



**CASSINI**  
RESOURCES LIMITED

**CASSINI RESOURCES LIMITED  
AND ITS CONTROLLED ENTITIES**

**ABN 50 149 789 337**

**Interim Financial Report  
For the half year ended 31 December 2019**

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## DIRECTORS' REPORT

Your Directors present their half-yearly report on the consolidated entity consisting of Cassini Resources Limited ("Cassini" or "the Company") and the entities it controlled at the end of, or during, the period 1 July 2019 to 31 December 2019 ("the Group").

### Directors

The persons who were Directors of Cassini Resources Limited during the interim reporting period and up to the date of this report are:

Mr Michael (Mike) Young	Non-Executive Chairman (appointed on 10 March 2011)
Mr Richard Bevan	Managing Director (appointed on 10 March 2011)
Mr Greg Miles	Executive Director (appointed on 18 August 2011, resigned on 12 December 2019, and appointed as Chief Operating Officer on 12 December 2019)
Mr Philip Warren	Non-Executive Director (appointed on 10 March 2011)
Dr Jon Hronsky	Non-Executive Director (appointed 3 April 2014)
Ms Sze Man Suen	Non-Executive Director (appointed 12 December 2019)

### Review of Operations

Cassini's principal activities during the period were focused on progressing the \$36m Earn-in/Joint Venture Agreement with OZ Minerals Limited ("OZ Minerals") (ASX: OZL) at the West Musgrave Project, whilst advancing the Company's other 100% owned projects.

The West Musgrave Project is one of Australia's largest undeveloped nickel/copper deposits, with the Company's partner OZ Minerals continuing to earn-in through a 3-stage Joint Venture Agreement. Stage 1 of the earn-in was reached in November 2017 with the completion of a Further Scoping Study (FSS) on the development of the Nebo-Babel Deposits. OZ Minerals immediately elected to commence a Pre-Feasibility Study (PFS) and satisfied the Stage 2 51% earn-in milestone by contributing the initial spend of \$3 million, followed by a further \$19 million on the PFS at the Nebo-Babel deposits and regional exploration in the current period. Stage 3 of the earn-in was reached in April 2019 by contributing a total \$36 million towards the Nebo-Babel PFS and regional exploration. OZ Minerals completed a PFS in February 2020. Critical path activities are continuing whilst the project is being assessed under the OZ Minerals' capital allocation framework. The PFS now gives the partners a solid platform for engaging with potential lenders and advisors on how best to fund and structure the project prior to moving to the next phase.

The Company retained 100% of the Mount Squires Gold Projects during the period providing leverage to early stage gold and base metal exploration success. The Company also has an option to earn 80% of the Yarawindah Brook Project, located 130km northeast of Perth. Refer to ASX announcement on 24 January 2020 for further details on the Company's exploration activities.

The Group's operating loss for the period ended 31 December 2019 was \$1,010,354 (31 December 2018: operating loss \$2,444,549).

### Significant Change in State of Affairs

There were no significant changes in the state of affairs of the Company during the period.

## Matters Subsequent to Reporting Date

Date	Details
14 Jan 2020	<b>New Mineralised Prospect Discovered at Yarawindah</b> The Company was pleased to announce new discovery of separate mineralised intrusions within the Project.
12 Feb 2020	<b>West Musgrave Pre-Feasibility Study</b> The Company's joint venture partner, OZ Minerals announced the results of the West Musgrave, Nebo-Babel PFS.
12 Feb 2020	<b>West Musgrave Project – Nebo Babel Deposits</b> The Company's joint venture partner, OZ Minerals released a maiden Ore Reserve Statement and Explanatory Notes.
19 Feb 2020	<b>Company Presentation – RIU Explorers Conference</b> The Company released a presentation for the RIU Explorers conference.

No other matters or circumstances have arisen since the end of the financial period which significantly affected or may significantly affect the operations of the Group or the results of those operations of the Group in future financial years.

### Auditor's Independence Declaration

The Auditor's Independence Declaration under section 307C of the Corporation Act 2001 is included within this financial report.

This report is signed in accordance with a resolution of the Board of Directors.



