



New Targets At One Tree Hill Prospect

HIGHLIGHTS

- **Diamond drilling extends One Tree Hill mineralisation**
- **A new large, strong downhole EM conductor has been identified**
- **New conductor will be a priority target for 2019 exploration program**
- **An emerging mineralised system with significant scale potential**

Cassini Resources Limited (ASX:CZI) (“Cassini” or the “Company”) is pleased to announce results from recent drilling at the One Tree Hill Prospect within the West Musgrave Project (“WMP” or the “Project”) in Western Australia. The program is funded as part of the Earn-in/JV Agreement (“JV” or “the Agreement”) with OZ Minerals Limited (ASX:OZL) (“OZ Minerals”). The JV Partners are currently undertaking a Pre-feasibility Study (PFS) on the Nebo-Babel Deposits as well as a regional exploration program. OZ Minerals recently moved to 51% beneficial ownership in the Project, having successfully reached the Stage 2 earn-in milestone 6 months earlier than required.

Cassini Managing Director Richard Bevan commented, “The drilling results confirm our thinking that the mineralised system at One Tree Hill has scale. We have intersected more copper sulphide mineralisation and follow up DHEM has identified a significant conductor that could represent a large-scale extension to this mineralisation. We look forward to testing this target in our 2019 program”.

Diamond Drilling Results

Two diamond drill holes have been completed targeting moving loop electromagnetic (MLEM) anomalies and extensions to mineralisation encountered in CZD0017 (ASX announcement 5 June 2018).

Drill hole CZD0083A, sited approximately 60m north of CZD0017, returned 24.65m @ 0.69% Cu & 0.44g/t PGE from 337m with a higher grade core of 9m @ 1.15% Cu & 0.64g/t PGE. The intersection also included a massive sulphide zone of 2.6m @ 0.96% Cu, 0.48% Ni, 0.10% Co and 1.0g/t PGE (Figure 1). Full details are in Table 1.

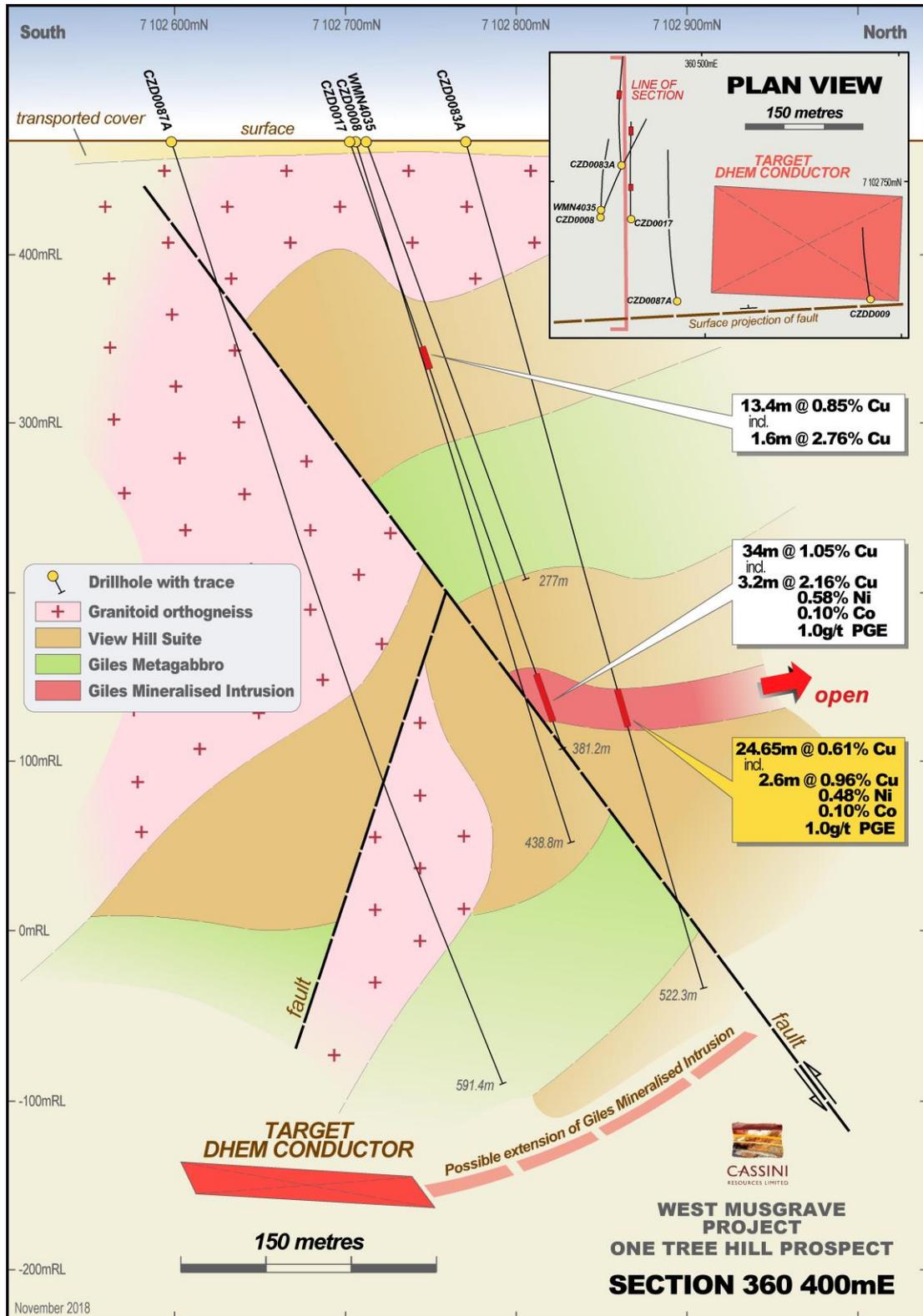
The results are generally consistent with earlier results from CZD0017 which intersected a massive sulphide zone returning 3.2m @ 2.16% Cu, 0.58% Ni, 0.10% Co & 1.0g/t PGE within a broader disseminated zone of 34m @ 1.05% Cu & 0.5 g/t PGE from 332m.

