



CASSINI
RESOURCES LIMITED

ASX Release (CZI)
28 October 2019

ACTIVITIES REPORT FOR THE QUARTER ENDED 30 SEPTEMBER 2019

QUARTER HIGHLIGHTS:

Corporate

- Strengthened relationship with strategic partner and shareholder, Tinci Materials

West Musgrave Project

- Pre-Feasibility Study extended to include detailed evaluation of numerous potential value-add opportunities
- Further evaluation of opportunities to include:
 - New comminution and float cell technologies
 - Remote Operations Centre and workforce
 - Renewable power opportunities and potential partners
 - Updated Resource and Reserve to inform mine design and schedule
- PFS delivery in early 2020

Mount Squires Gold Project (CZI 100%)

- Excellent first-pass results from RC drilling at the Handpump Prospect
- Confirms a regional-scale, greenfield gold opportunity
- Follow-up programs underway

Cassini Resources Limited (ASX:CZI) ("Cassini" or the "Company") is pleased to report achievements at its development and exploration projects during the September 2019 Quarter.

Corporate

The Company remains well funded with A\$7.3m in cash and reserves at the end of the Quarter.

During the September quarter, Cassini executives visited key shareholder Guangzhou Tinci Materials Technology Co. Ltd (002709.SHE, market capitalisation of ~A\$2.2b) in Guangzhou and Jiujiang, in Jiangxi Province China.

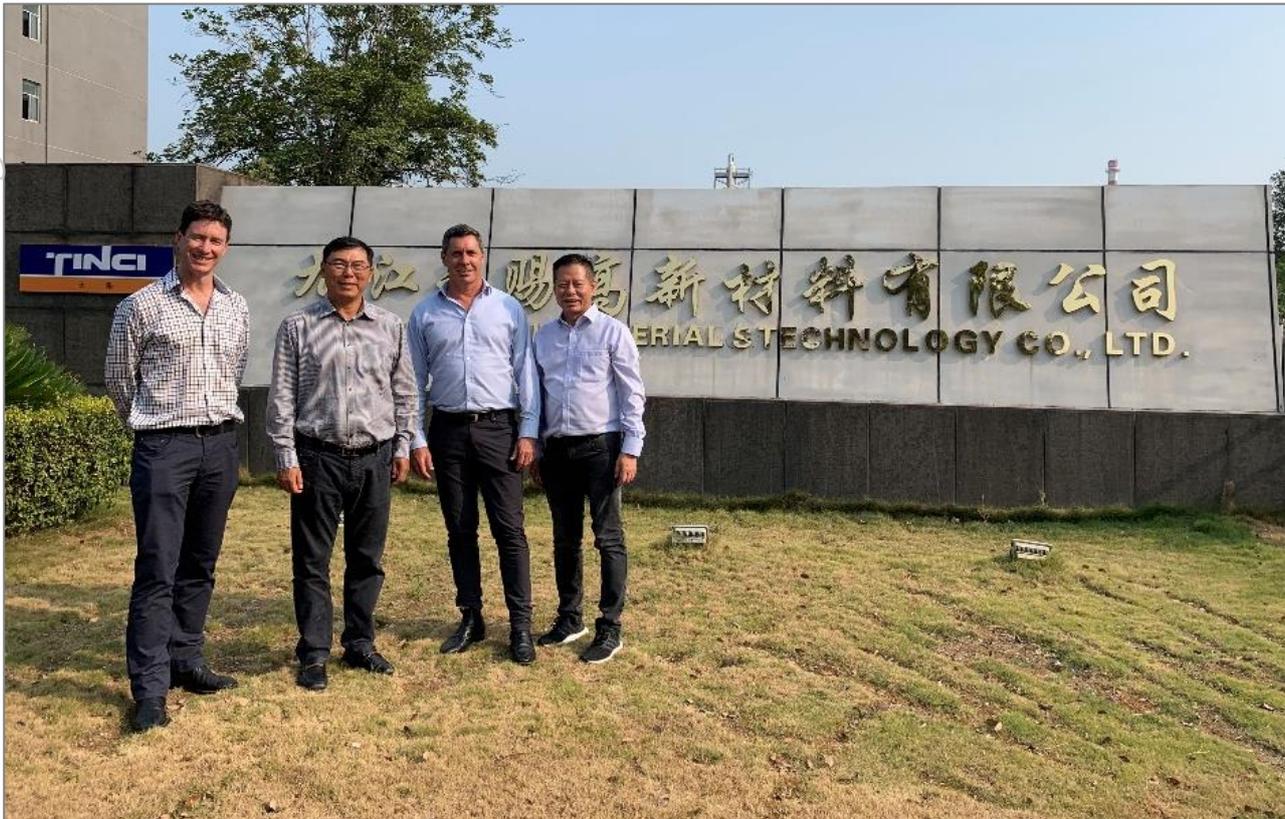
Tinci is one of the largest battery electrolyte producers in China, with ~2,500 employees in multiple facilities across the country.

They have strong customer relationships with well known lithium-ion battery manufacturers such as CATL, LG and Aviation Industry Corp of China (AVIC).

Tinci have recently acquired a nickel sulphate manufacturing plant in Jiujiang, which they are currently refurbishing and expanding with goal of the facility being operational in early 2021.

It was an opportunity to view Tinci's impressive operations and also to experience first hand the significant progress China has made in the adoption of electric vehicles (EV's).

For personal use only



Cassini Directors Richard Bevan and Greg Miles with Tinci Chairman Mr Jin Fu Xu (second from left) and Cassini shareholder Mr Sufan Siauw.

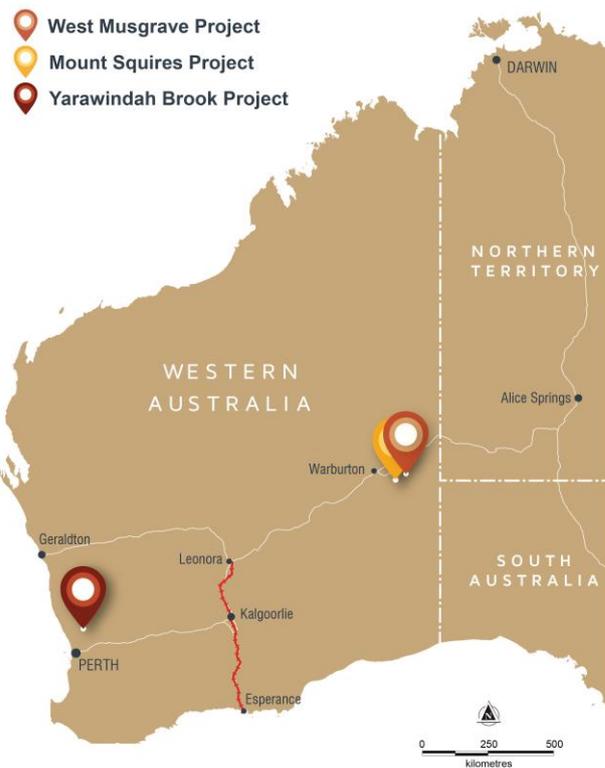
West Musgrave Project (CZI 30%, OZL 70%)