**Richard Bevan**  
Managing Director

Perth, Western Australia, 11 March 2020



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DECLARATION OF INDEPENDENCE BY JARRAD PRUE TO THE DIRECTORS OF CASSINI RESOURCES LIMITED

As lead auditor for the review of Cassini Resources Limited for the half-year ended 31 December 2019, I declare that, to the best of my knowledge and belief, there have been:

1. No contraventions of the auditor independence requirements of the Corporations Act 2001 in relation to the review; and
2. No contraventions of any applicable code of professional conduct in relation to the review.

This declaration is in respect of Cassini Resources Limited and the entities it controlled during the period.

A handwritten signature in black ink, appearing to read 'J Prue', is written in a cursive style.

Jarrad Prue  
Director

BDO Audit (WA) Pty Ltd  
Perth, 11 March 2020

# CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME

For the half year ended 31 December 2019

	Note	Half Year 2019 \$	2018 \$
<b>Revenue from continuing operations</b>		-	-
Other income	3	119,144	402,574
Employee and director benefits expenses		(473,664)	(524,157)
Financial and company secretarial expenses		(93,071)	(125,428)
Audit Fees		(16,993)	(21,365)
Legal Fees		(20,267)	(7,617)
Insurance		(25,790)	(27,548)
ASX and share registry fees		(54,768)	(53,218)
Share based payment expense	10	(24,544)	(1,240)
Consultants and corporate advisory		(118,003)	-
Other employee expenses		-	(8,801)
Exploration expenditure not capitalised		-	(21,873)
Marketing, travel and investor relations		(71,014)	(163,831)
Rent expenses		(9,703)	(71,988)
Depreciation and amortisation expense		(53,440)	(11,008)
Interest expenses		(22,314)	-
Exploration expenditure written off	6	-	(1,717,646)
Other expenses		(145,927)	(91,403)
<b>Profit/(Loss) before income tax expense</b>		<b>(1,010,354)</b>	<b>(2,444,549)</b>
Income tax expense		-	-
<b>Profit/(Loss) after income tax for the period</b>		<b>(1,010,354)</b>	<b>(2,444,549)</b>
<b>Other Comprehensive Income</b>			
<i>Items that may be reclassified to profit or loss</i>			
Exchange difference on translation of foreign operations		-	-
<b>Other comprehensive loss for the period, net of tax</b>		-	-
<b>Total comprehensive profit/(loss) for the period</b>		<b>(1,010,354)</b>	<b>(2,444,549)</b>
<b>Total comprehensive profit/(loss) is attributable to:</b>			
Owners of Cassini Resources Limited		<b>(1,010,354)</b>	(2,444,549)
Non-controlling interests		-	-
		<b>(1,010,354)</b>	<b>(2,444,549)</b>
<b>Profit/(Loss) per share from continuing operations attributable to the ordinary equity holders of Cassini Resources Limited:</b>			
Basic and diluted profit/(loss) per share (cents)		(0.24)	(0.75)

The above consolidated statement of profit or loss and other comprehensive income should be read in conjunction with the accompanying notes.

# CONSOLIDATED STATEMENT OF FINANCIAL POSITION

As at 31 December 2019

	Note	31 December 2019 \$	30 June 2019 \$
<b>ASSETS</b>			
<b>Current assets</b>			
Cash and cash equivalents	4	7,733,978	8,131,090
Trade and other receivables		244,863	1,634,726
<b>Total current assets</b>		<b>7,978,841</b>	<b>9,765,816</b>
<b>Non-current assets</b>			
Property, plant and equipment		81,049	91,585
Exploration and evaluation expenditure	6	18,060,097	13,493,270
Right of use assets	5	529,505	-
<b>Total non-current assets</b>		<b>18,670,652</b>	<b>13,584,855</b>
<b>TOTAL ASSETS</b>		<b>26,649,493</b>	<b>23,350,670</b>
<b>LIABILITIES</b>			
<b>Current liabilities</b>			
Trade payables		352,454	1,612,488
Provisions		166,540	157,216
Other payables	7	324,841	283,949
Lease liabilities	5	70,320	-
<b>Total current liabilities</b>		<b>914,154</b>	<b>2,053,653</b>
<b>Non-current liabilities</b>			
Lease liabilities	5	470,892	-
Borrowings	8	7,265,668	3,110,883
<b>Total non-current liabilities</b>		<b>7,736,560</b>	<b>3,110,883</b>
<b>TOTAL LIABILITIES</b>		<b>8,650,715</b>	<b>5,164,536</b>
<b>NET ASSETS</b>		<b>17,998,779</b>	<b>18,186,135</b>
<b>EQUITY</b>			
Issued capital	9	37,267,052	36,468,598
Options reserve	10	1,694,611	1,693,372
Performance rights reserve	10	46,181	22,876
Accumulated losses		(21,133,527)	(20,123,173)
<b>Capital and reserves attributable to owners of the company</b>		<b>17,874,317</b>	<b>18,061,673</b>
Non-Controlling Interest		124,462	124,462
<b>TOTAL EQUITY</b>		<b>17,998,779</b>	<b>18,186,135</b>