Mineralisation appears continuous between CZD0017 and CZD0083A and remains open to the north.

A second diamond drill hole, CZD0087A, sited approximately 100m south of CZD0017, missed the target intrusion because of an apparent fault offset. This fault strikes east-west and has down-thrown the geology on the southern side. The hole did intersect a 40m zone of PGE anomalism towards the bottom of hole, possibly representing the halo of magmatic mineralisation.

Drilling Generates New Target

Importantly, a down hole electromagnetic survey (DHEM) in CZD0087A has identified a large off-hole conductor, 240m long by 140m wide, with a modelled conductance of 4,400S, which is consistent with copper sulphide conductivity. The conductor is less than 100m to the east of CZD0087A. Given that the new geological interpretation suggests approximately 200m of displacement along the fault, the conductor may represent the extension of mineralisation observed in CZD0017, but on a much larger scale.



Next Steps

The One Tree Hill Prospect is an emerging prospect within the WMP. Whilst still in its infancy, the prospect hosts ore-grade mineralisation and the extent of anomalous Cu and PGE mineralisation indicates the potential for a very large mineralised system. In particular, the extensive and unusually (compared to the rest of the WMP) strong Pt and Pd anomalism observed throughout the host sequence is considered to possibly represent the halo to a much larger ore-system.

Prospects such as One Tree Hill are important in demonstrating the potential of additional exploration success to support the Nebo-Babel development and underpin a potential multi-decade, world-class mining operation in the West Musgrave Province.

The new DHEM conductor is a priority target for drill testing when exploration operations resume in 2019. A secondary target is to continue exploring north of CZD0083A where mineralisation remains open.

The exploration rig is currently completing a third and final hole at the Succoth Deposit, concluding a very successful exploration program at the Project. Drilling is scheduled to recommence in February 2019.

Table 1. 2018 One Tree Hill Prospect Significant Drill Intercepts.

| HOLE ID | East | North | RL | Dip | Azi | EOH (m) | INTERSECTIONS | | | | | | |
|----------|--------|---------|-----|-----|-----|---------|-----------------------------|-----------|------|------|------|---------|------|
| | | | | | | | From (m) | Width (m) | Cu % | Ni % | Co % | PGE g/t | |
| CZD0083A | 360397 | 7102770 | 469 | -75 | 356 | 522.3 | 337.0 | 24.65 | 0.69 | 0.10 | 0.02 | 0.44 | |
| | | | | | | | Incl | 339.0 | 9.0 | 1.15 | 0.09 | 0.02 | 0.64 |
| | | | | | | | And | 351.3 | 2.6 | 0.96 | 0.48 | 0.10 | 1.00 |
| | | | | | | | And | 360.0 | 1.65 | 1.10 | 0.03 | <0.01 | 0.48 |
| CZD0087A | 360465 | 7102598 | 468 | -72 | 354 | 591.4 | No Significant Intersection | | | | | | |