West Musgrave Joint Venture partners Cassini and OZ Minerals are working together on the West Musgrave nickel-copper project in Western Australia

Pre-Feasibility Study Extended

The delivery date for the Pre-Feasibility Study (PFS) was extended due to an expanded scope of work to evaluate a number of additional value-add opportunities that have been recognised in recent months. The PFS is now scheduled for delivery in the first Quarter, 2020. To complete these works, the OZ Minerals Board has approved an additional \$10 million to complete the PFS. Cassini continues to be loan-funded through to Decision to Mine with repayment five years after commencement of production.

An update on PFS activities follows.





Resource Update

A Mineral Resource update was released in April 2019 incorporating drilling up to December 2018. In that release Indicated Resources were increased from 40% to 60% of the total Mineral Resource compared to the previous release. Since December 2018 approximately 50,000m of infill drilling has been completed with a focus on increasing the proportion of Indicated Resources sufficiently to underpin an Ore Reserve once the PFS is completed. This drilling was completed during the Quarter and rigs demobilised from site. A Mineral Resource update including drilling from January to August is in preparation to support close out of the pre-feasibility study and completion of a maiden Ore Reserve, with an anticipated improvement in resource classification underpinning both.

Mine Optimisation

A Mining 'Hill of Value' study has been completed to select the optimum processing rate and mining cut-off grade. The PFS has confirmed 10Mtpa as the optimum processing rate as contemplated in the Further Scoping Study, but improving the initial 8 years of mine life to beyond 15 years.

A detailed mine design, stockpiling strategy, operating cut-off grade and waste dump strategy have also been completed.

Metallurgical Flowsheet Development

An alternate flotation flowsheet to the Sequential Separation flowsheet which was the basis for the Further Scoping Study has been tested to sufficient confidence to be included in the Base Case. This alternate Bulk Separation flotation flowsheet is used in the majority of copper-nickel projects worldwide that produce separate copper and nickel concentrates. In the Bulk Separation flowsheet, nickel and copper are floated together into a single cleaned concentrate and then separated into two products.

Bulk separation enables primary grind size to be increased from 75 microns to 165 microns which results in a capital cost and operating cost savings. While the Bulk Separation flowsheet has been tested with sufficient confidence to be included in the Base Case, further de-risking will be undertaken through locked cycle testing and a pilot plant later this year.

Alternative Technologies

The study has identified three alternative processing technologies to that assumed in the Further Scoping Study that are not yet incorporated in the Base Case; the Loesche Mill, Woodgrove Flotation Cell and Hydro-float Cell. All of which are still to be fully tested and proved, but all of which have the potential to further reduce capital costs and operating costs and improve metal recoveries. Work on the Loesche Mill technology is the most advanced of these three. Two pilots of the Loesche Mill have now been completed. This work confirmed the previous finding that a significant reduction in power consumption is possible and the use of expensive grinding media is completely eliminated.

Power Solutions

A 55 MW hybrid diesel-solar-wind solution with 70–80% renewable penetration is the current Base Case. Baseline data collected over the last year has demonstrated a high quality, consistent solar and wind resource is available, with higher wind velocities at night offsetting the lack of solar power.

Power accounts for around 40% of the processing cost at West Musgrave and is a significant value lever on the project. Large-scale solar photovoltaic and wind solutions are currently economically viable and technically mature solutions to reduce the project's reliance on high cost fossil fuels for electricity generation.

A large number of proposals have been received from major utilities, independent power providers, infrastructure funders and equipment manufacturers. Evaluation of the proposals has resulted in



confidence that there will be a reduction in the power cost assumption used in the Further Scoping Study.

Groundwater Drilling

Ten groundwater drill holes have been completed across the site and a number of potential borefield areas identified within 20 km of the proposed mine and immediately surrounding the Nebo pit. Groundwater modelling has confirmed sufficient groundwater is present in these potential borefields to support the current base case scenario and water resources are therefore considered largely de-risked. The groundwater is present in shallow paleochannels 5–10 metres below the surface and is of excellent quality; significantly better than the hypersaline water present in the Western Australian goldfields.

Remote Operations Centre

A preliminary assessment has been completed on the potential for a Remote Operations Centre for West Musgrave with the location and business case to be further developed.

Haulage Study

A preliminary haulage study has been completed, considering autonomous mine haulage as an option for comparison against a traditional contractor mining model. Further assessment is required.

Logistics

A first principles logistics study has been completed which uses super quad road trains for moving concentrates. Further assessment will look at backhauling opportunities.

Exploration

Further drilling was completed at the One Tree Hill Prospect, stepping out from CZD0099 which returned excellent results including 40m @ 1.16% Cu earlier in 2019. Assay results are pending. Infill drilling was also completed on one section at the Succoth Prospect to confirm the geological interpretation. Results for these holes were also pending at the end of the Quarter.

A high-resolution aeromagnetic survey for 3,978 line km's was completed in the One Tree Hill prospect area to assist with geological interpretation and targeting.

Mount Squires Gold Project (100% CZI)

The Mount Squires Gold Project (Mount Squires Project) lies adjacent to the West Musgrave Project Joint Venture and is 100% owned by Cassini. The Mount Squires Project is a natural fit with activities at our West Musgrave Project. Our technical team has extensive geological knowledge, operational capability and established heritage relationships which provides a significant competitive advantage.

Whilst the West Musgrave Project continues to be our primary focus and long-term value-driver, our exploration strategy at Mount Squires (and Yarawindah Brook) is geared to provide opportunities for new discoveries in the near term. Our goal is to add value and be exposed to these opportunities through relatively inexpensive exploration programs that do not compromise our funding capacity during the ongoing study phase of the West Musgrave Project.

RC Drilling of Handpump Prospect

During the Quarter, The Company completed it's first drilling program at the Handpump Prospect comprising 10 holes for 1,134m of RC. The program was designed to confirm mineralisation controls and extensions to previous drill intercepts which include a best result of 15m @ 2.30g/t Au from 31m. Cassini's drilling program represents the first drilling at the Handpump Prospect since 2011, prior to Cassini's ownership.