The above consolidated statement of financial position should be read in conjunction with the accompanying notes.

# CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

For the half year ended 31 December 2019

	Issued Capital	Accumulated Losses	Option and Performance Rights Reserve	Non- Controlling Interest	Total
	\$	\$	\$	\$	\$
Balance at 1 July 2019	36,468,598	(20,123,173)	1,716,248	124,462	18,186,135
<b>Total comprehensive income for the period</b>					
Profit/(loss) for the period ended 31 December 2019	-	(1,010,354)	-	-	(1,010,354)
Other comprehensive income/(loss)	-	-	-	-	-
<b>Total comprehensive income/(loss) for the period</b>	-	<b>(1,010,354)</b>	-	-	<b>(1,010,354)</b>
<b>Transactions with owners, recorded directly in equity</b>					
Issue of shares, net of costs	798,454	-	-	-	798,454
Issue/vesting of options	-	-	1,239	-	1,239
Issue of performance rights	-	-	23,305	-	23,305
<b>Balance at 31 December 2019</b>	<b>37,267,052</b>	<b>(21,133,527)</b>	<b>1,740,792</b>	<b>124,462</b>	<b>17,998,779</b>

	Contributed Equity	Share Based Payment Reserve	Accumulated Losses	Non- Controlling Interest	Total
	\$	\$	\$	\$	\$
Balance at 1 July 2018	26,185,123	1,237,600	(16,325,127)	-	11,097,596
<b>Total comprehensive income for the period</b>					
Profit for the period ended 31 December 2018	-	-	(2,444,549)	-	(2,444,549)
Other comprehensive income/(loss)	-	-	-	-	-
<b>Total comprehensive income/(loss) for the period</b>	-	-	<b>(2,444,549)</b>	-	<b>(2,444,549)</b>
<b>Transactions with owners, recorded directly in equity</b>					
Issue of shares, net of costs	3,961,400	-	-	-	3,961,400
Share based payments	-	1,240	-	-	1,240
<b>Balance at 31 December 2018</b>	<b>30,146,523</b>	<b>1,238,840</b>	<b>(18,769,676)</b>	-	<b>12,615,687</b>

The above consolidated statement of changes in equity should be read in conjunction with the accompanying notes.



## CONSOLIDATED STATEMENT OF CASH FLOWS

For the half year ended 31 December 2019

	31 December 2019	31 December 2018
	\$	\$
<b>Cash flows from operating activities</b>		
Cash receipts from customer	-	407,621
Payments to suppliers and employees	(978,984)	(973,133)
Interest received	80,144	2,574
<b>Net cash inflow/(outflow) from operating activities</b>	<b>(898,840)</b>	<b>(562,938)</b>
<b>Cash flows from investing activities</b>		
Joint venture cash call receipts, net of GST	6,387,242	8,427,438
Exploration and evaluation expenditure	(7,197,351)	(8,865,587)
<b>Net cash outflow from investing activities</b>	<b>(810,109)</b>	<b>(438,149)</b>
<b>Cash flows from financing activities</b>		
Proceeds from share issue, net of share issue costs	798,454	3,961,400
Proceed from borrowings	654,222	-
Lease payment	(53,511)	-
<b>Net cash inflow from financing activities</b>	<b>1,399,165</b>	<b>3,961,400</b>
Net increase/(decrease) in cash and cash equivalents	(397,111)	2,960,313
Cash and cash equivalents at beginning of the financial period	8,131,090	1,358,279
<b>Cash and cash equivalents at end of the period</b>	<b>7,733,979</b>	<b>4,318,592</b>

*The above consolidated statement of cash flows should be read in conjunction with the accompanying notes.*

# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

For the half year ended 31 December 2019

## 1. Summary of significant accounting policies

### Basis of preparation

These general purpose interim financial statements for the half year reporting period ended 31 December 2019 has been prepared in accordance with Australian Accounting Standard AASB 134 *Interim Financial Reporting* and the *Corporations Act 2001*. Compliance with AASB 134 ensures compliance with International Financial Reporting Standard IAS 34 *Interim Financial Reporting*. The consolidated entity is a for-profit entity for financial reporting purposes under Australian Accounting Standards.

