



CASSINI
RESOURCES LIMITED

ABN: 50 149 789 337

ASX Announcement & Media Release

31 October 2012

Gold focused exploration in
Nevada

Highly prospective
Musgrave project in WA (Ni,
CU, PGE)

Excellent project locations

Active in new project
generation

Capital Structure*

Shares on Issue 34,550,001
Shares Trading 20,749,999
Unlisted Options
7,000,000 (20 cents, 30/6/2015)
1,000,000 (25 cents, 30/6/2015)

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 September 2012

Nevada Projects (USA)

During the September quarter, Cassini undertook significant exploration activity on its 3 Nevada projects. Much of the results of these were reported in the company update released to the ASX on 21 September 2012. In summary:

- Encouraging soil and rock sampling results from Leonid Project progress Carlin-style model. Further geochemical surveys will define priority drill targets.
- Initial trenching and drilling program imminent to test known mineralised zones at Goldstar Project.
- Pasco Canyon Project drilling results.

Leonid Project (Elko and Eureka County)

- Carlin-style prospect located at the southern end of the prolific Carlin Trend. Set in similar stratigraphy to the Rain (+6Moz) and Railroad (2Moz) deposits.
- Cassini is verifying the geological model and identifying priority drill targets.

A Preliminary soil and rock sampling program conducted at the Leonid Project during July 2012. The sampling program targeted narrow north-trending fault structures with abundant *jasperoid silicification* and *brecciation*, which are indicators of hydrothermal fluid circulation. These mineralising fluids may intersect favourable structures and therefore possibly host gold mineralisation at depth which is consistent with the geological model Cassini is using to target drilling.

The sampling procedure involved collecting soil and/or rock samples on the surface trace, footwall and hanging wall of the silicified structures. The narrow linear focus of the soil and rock sampling survey was designed to detect anomalies indicative of potential mineralising fluids at depth along these structures.

The results of the sampling are encouraging. Several zones with multiple anomalous pathfinder elements occur along the targeted structures. Especially interesting



elements include anomalous arsenic, antimony and thallium, locally occurring with gold.

These elements commonly occur in Carlin-style mineralised systems. Silver and zinc anomalies also occur along the sampled structures.

A detailed grid soil sampling program is being planned to further define pathfinder element geochemistry of each individual area indicated by the preliminary survey, which will assist in defining targets for maiden a drill program, potentially scheduled for late calendar 2012.

Goldstar Project (Pershing County)

A modest RC drilling and trenching commenced at the end of the quarter at Goldstar Project to test targets down-dip and along strike from the historic Morning Star workings. Results are pending. If results are supportive, test deeper targets under existing workings.

Pasco Canyon Project (Nye County)

As reported in the exploration update 21 September, the initial results of the program undertaken during the quarter were reviewed and a decision was made to cease further exploration activity on the project.

Cassini has fulfilled its obligations under the joint venture (JV) agreement and no further expenditure is required.

Nevada Summary

The company will have met its full-year expenditure requirements under the terms of the JV with Renaissance Gold Inc. (RenGold) by the end of the September quarter.

The minimum exploration expenditure requirement under the JV agreements on the remaining projects will be in the order of US\$350,000 to be expended by February 2014.

West Musgrave Project

Cassini has engaged CSA Global to undertake a reconnaissance visit to the project in late September to assess the use of lag sampling as a possible exploration tool. Lag sampling was an effective tool in the discovery of the Nebo Babel deposit located to the south East.

The outcome from this report when known will direct the future exploration strategy for the project.

Corporate Activity

Rationalisation of non-core projects

Cassini has reviewed its current portfolio of projects and has commenced rationalising projects that it considers non-core to its future strategy.

In addition to the Pasco Canyon Project, the company has withdrawn exploration licence applications over the Southern tenement package at the West Musgrave in in Western Australia.

This will allow the company to focus its resources on progressing key projects.

Identification of advanced exploration projects

The company is advanced in identifying a more advanced gold exploration projects in the western USA and surrounds to its portfolio.



Further information:

Richard Bevan

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Quick facts about gold in Nevada

- In 2010, Nevada produced 5.3Moz of Au; this represented 73% of US and 7% of global gold production.
- Nevada is known as “Elephant County” with seven +20Moz gold deposits
- Significant recent discoveries being made, despite 150 years of exploration. (Long Canyon, Railroad, South Carlin, Spring Valley)
- The “majors” are on the ground. Barrick & Newmont have invested +US\$6b and growing
- Exploration and mining friendly jurisdiction (+20 major gold/silver mines).
- Good local infrastructure, with high level of exploration and mining expertise and knowledge.

About Cassini

Cassini Resources Limited (ASX: CZI) is an Australian 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 added three gold exploration projects in Nevada, USA, via Joint Venture agreements with Renaissance Gold Inc. (TSX:REN).

Cassini is a gold focussed explorer with projects in Nevada (USA) and Western Australia. The Nevada projects represent a near term opportunity for exploration success in one of the world’s pre-eminent mining jurisdictions. Nevada has a recent history of multi-million ounce discoveries despite a mining history of over 150 years.

The premier Western Australian projects is located in the highly regarded Musgrave region, with limited previous exploration and potentially high reward.