All results from the RC drilling program at the Handpump Prospect, comprising 10 holes for 1, 134m, have now been received. Best results from the program were from holes previously released including **20m @ 1.27g/t Au**, including **7m @ 2.54g/t Au** from 23m in MSC0003, **27m @ 1.00g/t Au** from 31m, including **3m @ 2.59g/t Au** from 38m in MSC0004 and 19m @ 0.68g/t Au including 6m @ 1.26g/t Au from 38m in MSC0005. The results have confirmed the potential for economic mineralisation at surface and extending to shallow depths.

Mineralisation is hosted within a hydrothermal breccia at the stratiform contact of a rhyolite and overlying (predominantly barren) volcanoclastic unit. Mineralised lodes, defined by a 0.1g/t Au halo, strike E-W to ESE-WNW and are near vertical to steeply south dipping (Figure 2). Mineralisation is potentially controlled by the intersection of NW-SE and SW-NE trending structures. Interpretation of geology and assay results is continuing.



Figure 1. Drilling operations at the Handpump Prospect, Mount Squires Project.

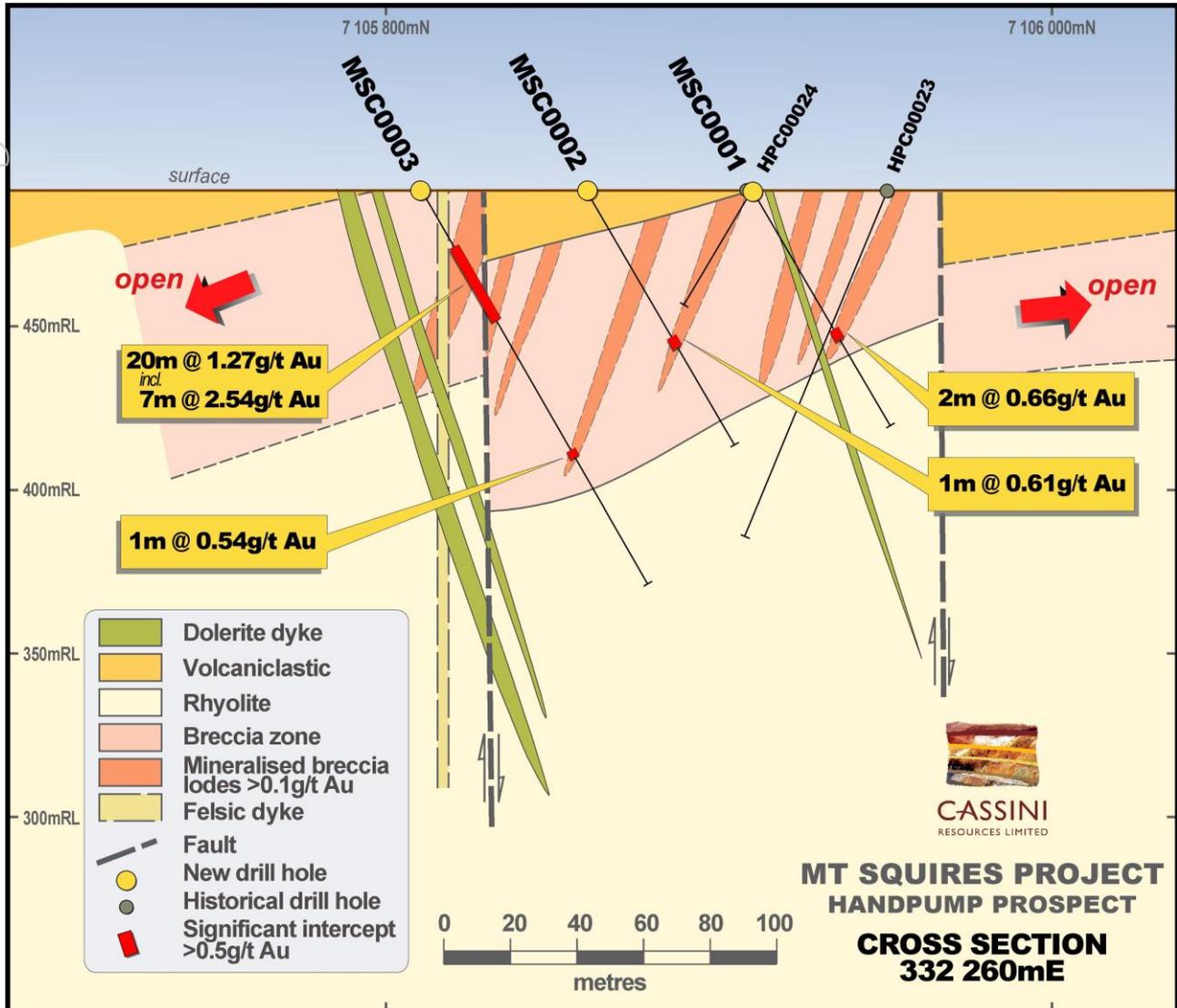


Figure 2. Cross section 332260E showing orientation of mineralised lodes and highlighting significant intersections >0.5g/t Au.

The hydrothermal breccia and mineralised veins are also largely obscured by the overlying volcaniclastic, however it is exposed at surface in some localities which has been confirmed by concurrent surface rock chip sampling by Cassini with maximum values of up to 0.59g/t Au. Historical rock chip sampling has also recorded values up to 1.73g/t Au at the prospect (Table 1 & Figure 3). The hydrothermal breccia host plunges beneath the volcaniclastic unit to the west (and potentially north west) and thickening sand cover. Extrapolation of recent and historical drill results and surface rock chips samples indicates a potential mineralised strike of at least 600m which remains open down plunge.

The Handpump program has recognised that a large portion of previous drilling has been ineffective due to either the drilling angle being sub-parallel to mineralisation or it not penetrating the prospective Rhyolite unit beneath the volcaniclastic (usually the case with shallow aircore drilling).