This interim financial report does not include full disclosures of the type normally included in an annual report. It is recommended that this financial report to be read in conjunction with the annual financial report for the year ended 30 June 2019 and any public announcements made by Cassini Resources Limited during the half year reporting period in accordance with the continuous disclosure requirements of the *Corporations Act 2001*.

### New and amended standards adopted by the entity

The accounting policies adopted in the current year are consistent with those adopted and disclosed in the Group's 2019 Annual Report for the year ended 30 June 2019 except for the adoption of AASB 16 Leases ("AASB 16").

The Group has adopted AASB 16 using the modified retrospective approach from 1 July 2019 but has not restated comparatives for the 2019 reporting period, as permitted under the specific transitional provision in the standard.

On adoption of AASB 16, the Group recognised lease liabilities in relation to leases which has previously been classified as "operating leases" under the principles of AASB 17 Leases. These liabilities were measured at the present value of the remaining lease payments, discounted using the lessee's incremental borrowing rate of 7.92% as of 1 July 2019. The reclassification and the adjustments from the new leasing standard were material to the Group with an adjustment recognised to the financial statements.

AASB 16 'Leases' had a significant impact on the current period. The current profit before income tax expense was reduced by \$65,218. This included an increased depreciation and amortisation expense of \$42,904 and increased finance costs of \$22,314. As at 31 December 2019, net current assets were reduced by \$70,320 (attributable to current lease liabilities) and net assets were reduced by \$11,707 (attributable to right-of-use assets and lease liabilities).

### Right-of-use assets

A right-of-use asset is recognised at the commencement date of a lease. The right-of-use asset is measured at cost, which comprises the initial amount of the lease liability, adjusted for, as applicable, any lease payments made at or before the commencement date net of any lease incentives received, any initial direct costs incurred, and, except where included in the cost of inventories, an estimate of costs expected to be incurred for dismantling and removing the underlying asset, and restoring the site or asset.

Right-of-use assets are depreciated on a straight-line basis over the unexpired period of the lease or the estimated useful life of the asset, whichever is the shorter. Where the consolidated entity expects to obtain ownership of the leased asset at the end of the lease term, the depreciation is over its estimated useful life. Right-of use assets are subject to impairment or adjusted for any re-measurement of lease liabilities.

The consolidated entity has elected not to recognise a right-of-use asset and corresponding lease liability for short-term leases with terms of 12 months or less and leases of low-value assets. Lease payments on these assets are expensed to profit or loss as incurred.

### Lease liabilities

A lease liability is recognised at the commencement date of a lease. The lease liability is initially recognised at the present value of the lease payments to be made over the term of the lease, discounted using the interest rate implicit in the lease or, if that rate cannot be readily determined, the consolidated entity's incremental borrowing rate. Lease payments comprise of fixed payments less any lease incentives receivable, variable lease payments that depend on an index or a rate, amounts expected to be paid under -residual value guarantees, exercise price of a purchase option when the exercise of the option is reasonably certain to occur, and any anticipated termination penalties. The variable lease payments that do not depend on an index or a rate are expensed in the period in which they are incurred.

# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

For the half year ended 31 December 2019

## 1. Summary of significant accounting policies (continued)

Lease liabilities are measured at amortised cost using the effective interest method. The carrying amounts are remeasured if there is a change in the following: future lease payments arising from a change in an index or a rate used; residual guarantee; lease term; certainty of a purchase option and termination penalties. When a lease liability is remeasured, an adjustment is made to the corresponding right-of-use asset, or to profit or loss if the carrying amount of the right-of-use asset is fully written down.

### Practical expedients applied

In applying AASB16 for the first time, the Group has used the following practical expedients permitted by the standard:

- Reliance on previous assessment on whether leases are onerous;
- The accounting for operating leases with a remaining term of less than 12 months as at 1 July 2019 as short-term leases;
- The exclusion of initial direct costs for the measurement of the right-of-use asset at the date of initial application; and
- The use of hindsight in determining the leases term where the contract contains options to extend or terminate the lease.

