- Fully funded for initial exploration program.

Capital Structure*

Shares on Issue 34,550,001
Shares Trading 20,749,999

Unlisted Options 8,000,000
(20 cents, 30 June 2015)

Directors

Mike Young

Non Exec Chairman

Richard Bevan

Managing Director

David Johnson

Executive Director - Exploration

Greg Miles

Non Exec Director

Phil Warren

Non Exec Director

Steven Wood

Company Secretary

Activities for the quarter ended 30 June 2012

Corporate Activity

During the quarter ended 30 June 2012 the Company received shareholder approval and completed the acquisition of Search Resources Limited ("Search").

Cassini now has the rights of the Joint Venture (JV) Agreements to earn a 70% equity interest in 3 prospective gold exploration projects in Nevada USA. The acquisition was settled via the payment of AUD\$200,000 and the issue of 8.8M new ordinary Cassini shares.

Nevada Projects (USA)

Pasco Canyon Project

The construction of the drill road at Pasco Canyon was completed in late June in preparation for the drilling program which commenced on 8 July. This program has consisted of two HQ diamond core holes; DDPC0001 446.5 m (1465 ft) and DDPC0002 379.8 m (1246 ft).

Drilling is completed and assay results are pending.


Leonid Project

Field mapping in the northern portion of the Leonid project area, where rock exposure is abundant, was completed during the quarter. Mapping identified two north-south trending normal faults that are interpreted to be significant conduits for hydrothermal fluids. A detailed soil and rock chip sampling program has been designed to determine the distribution of gold and pathfinder elements for Carlin-style mineralization (As, Sb, Hg, Ba, Tl) along these structures. This sampling program was in progress at the end of July.

A detailed gravity survey (150 m x 150 m spaced stations) is also underway and will cover the entire project area. This data will be used in conjunction with the surface geochemical data to design an initial program of drilling. The gravity data will also be used to interpret potentially favorable structures in the poorly exposed southern portion of the Project, which will guide surface geochemical sampling programs during the September quarter.

Goldstar Project

A field mapping program focusing on the historic mine areas within the Trinity Canyon granodiorite stock was completed during the quarter. Numerous old shafts were sunk at intersections of veins with felsic dykes



within the granodiorite. Work will focus on favourable structural locations with increase in veining and possibly gold mineralization. A program of trenching to determine grade-thickness variation in the veins and sericite altered host rocks, including the intersection of the Morning Star vein with the metasediment/granodiorite contact, is also planned.

A detailed ground magnetic survey covering the claim group commenced in late June, and will be completed early in the September quarter. This dataset will be used to target areas where magnetic lows along interpreted structures indicate potential zones of more intense sericite alteration of the granodiorite host rocks that are prospective for gold mineralization. Field mapping has identified prospective intrusive rocks containing miarolitic cavities with chalcopyrite, pyrite, possibly bornite and euhedral quartz crystals. Grab samples from this unit contain up to **7830 ppm Cu and up to 15.35 ppm Ag**. The ground magnetic data will be used to map the extent and assess the possible economic significance of this mineralized unit.

Western Australian Projects

West Musgrave

The Company has continued to progress the northern tenement package. Successful negotiations with the Ngaanyatjarra Land council culminated in the signing of a Mineral Exploration Access Agreement in late June.

The Company engaged a consultant geologist to undertake a prospectivity analysis of the northern tenements, including input from Dr. Jon Hronsky who has significant experience in the Musgrave region after being involved with the discovery of the Neo-Babel deposit whilst at Western Mining Corporation.

As an outcome of this, the Company intends to undertake a soil geochemistry programme at its Musgrave Project during the current field season. The programme is proposed to cover portions of tenements E69/2907, E69/2917 and E69/2918, an area of approximately 850 km². The programme would be divided into two parts; the first phase covering approximately 300 km² on tenements E69/2917 & E69/2918 (approximately 10km north east of Jackie Junction), followed by an extension over portions of the remaining area if results from the first phase are successful.