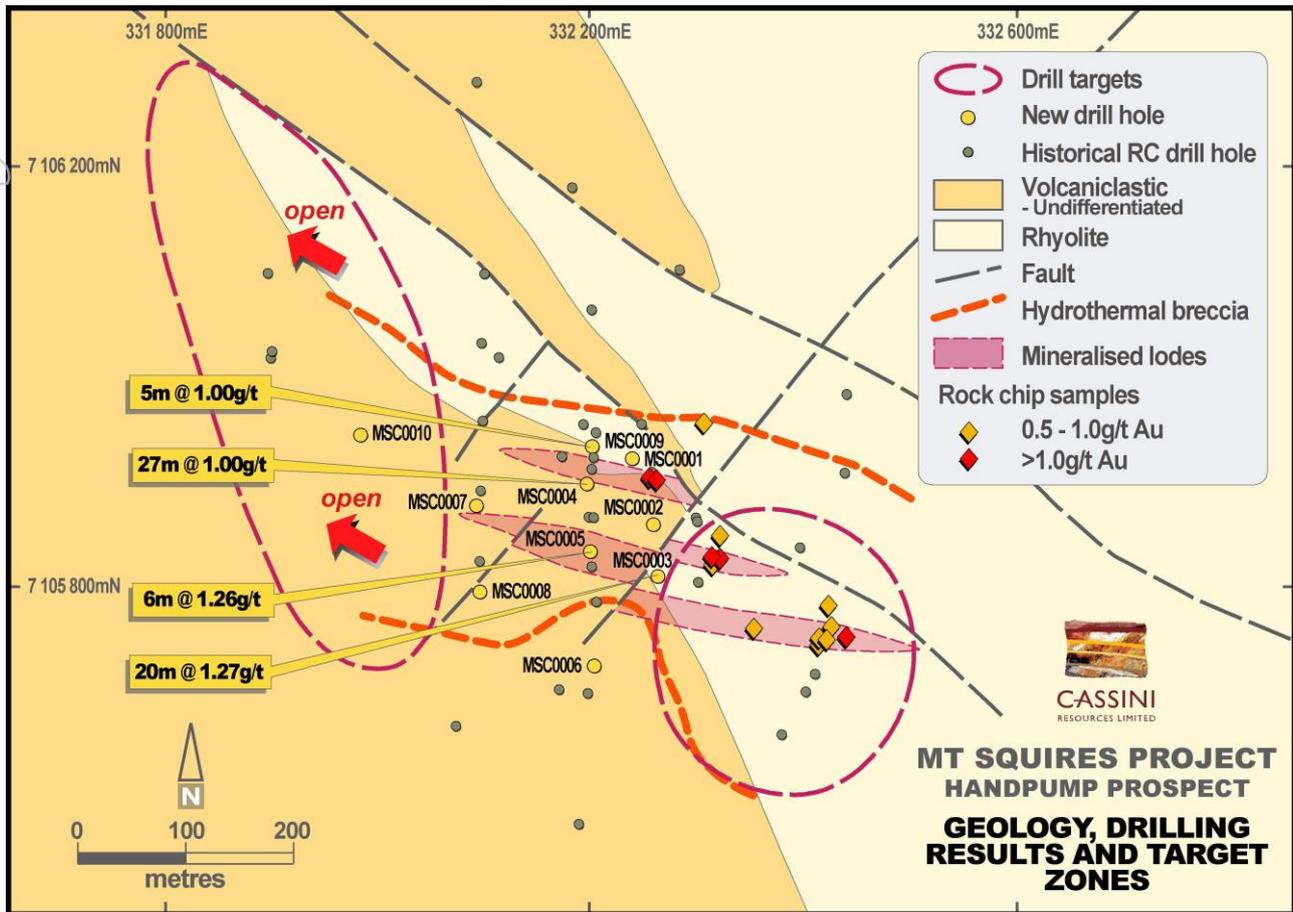


Figure 3. Drill hole plan showing geology, drilling and significant results >1.0g/t.

Gold Trend Emerging

The initial discovery of gold at Handpump occurred because mineralised bedrock is exposed at surface, a relatively rare occurrence in a landscape dominated by desert sands. The transported cover has likely inhibited exploration in other parts of the project and this is why the Company is re-processing the legacy geochemistry results to remove the biases of the regolith (in simple terms, bedrock vs transported sampling mediums). In some instances the previous geochemical sampling has probably been completely ineffective.

Key learning outcomes of the program can thus be summarised:

- The initial Handpump discovery was enabled by locally favourable regolith (outcropping mineralisation) and does not necessarily represent the best mineralisation in the project.
- Exploration post-discovery has been hampered by drilling that has failed to test the most prospective rocks at an appropriate orientation.

The recently completed high-resolution aeromagnetic survey has assisted the geological interpretation of Handpump as well as the surrounding region. The Company has now refined target areas along the prospective trend. Only 3 RC holes have been drilled outside the immediate Handpump Prospect area to test for additional mineralised bodies and therefore the prospective trend is largely unexplored (Figure 4).

Permitting to clear these targets with a reconnaissance-style drill program is underway.