The Group has also elected not to reassess whether a contract is, or contains a lease at the date of initial application. Instead, for contracts entered into before the transition date the Group relied on its assessment made applying AASB117 and IFRIC4 Determining whether an Arrangement contains a Lease.

Other than the above, there is no material impact of the new and revised Standards and Interpretations on the Company and therefore, no material change is necessary to Group accounting policies.

### Significant Accounting Judgements and Key Estimates

In preparing this interim report, the significant judgements made by management in applying the Group's accounting policies and key sources of estimation uncertainty were the same as those that applied to the consolidated financial report for the year ended 30 June 2019.

### Statement of Compliance

The interim financial statements were authorised for issue on 13 March 2020.

The interim financial statements comply with Australian Accounting Standards, which include Australian equivalents to International Financial Reporting Standards (AIFRS). Compliance with AIFRS ensures that the financial report, comprising the interim financial statements and notes thereto, complies with International Financial Reporting Standards (IFRS).

# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

For the half year ended 31 December 2019

## 2. Segment Information

### Operating Segments

The Group has identified its operating segments based on the internal reports that are reviewed and used by the Board of Directors in assessing performance and determining the allocation of resources.

The Group is managed primarily on the basis of its exploration and corporate activities. Operating segments are therefore determined on the same basis.

Reportable segments disclosed are based on aggregating operating segments where the segments are considered to have similar economic characteristics.

The Group operates within on segment which is mineral exploration within Australia.

Information regarding the results of each reportable segment is included below.

31 December 2019	Exploration Australia \$	Unallocated \$	Total \$
<b>Segment performance</b>			
Profit/ (Loss) before income tax	(10,596)	(999,758)	(1,010,354)
<b>Segment assets – 31 Dec 2019</b>			
Cash	202,630	7,531,348	7,733,978
Exploration and evaluation	18,060,097	-	18,060,097
Other	194,740	660,677	855,417
<b>Total segment assets</b>	<b>178,457,467</b>	<b>8,192,026</b>	<b>26,649,493</b>
<b>Segment liabilities – 31 Dec 2019</b>			
Creditors	(42,981)	(309,473)	(352,454)
Other	(73,422)	(959,171)	(1,032,593)
Borrowing	(7,265,668)	-	(7,265,668)
<b>Total segment liabilities</b>	<b>(7,382,071)</b>	<b>(1,268,644)</b>	<b>(8,650,715)</b>
31 December 2018	Exploration Australia \$	Unallocated \$	Total \$
<b>Segment performance</b>			
Profit/ (Loss) before income tax	(1,728,242)	(716,307)	(2,444,549)
<b>Segment assets – 30 June 2019</b>			
Cash	143,693	7,987,397	8,131,090
Exploration and evaluation	13,493,270	-	13,493,270
Other	1,514,219	212,092	1,726,311
<b>Total segment assets</b>	<b>15,151,182</b>	<b>8,199,488</b>	<b>23,350,670</b>
<b>Segment liabilities – 30 June 2019</b>			
Creditors	(1,612,488)	-	(1,612,488)
Other	(3,110,883)	(441,165)	(3,552,048)
<b>Total segment liabilities</b>	<b>(4,723,371)</b>	<b>(441,165)</b>	<b>(5,164,536)</b>

# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

For the half year ended 31 December 2019

## 3. Other Income

	31 December 2019 \$	31 December 2018 \$
West Musgrave management fee	39,000	400,000
Interest received	80,144	2,574
<b>Total Other Income</b>	<b>119,144</b>	<b>402,574</b>

## 4. Cash and Cash Equivalents

	31 December 2019 \$	30 June 2019 \$
Cash at bank and in hand	2,039,234	995,343
Restricted cash	194,744	135,747
Short-term term deposits	5,500,000	7,000,000
<b>Total Cash and Cash Equivalents</b>	<b>7,733,978</b>	<b>8,131,090</b>

As at 31 December 2019, the Company had restricted cash received from its JV partner of \$194,744 which will be spent and used in respect of the approved JV expenditure.