For further information, please contact:

Richard Bevan
Managing Director

Cassini Resources Limited
Telephone: +61 8 6164 8900
E-mail: admin@cassiniresources.com.au

About the Company

Cassini Resources Limited (ASX: CZI) is a base and precious metals developer and explorer based in Perth. In April 2014, Cassini acquired its flagship West Musgrave Project (WMP), located in Western Australia. The Project is a world-class asset which currently has over 1.0 million tonnes of contained nickel and 2.0 million tonnes of contained copper in Resource. The Project is a new mining camp with three existing nickel and copper sulphide deposits and a number of other significant regional exploration targets already identified. The WMP is the largest undeveloped nickel - copper project in Australia.

In August 2016, Cassini entered into a three-stage \$36M Farm-in/Joint Venture Agreement with prominent Australian mining company OZ Minerals Ltd (ASX: OZL). The Joint Venture provides a clear pathway to a decision to mine and potential cash flow for Cassini.

Cassini is also progressing its Mt Squires Gold Project, an early stage zinc exploration project in the West Arunta region and also has an option to acquire 80% of the Yarawindah Nickel - Copper - Cobalt Project, all located in Western Australia.

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 Exploration Results, Mineral Resource Estimates and Production Targets as reported in the market announcements dated 1 May 2017 and 5 June 2018 continue to apply and have not materially changed.

ANNEXURE 1:

The following Tables are provided to ensure compliance with the JORC Code (2012) edition requirements for the reporting of the Exploration Results at the One Tree Hill Prospect.

Section 1: Sampling Techniques and Data (Criteria in this section apply to all succeeding sections)

| Criteria | JORC Code explanation | Commentary |
|-----------------------|--|--|
| Sampling techniques | <i>Nature and quality of sampling (eg cut channels, random chips, or specific specialised industry standard measurement tools appropriate to the minerals under investigation, such as down hole gamma sondes, or handheld XRF instruments, etc). These examples should not be taken as limiting the broad meaning of sampling.</i> | Samples comprise half core to lengths no longer than 2m and separated by geological boundaries where appropriate. Portable XRF has been used to confirm the presence of nickel and copper mineralisation but is not considered suitable for public release. |
| | <i>Include reference to measures taken to ensure sample representivity and the appropriate calibration of any measurement tools or systems used.</i> | Drill hole locations were surveyed by handheld GPS units. Sampling has been carried out under Cassini protocols and QAQC procedures as per industry best practice. |
| | <i>Aspects of the determination of mineralisation that are Material to the Public Report. In cases where 'industry standard' work has been done this would be relatively simple (eg 'reverse circulation drilling was used to obtain 1 m samples from which 3 kg was pulverised to produce a 30 g charge for fire assay'). In other cases more explanation may be required, such as where there is coarse gold that has inherent sampling problems. Unusual commodities or mineralisation types (eg submarine nodules) may warrant disclosure of detailed information.</i> | Diamond drilling was used to obtain approximately 1m (or smaller where appropriate) samples which have been crushed and from which approximately 3 kg is pulverised (total prep) to produce a sub sample for analysis. XRF fusion was used to determine Al ₂ O ₃ , As, BaO, CaO, Co, Cr, Cu, Fe ₂ O ₃ , K ₂ O, MgO, Na ₂ O, Nb, Ni, P ₂ O ₅ , Pb, S, SiO ₂ , Sn, Sr, TiO ₂ , V, Zn, ZrO ₂ . Other elements of interest have been determined by four acid digest with an ICP/MS finish. Au, Pt and Pd have been analysed by fire assay process (40 gm) and determined by ICP/MS. |
| Drilling techniques | <i>Drill type (e.g. core, reverse circulation, open-hole hammer, rotary air blast, auger, Bangka, sonic etc) and details (e.g. core diameter, triple of standard tube, depth of diamond tails, face-sampling bit or other type, whether core is orientated and if so, by what method, etc).</i> | Diamond drilling accounts for 100% of the drilling completed by Cassini and comprises PQ3 and HQ3 diameter core samples. |
| Drill sample recovery | <i>Method of recording and assessing core and chip sample recoveries and results assessed.</i> | Overall core recoveries are >95% and there has been no significant sample recovery problems |
| | <i>Measures taken to maximise sample recovery and ensure representative nature of the samples.</i> | Samples are routinely checked for recovery. |
| | <i>Whether a relationship exists between sample recovery and grade and whether sample bias may have occurred due to preferential loss/gain of fine/coarse material.</i> | No sample bias has been observed. |
| Logging | <i>Whether core and chip samples have been geologically and geotechnically logged to a level of detail to support appropriate Mineral Resource estimation, mining studies and metallurgical studies.</i> | All core has been geologically logged and the level of understanding of geological variables increases with the maturity of the prospect. The level of understanding is considered sufficient to include in future resource estimates. |
| | <i>Whether logging is qualitative or quantitative in nature. Core (or costean, channel, etc) photography.</i> | Logging at the West Musgrave Project records lithology, mineralogy, mineralisation, weathering, colour and other relevant features of the samples. Logging of core is both qualitative (e.g. colour) and quantitative (e.g. mineral percentages). |
| | <i>The total length and percentage of the relevant intersections logged.</i> | All drillholes have been logged in full. |
| | <i>If core, whether cut or sawn and whether quarter, half or all core taken.</i> | Half core has been used for all samples sent for analysis. |