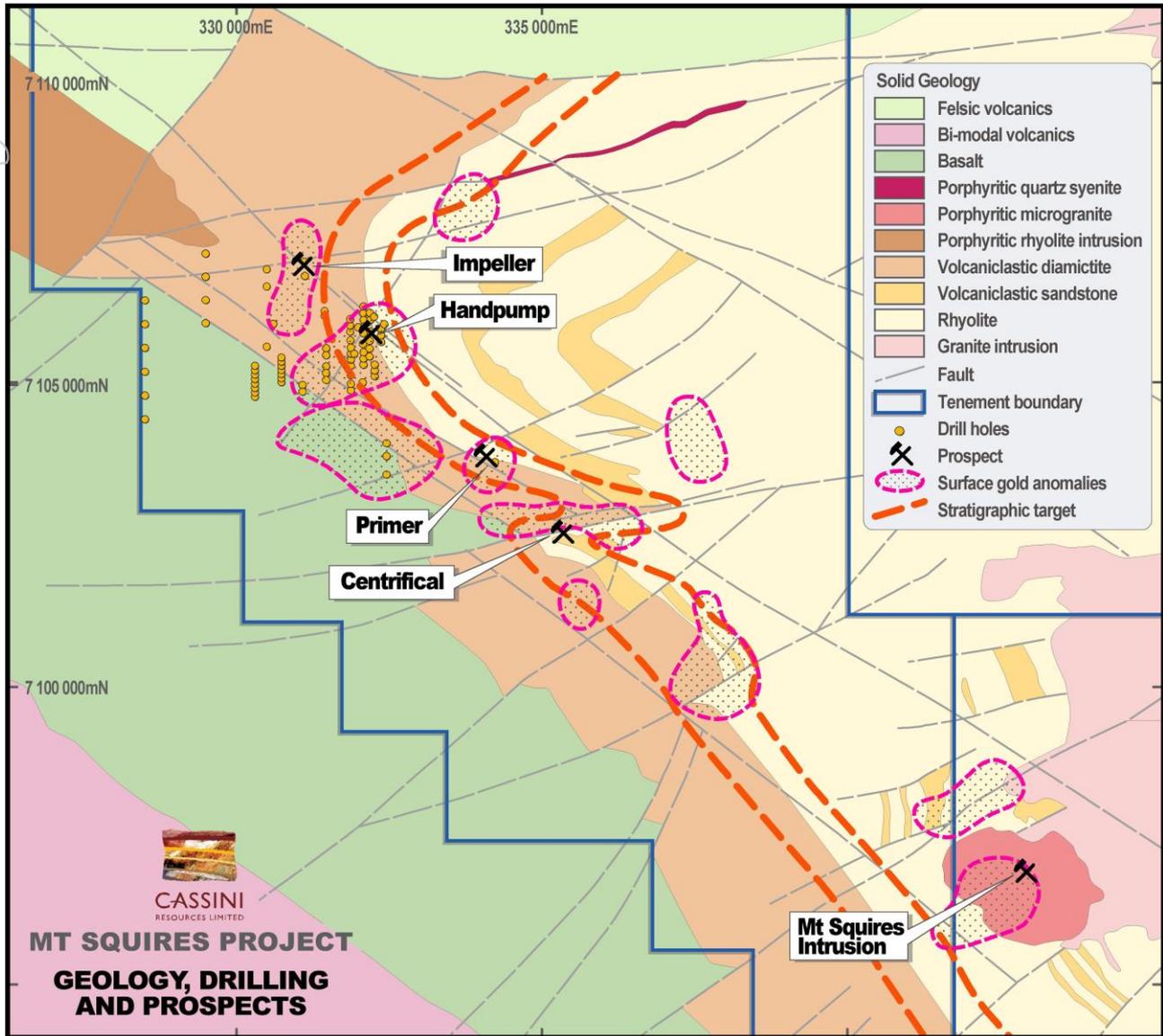


Figure 4. The Prospective gold trend showing the stratigraphic target horizon, surface geochemical anomalies and lack of drilling in these areas.

Nickel and Copper Potential to be Evaluated

Whilst the Mount Squires Project is primarily prospective for gold, recent surveying and mapping by Cassini has recognised the potential extension of the magmatic nickel-copper mineralised trend from the West Musgrave Project into the eastern half of Mount Squires (Figure 5). This is supported by:

- The emergence of the One Tree Hill Prospect within the West Musgrave Project, but only 200m outside the Mount Squires tenement boundary (See ASX release of 18 June 2019).
- New aeromagnetic data confirms the continuity of broad geological domains and structure into the Mount Squires Project.
- Field mapping identifying gabbro intrusions along strike of the mineralised trend which had been previously mapped as granites and gneisses.

This area has been lightly explored for magmatic nickel-copper sulphides by previous explorers, primarily by broad-spaced soil geochemistry and large fixed loop electromagnetic surveys (FLEM). The Company has reviewed these surveys and identified a number of areas that would benefit from new electromagnetic

For personal use only

surveys given the significant advancement in technology over the past 10-20 years. The re-processed geochemistry data will also support the targeting of these surveys.

Next Steps

The Company now has multiple fronts on which to progress.

1. **A second RC infill and extension program at Handpump** targeting the eastern margin where gold mineralisation projects to surface as well as the down plunge extension to the west and northwest where current drilling is too broad. A drill rig is currently being sourced to complete the program as soon as possible.
2. **A reconnaissance-style drill program to test the trend between Handpump and Centrifical Prospects** in light of the new geological and structural interpretation. This program requires additional heritage and environmental clearances. This work is already underway although drilling is most likely to begin in early 2020.
3. **Investigate the nickel-copper potential** extension of One Tree Hill near the eastern boundary of the Project. A geophysical crew will be mobilised to site early next month to complete a moving loop electromagnetic survey which is expected to take approximately two weeks.
4. **Improve the geochemical dataset** by infilling and extending the sampling coverage particularly in areas along the prospective gold and Ni-Cu magmatic corridors. An orientation survey, including a trial of Ultra Fine Fraction sampling, will determine the most effective sampling technique in the Mount Squires environment. Sampling will commence later this month.