## 5. Right of Use Assets and Lease Liabilities

	31 December 2019 \$
<b>Right of use assets</b>	
Right to use assets – building	529,505
<b>Total right to use assets</b>	<b>529,505</b>
<b>Lease liabilities</b>	
Current	70,320
Non-Current	470,993
<b>Total lease liabilities</b>	<b>541,313</b>

## 6. Exploration & Evaluation Expenditure

	31 December 2019 \$	30 June 2019 \$
Opening Balance	13,493,270	10,585,996
Expenditure capitalised during the period	4,566,827	4,624,920
Less: Exploration written off during the period	-	(1,717,646)
<b>Total Exploration &amp; Evaluation Expenditure</b>	<b>18,060,097</b>	<b>13,493,270</b>

## 7. Other Payables

	31 December 2019 \$	30 June 2019 \$
Accrued expenses and other payables	276,932	211,585
Payroll and PAYG payable	36,124	57,190
Superannuation payable	11,785	15,174
<b>Total Other Payables</b>	<b>324,841</b>	<b>283,949</b>

# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

For the half year ended 31 December 2019

## 8. Borrowings

On 12 April 2019, OZ Minerals Limited satisfied the 70% earn-in requirement at the West Musgrave Project (WMP) by contributing a total of \$36m towards the Nebo-Babel project development including a Pre-Feasibility Study (PFS) and regional exploration. Under the JV agreement, OZ Minerals will continue to sole fund the Nebo-Babel Studies until a Definitive Feasibility Study and decision to mine is delivered. In respect of any amount funded by OZ Minerals in excess of \$36m, Cassini will be loan-carried for its 30% contribution, with principal and capitalised interest of 4.90% (LIBOR + 3%) to be repaid 5 years after the commencement of production at the WMP, being the loan maturity date. Set out in the table below is the amount of loan carried including the interest payable as at 31 December 2019.

	31 Dec 2019 \$	30 June 2019 \$
Borrowing	7,120,254	3,095,0331
Interest payable	145,414	15,850
<b>Balance 30 June</b>	<b>7,265,668</b>	<b>3,110,883</b>

## 9. Contributed Equity

### (a) Issued and fully paid

	31 December 2019		30 June 2019	
	\$	No.	\$	No.
Ordinary shares	37,267,052	427,757,093	36,468,598	415,507,093
	<b>37,267,052</b>	<b>427,757,093</b>	<b>36,468,598</b>	<b>415,507,093</b>

### (b) Movement reconciliation

Ordinary Shares	No. of Shares	\$
Opening Balance at 1 July 2018	276,454,634	26,185,123
Exercise of options	200,000	13,400
Placement	68,852,459	4,200,000
Placement	70,000,000	7,000,000
Share issue costs	-	(929,925)
<b>Closing Balance at 30 June 2019</b>	<b>415,507,093</b>	<b>36,468,598</b>
Opening Balance at 1 July 2019	415,507,093	36,468,598
Exercise of options	12,250,000	798,454
<b>Closing Balance at 31 December 2019</b>	<b>427,757,093</b>	<b>37,267,052</b>

## 10. Share Based Payment Reserve

### (a) Equity settled share-based payments

	31 December 2019 \$	30 June 2019 \$
Options reserve	1,694,611	1,693,372
Performance rights reserve	46,181	21,637
	<b>1,740,792</b>	<b>1,715,009</b>

# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

For the half year ended 31 December 2019

## 10. Share Based Payment Reserve (Cont)

### (b) Movement reconciliation

#### (i) Options reserve

	\$	No
Balance at the beginning of the period – 1 July 2018	1,237,600	15,350,000
Exercise of options	-	(200,000)
Expiry of unlisted options	-	(1,500,000)
Options issued as part of the consideration paid for Souwest acquisition	197,847	6,072,302
Options issued to advisors	257,925	10,000,000
Balance at the end of the period – 30 June 2019	<b>1,693,372</b>	<b>29,722,302</b>
Balance at the beginning of the period – 1 July 2019	1,693,372	29,722,302
Vesting of options	1,239	-
Expiry of unlisted options	-	(13,650,000)
Exercise of options	-	(12,250,000)
Balance at the end of the period – 31 December 2019	<b>1,694,611</b>	<b>3,822,302</b>

#### (ii) Performance rights reserve

	\$	No
Balance at the beginning of the period – 1 July 2018	-	-
Vesting expense – performance rights	21,637	2,806,354
Balance at the end of the period – 30 June 2019	<b>21,637</b>	<b>2,806,354</b>
Balance at the beginning of the period – 1 July 2019	21,637	2,806,354
Performance Rights issued to directors and employees in current period	3,809	2,438,961
Vesting expense – performance rights from prior period	20,735	-
Balance at the end of the period – 31 December 2019	<b>46,181</b>	<b>5,245,315</b>

Refer to note 11 for further details on performance rights issued during the period

# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

For the half year ended 31 December 2019

## 11. Share Based Payments

Share based payments during the half year ended 31 December 2019 are summarised below.