The Ngaanyatjarra Land Council is planning to conduct a work clearance survey in late July/ early August.

Forrestania

The initial drilling program on E77/1801 conducted in March this year confirmed the extension of the greenstone belt under relatively shallow cover.

Further analysis of the data is continuing. The Company intends to follow this drilling with a broad soil geochemistry programme to cover the extent of the greenstone belt. The soil geochemistry programme will assist targeting for future drilling programmes.

For further information contact Richard Bevan on the contact details below

Richard Bevan

Managing Director Telephone: **+61 8 9322 6569**

Email: richard.bevan@cassiniresources.com.au



About Cassini

Cassini Resources Limited (ASX: CZI) is a Perth based resource exploration company that successfully listed on the ASX in January 2012 with an asset package of prospective tenements and applications in Western Australia. In May 2012, Cassini successfully added 3 gold exploration projects in Nevada, USA, via Joint Venture agreements with Renaissance Gold Inc. (TSX:REN).

Cassini now has an exploration portfolio that offers a mix of projects in mineral producing regions with good infrastructures, long mining histories and currently producing mines; along with those of a more speculative nature with conceptual targets with limited previous exploration and potentially higher reward.

The Nevada projects represent a near term opportunity for exploration success in one of the world's pre-eminent mining jurisdictions.

Cassini aims to explore and develop its current portfolio of projects, and to identify additional projects that are commercially attractive with the aim to increase shareholder value.

Mining in Nevada – Snapshot

- 6.1M ounces of gold were produced in Nevada produced in 2011. This equates to about 83% of US gold production.¹
- Significant recent discoveries are still being made, despite 150 years of exploration. (Long Canyon, Railroad, South Carlin, Spring Valley).
- Exploration and mining friendly jurisdiction, with over 20 major gold/silver mines.
- There is significant local infrastructure, with a high level of exploration and mining expertise and knowledge.
- Major companies are on the ground, with Barrick & Newmont having invested +US\$6b and this investment is still growing.
- There are seven (7) +20Moz gold deposits in the state of Nevada.
- The regulatory system provides recent examples of rapid permitting.
- Recent M&A activity: Newmont paid \$575/oz of gold in the ground to acquire Fronteer.

1 *The Nevada Mineral Industry 2010. Nevada Bureau of Mines and Geology, Special Publication MI-2010*

The information contained in the report that relates to Exploration Results, Mineral Resources or Ore Reserves is based on information compiled or reviewed by Mr David Johnson, who is a Director and employee of the Company. Mr Johnson is a Member of the Australasian Institute of Geoscientists and has sufficient experience which is relevant to the style of mineralisation and type of deposit under consideration and to the activity which is being undertaken to qualify as a Competent Persons as defined in the 2004 Edition of the 'Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves'. Mr Johnson has given consent to the inclusion in the report of the matters based on his information in the form and context in which it appears.

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")

30 June 2012

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	(457)	(782)
(b) development	-	-
(c) production	-	-
(d) administration	(176)	(533)
1.3 Dividends received	-	-
1.4 Interest and other items of a similar nature received	23	60
1.5 Interest and other costs of finance paid	-	-
1.6 Income taxes paid	-	-
1.7 Other (vehicle purchase)	(55)	(55)
Net Operating Cash Flows	(665)	(1,310)
Cash flows related to investing activities		
1.8 Payment for purchases of: (a) prospects	-	-
(b) equity investments	-	-
(c) other fixed assets	-	(1)
1.9 Proceeds from sale of: (a) prospects	-	20
(b) equity investments	-	-
(c) other fixed assets	-	-
1.10 Loans to other entities	-	30
1.11 Loans repaid by other entities	-	(30)
1.12 Other (provide details if material)	-	-
Net investing cash flows	-	19
1.13 Total operating and investing cash flows (carried forward)	(665)	(1,291)

+ See chapter 19 for defined terms.