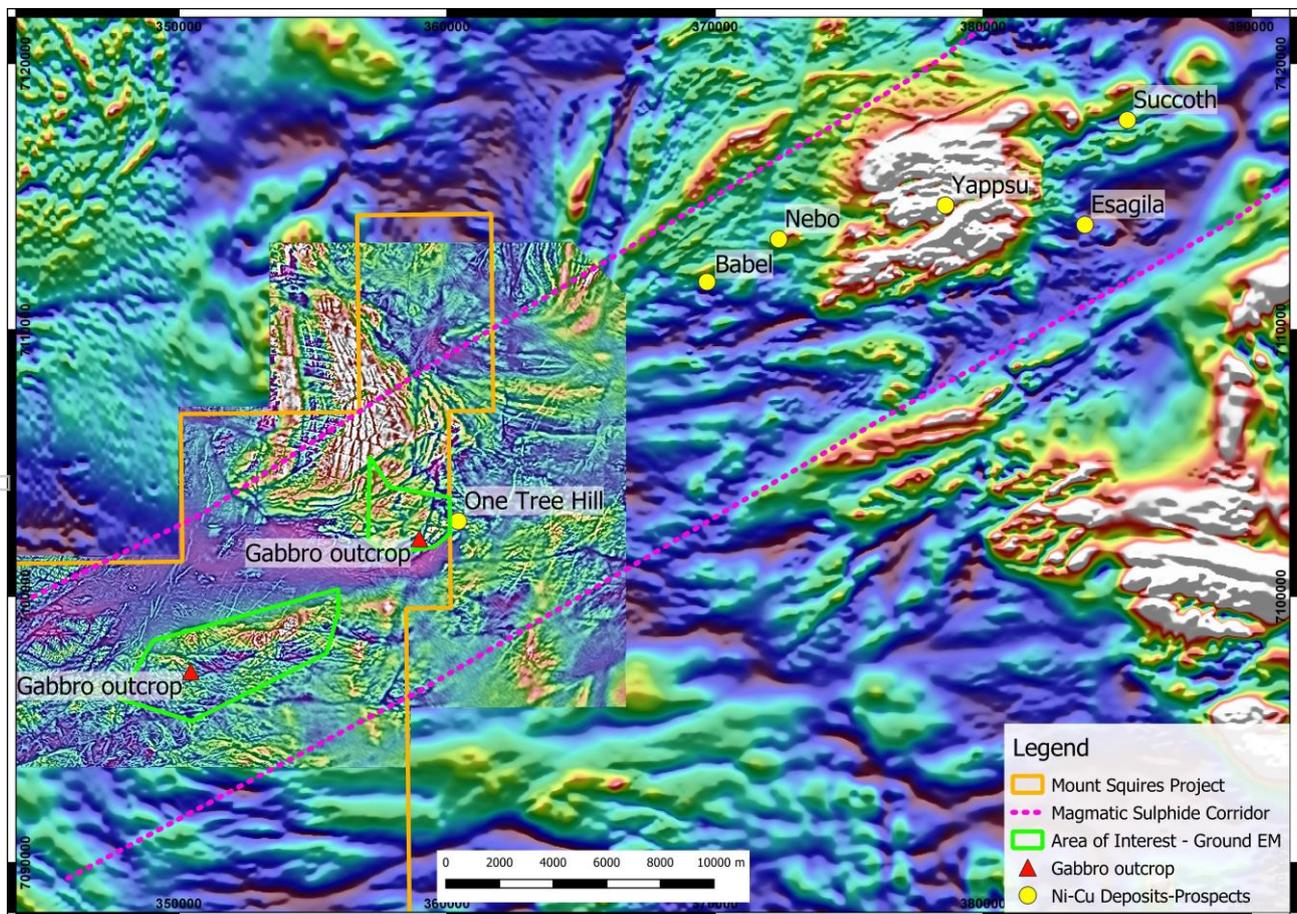


Figure 5. Potential extension of magmatic nickel-copper mineralisation trend into the eastern half of Mount Squires (1VD aeromagnetics as background).



Project Background

Gold prospectivity was first identified at Mount Squires by Western Mining Corporation (WMC) during geochemical surveying in the late 1990's. WMC's primary target was nickel and copper sulphide mineralisation, which returned poor results, however several gold anomalies were identified but were never followed-up and the tenements were later surrendered.

Later exploration by Beadell Resources Ltd in the mid 2000's identified a number of gold prospects with further soil geochemistry, rock chip sampling and mapping. Drilling of these anomalies mineralisation at the Handpump Prospect with significant intercepts of 43m @ 1.18g/t from 14m including 9m @ 3.25g/t from 34m (re-cut using a 0.5g/t lower cut-off). Mineralisation is described as being hosted in rhyolite breccias and having epithermal style characteristics.

Beadell's exploration after the initial discovery was limited due to a change in corporate strategy and the project was later surrendered.

Anglo American PLC has also explored the region, primarily for nickel and copper sulphide mineralisation, but their soil geochemical programs included a large multi-element analytical suite which provides critical data for targeting gold mineralisation. Anglo American surrendered their tenements following a decision to reduce global exploration expenditure.

Cassini considers that the geological setting may have some affinity with intracontinental "hot-spot" epithermal gold mineralisation, rather than the more common island arc setting found elsewhere along the Pacific Rim. Examples of this style are deposits in the northern Nevada region, including the Sleeper Deposit, with high, or "bonanza", gold grades from shallow crustal emplacement.

For personal use only



Table 1. Significant Drill Intersections (>0.5g/t Au) at the Handpump Prospect.

Hole ID	East	North	RL	Dip	Azi	EOH (m)	Intersection		
							From (m)	Width (m)	Au g/t
MSC0001	332240	7105919	498	-60	0	84	57	2	0.66
MSC0002	332260	7105860	496	-60	0	90	51	1	0.61
MSC0003	332265	7105811	490	-60	0	138	23	20	1.27
						Incl	23	7	2.54
						And	40	3	1.67
							96	1	0.54
MSC0004	332197	7105899	494	-60	0	78	31	27	1.00
						Incl	33	1	3.22
						And	38	3	2.59
							68	1	0.73
							71	1	0.69
MSC0005	332202	7105833	491	-70	0	120	38	19	0.68
						Incl	38	6	1.26
MSC0006	332206	7105726	495	-70	0	132			NSI
MSC0007	332095	7105876	490	-60	0	150	83	1	0.53
MSC0008	332098	7105796	487	-60	0	150			NSI
MSC0009	332202	7105930	491	-60	189	72	13	2	0.57
							21	2	0.75
							35	1	0.88
							41	12	0.69
						Incl	41	5	1.00
MSC0010	331985	7105944	485	-60	20	120			NSI

NSI = No Significant Intersection.

For personal use only

Yarawindah Brook Ni-Cu-Co-PGE Project (CZI 80%)

Yarawindah Brook is located 130km northeast of Perth, in agricultural land near the township of New Norcia. The Project has had only limited nickel, copper and cobalt exploration despite a favourable regional setting, prospective geology and near-surface occurrences of nickel and copper. Historic exploration has focussed primarily on a small platinum and palladium (PGE's) resource which the Company views as a "path-finder" anomaly for massive nickel - copper - cobalt sulphides. Exploration for nickel and copper has been sporadic, however the most recent drilling in 2007 targeting surface EM anomalies, returned encouraging results from hole YWRC0083 including 7m @ 1.30% Ni, 0.22% Cu, 0.06% Co and 432ppb Pd from 74m. Despite the promising result no further follow-up drilling was conducted due to budget limitations of the previous operator during the exploration downturn post-GFC.

During the September Quarter, Cassini completed land access agreements with key land owners covering the initial target areas. Programmes of Work have also been submitted for environmental approval which are expected to be granted next month.

A rig is currently being sourced for the program which is expected to commence after the harvest season and completion of activities at the Mount Squires Project. The Company has a number of drill targets comprising testing several electromagnetic anomalies (AN01, AN02, XC05 & XC06, Figure 6) as well as previous drill intersections.