### (a) Recognised share based payment expense

	31 December 2019	31 December 2018
	\$	\$
Expense arising from equity settled share based payment transactions	24,544	1,240

### (b) Securities granted during the half year

Performance rights granted during the half year to 31 December 2019 as share based payments are as follows:

Tranche	Class of Securities	Grant Date	Number of Securities	Exercise Price	Expiry Date	Vesting Date	Disposal Restriction
A	Director performance rights	26 Nov 2019	1,807,382	Nil – convert to ordinary shares on achievement of performance conditions <sup>1</sup>	30 Nov 2022	30 Nov 2021	Nil
B	Employee performance rights	26 Nov 2019	631,579	Nil – convert to ordinary shares on achievement of performance conditions <sup>1</sup>	30 Nov 2022	30 Nov 2021	Nil

1. The Rights shall vest on the later to occur of:

a) the date on which the milestones shown in the table below are met.

The Rights will vest to the extent the volume weighted average price of Shares during the period between 1 December 2019 and 30 November 2020 meet the following hurdles:

Share Price Performance	Extent to which Performance Rights vest
20-day volume weighted average price of Shares is more than 100% of the volume weighted average price of Shares for the 20 days on which Shares traded prior to the date of allotment of the Performance Rights*.	100%
20-day volume weighted average price of Shares is more than 50% and less than 100% of the volume weighted average price of Shares for the 20 days on which Shares traded prior to the date of allotment of the Performance Rights*.	66%
20-day volume weighted average price of Shares is less than 50% of the volume weighted average price of Shares for the 20 days on which Shares traded prior to the date of allotment of the Performance Rights*.	Nil

\* The 20-day volume weighted average price of Shares up to 26 November 2019 (date prior to the allotment of the Performance Rights) was \$0.082.



# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

For the half year ended 31 December 2019

## 11. Share Based Payments (continued)

- b) the holder completing continuous service with the Company for two (2) years from the date of allotment of the Performance Rights; and
- c) the date that the holder gives a notice to the Company confirming that the holder would like the Performance Rights to vest.

The Performance Rights were valued using a Multiple Share Price Barrier Model with the following inputs:

Tranche	Dividend Yield	Valuation Date	Expected Volatility	Risk-Free Interest Rate	Expiry	Underlying Share Price	Value per Right (\$)	Total Fair Value (\$)
A	-	26 Nov 2019	50%	0.73%	30 Nov 2022	\$0.082	0.019	34,340
B	-	26 Nov 2019	50%	0.73%	30 Nov 2022	\$0.082	0.019	12,000

## 12. Related Parties

Other than as presented below, there were no material changes to the Group's related party transactions to those disclosed in the 30 June 2019 Annual Report.

### Other transactions with Key Management Personnel

#### Issue of Performance Rights

During the half year to 31 December 2019, the following securities were issued to key management personnel:

Tranche	Class of Securities	Recipient	Grant Date	Number of Securities	Exercise Price	Expiry Date	Total Fair Value (\$)
A	Director performance rights	Mr Richard Bevan	26 Nov 2019	1,115,803	Nil – convert to ordinary shares on achievement of performance conditions <sup>1</sup>	30 Nov 2022	21,200
A	Director performance rights	Mr Gregory Miles	26 Nov 2019	691,519	Nil – convert to ordinary shares on achievement of performance conditions <sup>1</sup>	30 Nov 2022	13,140

<sup>1</sup> Refer to Note 10 for further details in regards to performance rights issued during the period

## 13. Dividends

No dividends have been paid or declared since the start of the financial period, and none are recommended.

# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

For the half year ended 31 December 2019

## 14. Commitments

There are no new commitments, other than the commitments that existed as at 30 June 2019 that the Group has entered into during the period under review.