Appendix 5B
Mining exploration entity quarterly report

1.13	Total operating and investing cash flows (brought forward)	(665)	(1,291)
	Cash flows related to financing activities		
1.14	Proceeds from issues of shares, options, etc.	-	3,000
1.15	Proceeds from sale of forfeited shares	-	-
1.16	Proceeds from borrowings	-	-
1.17	Repayment of borrowings	-	-
1.18	Payment of deferred capital raising costs	-	(63)
1.19	Other (share issue costs)	-	(174)
	Net financing cash flows	-	2,763
	Net increase (decrease) in cash held	(665)	1,472
1.20	Cash at beginning of quarter/year to date	2,540	403
1.21	Exchange rate adjustments to item 1.20		
1.22	Cash at end of quarter	1,875	1,875

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	179
1.24	Aggregate amount of loans to the parties included in item 1.10	-

1.25 Explanation necessary for an understanding of the transactions

1.2		
\$51,517		Paid to Grange Consulting for Corporate Advisory, Company Secretarial Fees, Financial Management and Rent. Phil Warren is a director of Grange.
\$17,716		Consulting fees and reimbursement of office rent and supplies to Mr David Johnson
\$36,102		Non-executive Chairman fees accrued to Mr Mike Young from 12/8/11 to 31/5/12
\$20,000		Non-executive Director fees to Mr Greg Miles for since 1 January 2012.
43,745		Gross wages to Mr Richard Bevan as Managing Director.
\$10,000		Gross fees to Mr Philip Warren as Non-executive Director.

Non-cash financing and investing activities

+ See chapter 19 for defined terms.

- 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

Search Resources Limited was acquired by Cassini for consideration of \$1,960,000, comprised of \$200,000 in cash and 8,800,000 shares in Cassini at \$0.20. Search Resources owns 100% of a US Subsidiary which has access to JV's over 3 Nevada Gold Projects.

Refer previous ASX announcements for further information in respect of this transaction.

- 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.

	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	400
4.2 Development	-
4.3 Production	-
4.4 Administration	100
Total	500

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	1,875	2,540
5.2 Deposits at call	-	-
5.3 Bank overdraft	-	-
5.4 Other (provide details)	-	-

+ See chapter 19 for defined terms.

Appendix 5B
Mining exploration entity quarterly report

Total: cash at end of quarter (item 1.22)	1,875	2,540
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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			
6.2	Interests in mining tenements acquired or increased	Wirraway: E69/207 E69/2911 E69/2917 E69/2918 E7/1967	100%	100%
	Search: Refer Annexure 1 (attached) for a summary (by project) of claims acquired.	The Joint Venture provides for a 70% earn-in interest in 3 gold exploration projects (Goldstar, Leonid and Pasco Canyon)	0%	Option to earn-in 70% subject to spend commitments as required under JV. Refer section 2.1 for further details.

+ 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 Preference +securities <i>(description)</i>				
7.2 Changes during quarter (a) Increases through issues (b) Decreases through returns of capital, buy-backs, redemptions				
7.3 +Ordinary securities	34,550,001	20,749,999 (13,800,002 subject to escrow)		Fully Paid
7.4 Changes during quarter (a) Increases through issues (b) Decreases through returns of capital, buy-backs	8,800,000	8,800,000	\$0.20	Fully Paid
7.5 +Convertible debt securities <i>(description)</i>				
7.6 Changes during quarter (a) Increases through issues (b) Decreases through securities matured, converted				
7.7 Options <i>(description and conversion factor)</i>	8,000,000	8,000,000 (7,000,000 subject to escrow)	<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 Debentures <i>(totals only)</i>				
7.12 Unsecured notes <i>(totals only)</i>				

Compliance statement

+ See chapter 19 for defined terms.

Appendix 5B Mining exploration entity quarterly report

- 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 give a true and fair view of the matters disclosed.



Sign here:
(Managing Director)

31 July 2012
Date:

RICHARD GWYNN BEVAN
Print name:

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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