Cassini aims to explore and progress its key projects, and to identify additional projects that are commercially attractive with the aim to increase shareholder value.

Competent Persons Statement

The information in this report that relates to Exploration Results and Mineral Resources is based on information compiled by Mr David Johnson, who is an employee of the company. Mr Johnson 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 2004 Edition of the Joint Ore Reserves Committee (JORC) Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves. Mr Johnson consents to the inclusion in this report of the matters based on information in the form and context in which it appears.

Exploration results are based on standard industry practices, including sampling, assay methods, and appropriate quality assurance quality control (QAQC) measures. Core samples are taken as half NQ core or quarter HQ core and sampled to geological boundaries where appropriate. In the case of reconnaissance core, RAB, AC, RC or rock chip samples, gold assays are based on fire assay digest and Atomic Absorption Spectrometry (AAS) finish, and multi-element assays are based on a four acid digest with Inductively Coupled Plasma Mass Spectrometry (ICP-MS) finish, with mercury determined by Cold Vapour with AAS finish. For soil samples, gold assays are based on an aqua regia digest with inductively coupled plasma mass spectrometry (ICP-MS) finish. Sample preparation and analysis is undertaken at ALS Minerals laboratories in Reno and Winnemucca, Nevada.

The quality of analytical results is monitored by the use of internal laboratory procedures together with certified standards, duplicates and blanks and statistical analysis where appropriate to ensure that results are representative and within acceptable ranges of accuracy and precision. Exploration results obtained by other companies and quoted by Cassini Resources Ltd have not necessarily been obtained using the same methods or subjected to the same QAQC protocols. These results may not have been independently verified because original samples and/or data may no longer be available.

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 September 2012

Consolidated statement of cash flows

Cash flows related to operating activities	Current quarter \$A'000	Year to date (3 months) \$A'000
1.1 Receipts from product sales and related debtors	-	-
1.2 Payments for (a) exploration & evaluation	(499)	(499)
(b) development	-	-
(c) production	-	-
(d) administration	(146)	(146)
1.3 Dividends received	-	-
1.4 Interest and other items of a similar nature received	13	13
1.5 Interest and other costs of finance paid	-	-
1.6 Income taxes paid	-	-
1.7 Other (vehicle purchase)	-	-
Net Operating Cash Flows	(632)	(632)
Cash flows related to investing activities		
1.8 Payment for purchases of: (a) prospects	-	-
(b) equity investments	-	-
(c) other fixed assets	-	-
1.9 Proceeds from sale of: (a) prospects	-	-
(b) equity investments	-	-
(c) other fixed assets	-	-
1.10 Loans to other entities	-	-
1.11 Loans repaid by other entities	-	-
1.12 Other (provide details if material)	-	-
Net investing cash flows	-	-
1.13 Total operating and investing cash flows (carried forward)	(632)	(632)

+ See chapter 19 for defined terms.

Appendix 5B
Mining exploration entity quarterly report

1.13	Total operating and investing cash flows (brought forward)	(632)	(632)
	Cash flows related to financing activities		
1.14	Proceeds from issues of shares, options, etc.	-	-
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	-	-
1.19	Other (share issue costs)	-	-
	Net financing cash flows	-	-
	Net increase (decrease) in cash held	(632)	(632)
1.20	Cash at beginning of quarter/year to date	1,875	1,875
1.21	Exchange rate adjustments to item 1.20	-	-
1.22	Cash at end of quarter	1,243	1,243

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	164
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	\$35,500	Paid to Grange Consulting for Corporate Advisory, Company Secretarial Fees, Financial Management and Rent. Phil Warren is a director of Grange.
	\$61,995	Executive Director fees and reimbursement of office rent to Mr David Johnson
	\$8,333	Non-executive Chairman fees to Mr Mike Young
	\$47,687	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

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

n/a

+ See chapter 19 for defined terms.

- 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	250
4.2 Development	-
4.3 Production	-
4.4 Administration	150
Total	400

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	1,243	1,875
5.2 Deposits at call	-	-
5.3 Bank overdraft	-	-
5.4 Other (provide details)	-	-
Total: cash at end of quarter (item 1.22)	1,243	1,875

+ See chapter 19 for defined terms.

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	Wirraway: E69/2908 E69/2912 E69/2915	Pending applications withdrawn by the Company.	100% (subject to application being granted)	0%
	Search: Pasco Canyon JV	The Joint Venture provides for a 70% earn-in interest in the Project, comprising 24 claims.	Option to earn-in 70% subject to spend commitments as required under JV.	0%
6.2 Interests in mining tenements acquired or increased				

+ 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				
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 (unlisted) (7,000,000 subject to escrow)	Exercise Price 7,000,000 - 20 cents 1,000,000 - 25 cents	Expiry Date 30 June 2015 30 June 2015
7.8 Issued during quarter				
7.9 Exercised during quarter				
7.10 Expired during quarter				
7.11 Debentures <i>(totals only)</i>				

+ See chapter 19 for defined terms.

Appendix 5B
Mining exploration entity quarterly report

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 give a true and fair view of the matters disclosed.



Sign here:
(Managing Director)

31 October 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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+ See chapter 19 for defined terms.