| | | |
|---|---|--|
| Sub-sampling techniques and sample preparation | <i>If non-core, whether riffled, tube sampled, rotary split, etc and whether sampled wet or dry.</i> | Not applicable. |
| | <i>For all sample types, the nature, quality and appropriateness of the sample preparation technique.</i> | The sample preparation of diamond samples at One Tree Hill follows industry best practice in sample preparation involving oven drying, followed by primary crushing of the whole sample, secondary crushing, riffle splitting to obtain a subsample for pulverisation (total prep) using Essa LM5 grinding mills to a grind size of 90% passing 75 micron. |
| | <i>Quality control procedures adopted for all sub-sampling stages to maximise representivity of samples.</i> | Field QC procedures involve the use of certified reference material (CRM) as assay standards and blanks along with field duplicates. The insertion rate of these will average 1:20 with an increased rate in mineralised zones |
| | <i>Measures taken to ensure that the sampling is representative of the in situ material collected, including for instance results for field duplicate/second-half sampling.</i> | Quarter core duplicate sampling will be 1-2% of total sampling. |
| Quality of assay data and laboratory tests | <i>The nature, quality and appropriateness of the assaying and laboratory procedures used and whether the technique is considered partial or total.</i> | The analytical techniques used fused bead XRF for base metals and all other major and trace elements of interest. Gold, Pt and Pd were determined by FA/AAS finish (40 gram). Mixed acid digest and ICP/MS finish for other elements of interest e.g. Ag, Mo. |
| | <i>For geophysical tools, spectrometers, handheld XRF instruments, etc, the parameters used in determining the analysis including instrument make and model, reading times, calibrations factors applied and their derivation, etc.</i> | Hand held assay devices have not been reported. |
| | <i>Nature of quality control procedures adopted (eg standards, blanks, duplicates, external laboratory checks) and whether acceptable levels of accuracy (ie lack of bias) and precision have been established.</i> | Sample preparation for fineness were carried by the laboratory as part of their internal procedures to ensure the grind size of 90% passing 75 micron was being attained. Laboratory QAQC involves the use of internal lab standards using certified reference material, blanks, splits and replicates as part of the in-house procedures. Certified reference materials, having a good range of values, are inserted blindly and randomly. Repeat or duplicate analysis for samples will be reviewed. |
| Verification of sampling and assaying | <i>The verification of significant intersections by either independent or alternative company personnel.</i> | Diamond Core has been viewed by contract geologist, consultants/technical experts and Cassini staff. |
| | <i>The use of twinned holes.</i> | The reported drill hole has not been twinned. |
| | <i>Documentation of primary data, data entry procedures, data verification, data storage (physical and electronic) protocols.</i> | Primary data collected for the West Musgrave Project using a set of standard Field Marshal templates on laptop computers using lookup codes. The information was sent to Geobase Australia for validation and compilation into a SQL database server. |
| | <i>Discuss any adjustment to assay data.</i> | No assay data has been adjusted. |
| Location of data points | <i>Accuracy and quality of surveys used to locate drill holes (collar and down-hole surveys), trenches, mine workings and other locations used in Mineral Resource estimation.</i> | Reported holes have been located with a Garmin hand-held GPS and are assumed to be accurate to ±5m. This is considered appropriate for exploration drill holes. Downhole surveys were completed every 5m using |