## 15. Contingent Assets and Liabilities

There have been no material changes in contingent liabilities or contingent assets since the last annual reporting date.

## 16. Events Subsequent to Reporting Date

Date	Details
14 Jan 2020	<b>New Mineralised Prospect Discovered at Yarawindah</b> The Company was pleased to announce a new discovery of separate mineralised intrusions within the Yarawindah Project.
12 Feb 2020	<b>West Musgrave Pre-Feasibility Study</b> The Company's joint venture partner, OZ Minerals announced the results of the West Musgrave, Nebo-Babel PFS.
12 Feb 2020	<b>West Musgrave Project – Nebo Babel Deposits</b> The Company's joint venture partner, OZ Minerals released a maiden Ore Reserve Statement and Explanatory Notes.
19 Feb 2020	<b>Company Presentation – RIU Explorers Conference</b> The Company released a presentation for the RIU Explorers conference.

No other matters or circumstances have arisen since the end of the financial period which significantly affected or may significantly affect the operations of the Group, the results of those operations, or the state of affairs of the Group in future financial years.

## DIRECTOR'S DECLARATION

The directors of the Company declare that:

- (a) The financial statements and notes are in accordance with the *Corporations Act 2001*, including:
  - (i) complying with the Accounting Standard AASB 134 *Interim Financial Reporting* and the *Corporations Regulations 2001* and other mandatory professional reporting requirements.
  - (ii) giving a true and fair view of the financial position as at 31 December 2019 and the performance for the half year ended 31 December 2019.
- (b) At the date of this statement there are reasonable grounds to believe that Cassini Resources Limited will be able to pay its debts when they become due and payable.

This declaration is made in accordance with a resolution of the Board of Directors and is signed on behalf of the Directors by:



**Mr Richard Bevan**  
Managing Director

Perth, 11 March 2020

## INDEPENDENT AUDITOR'S REVIEW REPORT

To the members of Cassini Resources Limited

### Report on the Half-Year Financial Report

#### Conclusion

We have reviewed the half-year financial report of Cassini Resources Limited (the Company) and its subsidiaries (the Group), which comprises the consolidated statement of financial position as at 31 December 2019, the consolidated statement of profit or loss and other comprehensive income, the consolidated statement of changes in equity and the consolidated statement of cash flows for the half-year then ended, notes comprising a statement of accounting policies and other explanatory information, and the directors' declaration.

Based on our review, which is not an audit, we have not become aware of any matter that makes us believe that the half-year financial report of the Group is not in accordance with the Corporations Act 2001 including:

- (i) Giving a true and fair view of the Group's financial position as at 31 December 2019 and of its financial performance for the half-year ended on that date; and
- (ii) Complying with Accounting Standard AASB 134 Interim Financial Reporting and Corporations Regulations 2001.

#### Directors' responsibility for the Half-Year Financial Report

The directors of the company are responsible for the preparation of the half-year financial report that gives a true and fair view in accordance with Australian Accounting Standards and the Corporations Act 2001 and for such internal control as the directors determine is necessary to enable the preparation of the half-year financial report that is free from material misstatement, whether due to fraud or error.

#### Auditor's responsibility

Our responsibility is to express a conclusion on the half-year financial report based on our review. We conducted our review in accordance with Auditing Standard on Review Engagements ASRE 2410 Review of a Financial Report Performed by the Independent Auditor of the Entity, in order to state whether, on the basis of the procedures described, we have become aware of any matter that makes us believe that the half-year financial report is not in accordance with the Corporations Act 2001 including giving a true and fair view of the Group's financial position as at 31 December 2019 and its financial performance for the half-year ended on that date and complying with Accounting Standard AASB 134 Interim Financial Reporting and the Corporations Regulations 2001. As the auditor of the Group, ASRE 2410 requires that we comply with the ethical requirements relevant to the audit of the annual financial report.

A review of a half-year financial report consists of making enquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with Australian Auditing Standards and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.



## Independence

In conducting our review, we have complied with the independence requirements of the Corporations Act 2001. We confirm that the independence declaration required by the Corporations Act 2001, which has been given to the directors of the Group, would be in the same terms if given to the directors as at the time of this auditor's review report.

BDO Audit (WA) Pty Ltd

BDO

A handwritten signature in black ink, appearing to read 'J Prue', written in a cursive style.

Jarrad Prue

Director

Perth, 11 March 2020