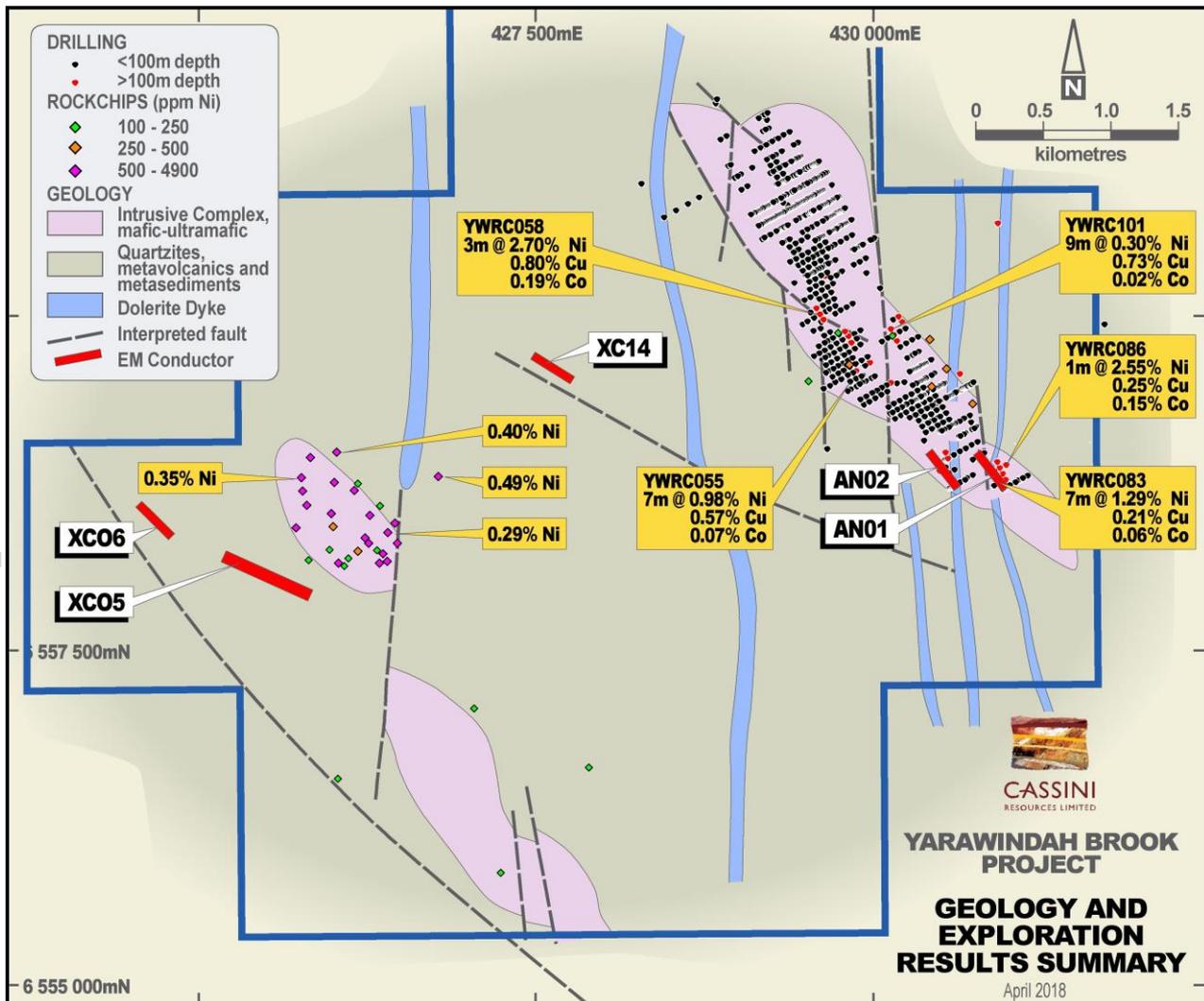


Figure 6. Yarawindah exploration target summary.



For further information please contact

Richard Bevan
Managing Director

CASSINI RESOURCES LIMITED
Telephone: +61 8 6164 8900
E-mail: admin@cassiniresources.com.au

About Cassini

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 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, and the Yarawindah Nickel - Copper - Cobalt Project (CZI 80%), both 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 information in this report that relates to the Nebo-Babel Mineral Resource estimate is based on information compiled by Mark Burdett, a Competent Person who is a Member of The Australasian Institute of Mining and Metallurgy (224519). Mark Burdett is a full-time employee of OZ Minerals. Mark Burdett has sufficient experience that is relevant to the style of mineralisation and type of deposit under consideration and to the activity being undertaken to qualify as a Competent Person as defined in the 2012 Edition of the 'Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves' (JORC 2012). Mark Burdett consents to the inclusion in the report of the matters based on his 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 Mineral Resource Estimates as reported in the market announcement dated 12 April 2019 (Nebo & Babel Deposits) and 7 December 2015 (Succoth Deposit) continue to apply and have not materially changed.

Additional information regarding exploration results can be found in ASX releases of 14 July 2016, 18 June 2019 and 16 July 2019, 24 September 2019, 2 October 2019 and 17 October 2019.

APPENDIX 1 – TENEMENT SUMMARY – 30 September 2019

1. MINING TENEMENTS HELD				
Tenement Reference	Location	Nature of interest	Interest at beginning of quarter	Interest at end of quarter
West Musgrave				
E69/3163	WA	Granted	30%	30%
E69/3169	WA	Granted	30%	30%
E69/3164	WA	Granted	30%	30%
E69/3165	WA	Granted	30%	30%
E69/3168	WA	Granted	30%	30%
E69/1505	WA	Granted	30%	30%
E69/1530	WA	Granted	30%	30%
E69/2201	WA	Granted	30%	30%
E69/2313	WA	Granted	30%	30%
M69/72	WA	Granted	30%	30%
M69/73	WA	Granted	30%	30%
M69/74	WA	Granted	30%	30%
M69/75	WA	Granted	30%	30%
E69/3412	WA	Granted	30%	30%
L69/0025	WA	Granted	30%	30%
E69/3535	WA	Granted	-	30%
E69/3536	WA	Granted	-	30%
L69/0044	WA	Granted	-	30%
L69/0045	WA	Granted	-	30%
L69/0042	WA	Granted	-	30%
Mt Squires				
E69/3424	WA	Granted	100%	100%
E69/3425	WA	Granted	100%	100%
Yarawindah				
E70/4883	WA	Granted	80%	80%
E70/5116	WA	Granted	80%	80%
E70/5166	WA	Granted	80%	80%

For personal use only

2. MINING TENEMENTS ACQUIRED/DISPOSED

Tenement Reference	Location	Nature of interest	Interest at beginning of quarter	Interest at end of quarter
Acquired				
E69/3535	WA	Granted	-	30%
E69/3536	WA	Granted	-	30%
L69/0044	WA	Granted	-	30%
L69/0045	WA	Granted	-	30%
L69/0042	WA	Granted	-	30%

3. BENEFICIAL PERCENTAGE INTERESTS HELD IN FARM-IN OR FARM-OUT AGREEMENTS

Tenement Reference	Location	Nature of interest	Interest at beginning of quarter	Interest at end of quarter
Nil				

4. BENEFICIAL PERCENTAGE INTERESTS HELD IN FARM-IN OR FARM-OUT AGREEMENTS ACQUIRED OR DISPOSED

Tenement Reference	Location	Nature of interest	Interest at beginning of quarter	Interest at end of quarter
Acquired				
Nil				
Disposed				
Nil				

For personal use only

Appendix 5B

Mining exploration entity and oil and gas 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, 01/05/13, 01/09/16

Name of entity

Cassini Resources Limited

ABN

50 149 789 337

Quarter ended ("current quarter")