| | | |
|--|---|---|
| | | north-seeking gyroscopes after hole completion. Stated accuracy is $\pm 0.25^\circ$ in azimuth and $\pm 0.05^\circ$ in inclination. |
| | <i>Specification of the grid system used.</i> | The grid system for the West Musgraves Project is MGA_GDA95, Zone 52. |
| | <i>Quality and adequacy of topographic control.</i> | The tenement package exhibits subdued relief with undulating hills and topographic representation is sufficiently controlled. |
| Data spacing and distribution | <i>Data spacing for reporting of Exploration Results.</i> | The holes drilled were for exploration purposes and have not been drilled on a grid pattern. Drill hole spacing is considered appropriate for exploration purposes. |
| | <i>Whether the data spacing and distribution is sufficient to establish the degree of geological and grade continuity appropriate for the Mineral Resource and Ore Reserve estimation procedure(s) and classifications applied.</i> | Data continuity is not sufficient at the current time to estimate resources |
| | <i>Whether sample compositing has been applied.</i> | No compositing was applied. |
| Orientation of data in relation to geological structure | <i>Whether the orientation of sampling achieves unbiased sampling of possible structures and the extent to which this is known, considering the deposit type.</i> | The drill holes are drilled towards local grid north and northwest at -70° dip to intersect the mineralised zones at a close to perpendicular relationship for the bulk of the conductor. |
| | <i>If the relationship between the drilling orientation and the orientation of key mineralised structures is considered to have introduced a sampling bias, this should be assessed and reported if material.</i> | The orientation of drilling and key mineralised structure is not considered to have introduced sampling bias. |
| Sample security | <i>The measures taken to ensure sample security.</i> | Sample chain of custody is managed by Cassini. Samples for the West Musgraves Project are stored on site and delivered to Perth by recognised freight service and then to the assay laboratory by a Perth-based courier service. Whilst in storage the samples are kept in a locked yard. |
| Audits or reviews | <i>The results of any audits or reviews of sampling techniques and data.</i> | No reviews have been carried out to date. |

Section 2: Reporting of Exploration Results (Criteria listed in the preceding section also apply to this section)

| Criteria | JORC Code explanation | Commentary |
|--|---|---|
| Mineral tenement and land tenure status | <i>Type, reference name/number, location and ownership including agreements or material issues with third parties such as joint ventures, partnerships, overriding royalties, native title interests, historical sites, wilderness or national park and environmental settings.</i> | One Tree Hill is located within E69/1530. Through wholly owned subsidiary Wirraway Metals and Mining Pty Ltd, Cassini holds 49% of the leases comprising the West Musgrave Project (granted licences M69/0072, M69/0073, M69/0074, M69/0075, E69/1505, E69/1530, E69/2201, E69/2313, E69/3137, E69/3163, E69/3164, E69/3165, E69/3168, E69/3169) over which the previous operator retains a 2% NSR. OZ Minerals have earned 51% beneficial interest in the project having met the Stage 2 hurdle of their earn-in agreement. The tenement sits within Crown Reserve 17614. |
| | <i>The security of the tenure held at the time of reporting along with any known impediments to obtaining a licence to operate in the area.</i> | All tenements are in good standing and have an existing Aboriginal Heritage Access Agreements in place. No Mining Agreement has been negotiated. |
| Exploration done by other parties | <i>Acknowledgment and appraisal of exploration by other parties.</i> | Previous exploration has been conducted by BHP Billiton and WMC. The work completed by BHP Billiton and WMC is considered by Cassini to be of a high standard. |
| Geology | <i>Deposit type, geological setting and style of mineralisation.</i> | The project lies within the West Musgrave Province of Western Australia, which is part of an extensive |

| Criteria | JORC Code explanation | Commentary |
|---|--|---|
| | | Mesoproterozoic orogenic belt. The Nebo-Babel and Succoth deposits lie within mafic intrusions of the Giles Complex (1068Ma) that has intruded into amphibolite facies orthogneiss country rock. Mineralisation is hosted within tubular chonolithic gabbro-norite bodies and are expressed primarily as broad zones of disseminated sulphide and comagmatic or potentially remobilised accumulations of stronger mineralised, matrix to massive sulphides. |
| Drill hole Information | <p>A summary of all information material to the understanding of the exploration results including a tabulation of the following information for all Material drill holes:</p> <ul style="list-style-type: none"> • easting and northing of the drill hole collar • elevation or RL (Reduced Level – elevation above sea level in metres) of the drill hole collar • dip and azimuth of the hole • down hole length and interception depth • hole length. | Collar information for CZD0083A and CZD0087A is published in the body of the report. |
| | <p>If the exclusion of this information is justified on the basis that the information is not Material and this exclusion does not detract from the understanding of the report, the Competent Person should clearly explain why this is the case.</p> | Not applicable, all information is included. |
| Data aggregation methods | <p>In reporting Exploration Results, weighting averaging techniques, maximum and/or minimum grade truncations (eg cutting of high grades) and cut-off grades are usually Material and should be stated.</p> | Weighted averages for One Tree Hill mineralisation were calculated using parameters of a 0.25% Ni or Cu lower cut-off, no minimum reporting length, 6m maximum length of consecutive internal waste and the minimum grade for the final composite of 0.25% Ni or Cu. |
| | <p>Where aggregate intercepts incorporate short lengths of high grade results and longer lengths of low grade results, the procedure used for such aggregation should be stated and some typical examples of such aggregations should be shown in detail.</p> | Short lengths of high grade results use either a nominal 1% Ni or Cu lower cut-off or a geological boundary such as a massive sulphide interval, no minimum reporting length and 2m maximum interval dilution and the minimum grade of the final composite of 1% Ni or Cu |
| | <p>The assumptions used for any reporting of metal equivalent values should be clearly stated.</p> | Metal equivalent values are not reported. |
| Relationship between mineralisation widths and intercept lengths | <p>These relationships are particularly important in the reporting of Exploration Results. If the geometry of the mineralisation with respect to the drill hole angle is known, its nature should be reported. If it is not known and only the down hole lengths are reported, there should be a clear statement to this effect (eg 'down hole length, true width not known').</p> | Mineralisation at One Tree Hill is poorly defined and orientations are approximate. Mineralisation is generally intersected obliquely to true-width and approximations have been made based on geological interpretations. |
| Diagrams | <p>Appropriate maps and sections (with scales) and tabulations of intercepts should be included for any significant discovery being reported. These should include, but not be limited to a plan view of drill hole collar locations and appropriate sectional views.</p> | Refer to Figure in body of text. |
| Balanced reporting | <p>Where comprehensive reporting of all Exploration Results is not practicable, representative reporting of both low and high grades and/or widths should be practiced to avoid misleading reporting of Exploration Results.</p> | All results have been reported |
| Other substantive exploration data | <p>Other exploration data, if meaningful and material, should be reported including (but not limited to): geological observations; geophysical survey results; geochemical survey results; bulk samples – size and method of treatment; metallurgical test</p> | All relevant exploration data is shown on figures, in text and Annexure 1. |

| Criteria | JORC Code explanation | Commentary |
|----------------------------|--|--|
| | <p><i>results; bulk density, groundwater, geotechnical and rock characteristics; potential deleterious or contaminating substances.</i></p> | |
| <p>Further work</p> | <p><i>The nature and scale of planned further work (eg tests for lateral extensions or depth extensions or large-scale step-out drilling).</i></p> <p><i>Diagrams clearly highlighting the areas of possible extensions, including the main geological interpretations and future drilling areas, provided this information is not commercially sensitive.</i></p> | <p>Cassini and its partner OZ Minerals are currently undertaking advanced scoping study work at the West Musgrave Project. Further resource definition drilling is likely to be conducted during a pre-feasibility study in conjunction with regional exploration programs including reconnaissance drilling and geophysics.</p> <p>All relevant diagrams and inferences have been illustrated in this report.</p> |