30 September 2019

Consolidated statement of cash flows	Current quarter \$A'000	Year to date (3 months) \$A'000
1. Cash flows from operating activities		
1.1 Receipts from customers		
1.2 Payments for		
(a) exploration & evaluation	(4,289)	(4,289)
(b) development	-	-
(c) production	-	-
(d) staff costs	(217)	(217)
(e) administration and corporate costs	(413)	(413)
1.3 Dividends received (see note 3)	-	-
1.4 Interest received	57	57
1.5 Interest and other costs of finance paid	-	-
1.6 Income taxes paid	-	-
1.7 Research and development refunds	-	-
1.8 Other (joint venture receipts & net GST)	4,084	4,084
1.9 Net cash from / (used in) operating activities	(778)	(778)

2. Cash flows from investing activities		
2.1 Payments to acquire:		
(a) property, plant and equipment	-	-
(b) tenements (see item 10)	-	-
(c) investments	-	-
(d) other non-current assets	-	-

For personal use only

Mining exploration entity and oil and gas exploration entity quarterly report

Consolidated statement of cash flows		Current quarter \$A'000	Year to date (3 months) \$A'000
2.2	Proceeds from the disposal of:		
	(a) property, plant and equipment	-	-
	(b) tenements (see item 10)	-	-
	(c) investments	-	-
	(d) other non-current assets	-	-
2.3	Cash flows from loans to other entities	-	-
2.4	Dividends received (see note 3)	-	-
2.5	Other (provide details if material)	-	-
2.6	Net cash from / (used in) investing activities	-	-
3.	Cash flows from financing activities		
3.1	Proceeds from issues of shares	-	-
3.2	Proceeds from issue of convertible notes	-	-
3.3	Proceeds from exercise of share options	-	-
3.4	Transaction costs related to issues of shares, convertible notes or options	-	-
3.5	Proceeds from borrowings	-	-
3.6	Repayment of borrowings	-	-
3.7	Transaction costs related to loans and borrowings	-	-
3.8	Dividends paid	-	-
3.9	Other (provide details if material)	-	-
3.10	Net cash from / (used in) financing activities	-	-
4.	Net increase / (decrease) in cash and cash equivalents for the period		
4.1	Cash and cash equivalents at beginning of period	8,131	8,131
4.2	Net cash from / (used in) operating activities (item 1.9 above)	(778)	(778)
4.3	Net cash from / (used in) investing activities (item 2.6 above)	-	-
4.4	Net cash from / (used in) financing activities (item 3.10 above)	-	-
4.5	Effect of movement in exchange rates on cash held	-	-
4.6	Cash and cash equivalents at end of period	7,353	7,353

For personal use only

5. Reconciliation of cash and cash equivalents at the end of the quarter (as shown in the consolidated statement of cash flows) to the related items in the accounts	Current quarter \$A'000	Previous quarter \$A'000
5.1 Bank balances	1,125	908
5.2 Call deposits	6,087	7,087
5.3 Bank overdrafts	-	-
5.4 Other (JV funds held)	141	136
5.5 Cash and cash equivalents at end of quarter (should equal item 4.6 above)	7,353	8,131

6. Payments to directors of the entity and their associates	Current quarter \$A'000
6.1 Aggregate amount of payments to these parties included in item 1.2	130
6.2 Aggregate amount of cash flow from loans to these parties included in item 2.3	-
6.3 Include below any explanation necessary to understand the transactions included in items 6.1 and 6.2	

Executive and non-executive Director fees

7. Payments to related entities of the entity and their associates	Current quarter \$A'000
7.1 Aggregate amount of payments to these parties included in item 1.2	70
7.2 Aggregate amount of cash flow from loans to these parties included in item 2.3	-
7.3 Include below any explanation necessary to understand the transactions included in items 7.1 and 7.2	

Company secretarial & financial management consulting services to a company associated with Mr Warren.
Geological consulting services to a company associated with Dr Hronsky.

For personal use only

Mining exploration entity and oil and gas exploration entity quarterly report

8. Financing facilities available <i>Add notes as necessary for an understanding of the position</i>	Total facility amount at quarter end \$A'000	Amount drawn at quarter end \$A'000
8.1 Loan facilities	-	-
8.2 Credit standby arrangements	-	-
8.3 Other (OZL Loan Carry)	\$5,558	\$5,558
8.4 Include below a description of each facility above, including the lender, interest rate and whether it is secured or unsecured. If any additional facilities have been entered into or are proposed to be entered into after quarter end, include details of those facilities as well.		

8.3 - OZ Minerals is to sole fund the Nebo-Babel Studies at the West Musgrave Project (WMP) until a Definitive Feasibility Study and decision to mine is delivered. In respect of any amount funded by OZ Minerals in excess of \$36M, CZI will be loan-carried for its 30% contribution, with principal and capitalised interest to be repaid 5 years after the commencement of production at the WMP. As at 30 September 2019, the amount in excess of \$36M was \$18,527,891, therefore CZI's 30% contribution that is loan carried is \$5,558. Interest is calculated at LIBOR + 3% per annum accruing daily, calculated on the basis of a 360 day year, capitalising on the last date of each three (3) month period.

9. Estimated cash outflows for next quarter	\$A'000
9.1 Exploration and evaluation (net of JV funding)	(650)
9.2 Development	-
9.3 Production	-
9.4 Staff costs	(320)
9.5 Administration and corporate costs	(300)
9.6 Other	-
9.7 Total estimated cash outflows	(1,270)

10. Changes in tenements (items 2.1(b) and 2.2(b) above)	Tenement reference and location	Nature of interest	Interest at beginning of quarter	Interest at end of quarter
10.1 Interests in mining tenements and petroleum tenements lapsed, relinquished or reduced	-	-	-	-
10.2 Interests in mining tenements and petroleum tenements acquired or increased	L69/0042 E69/3535 E69/3536 L69/0044 L69/0045 West Musgrave, WA	Granted Granted Granted Granted Granted	0% 0% 0% 0% 0%	30% 30% 30% 30% 30%

For personal use only

Compliance statement

- 1 This statement has been prepared in accordance with accounting standards and policies which comply with Listing Rule 19.11A.
- 2 This statement gives a true and fair view of the matters disclosed.

[lodged electronically without signature]

28 October 2019

Sign here: Date:

(~~Director~~/Company secretary)

Steven Wood

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 that wishes to disclose additional information is encouraged to do so, in a note or notes included in or attached to this report.
2. If this quarterly report has been prepared in accordance with Australian Accounting Standards, 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. If this quarterly report has been prepared in accordance with other accounting standards agreed by ASX pursuant to Listing Rule 19.11A, the corresponding equivalent standards apply to this report.
3. Dividends received may be classified either as cash flows from operating activities or cash flows from investing activities, depending on the accounting policy of the entity.

For personal use only