

ASX ANNOUNCEMENT

30 April 2018

THIRD QUARTER ACTIVITIES REVIEW

Cassius Mining Limited ("**Cassius**" or "the **Company**") (**ASX Code: CMD**), is pleased to provide shareholders with the Company's Activities Review for the quarter ending 31 March 2018.

During the third quarter the Company:

- ✓ Arranged approvals for and organised the **Aerial Magnetic Survey** over the whole Large-Scale Licence area with survey commencing in late March 2018 and being completed in April 2018. Results are expected in May 2018.
- ✓ Appointed **Bacchus Capital Advisors Limited (UK)** to provide strategic and financial advice
- ✓ **Phase 3 Drilling completed** with results announced on 4 April 2018.
- ✓ The Company **received \$865,000** from the exercise of 27,031,281 unlisted options exercisable at \$0.032.
- ✓ **Engaged independent experts**, RSM Corporate Australia (Pty) Limited and Snowden Mining Industry Consultants Pty Ltd to complete the independent assessment of the proposed acquisition of the entire Large Scale Licence.

HIGH RESOLUTION AERIAL MAGNETIC / RADIOMETRIC SURVEY UNDERWAY ACROSS ENTIRE LICENCE.

During the third quarter Cassius organised all the relevant approvals to conduct a high resolution aerial magnetic and radiometric survey across the entire Gbane large scale licence area. The survey commenced in the last week of March 2018 and was completed during April with results expected in May 2018.



Fig. 1: Survey Area with 50m flight line spacing

The survey program of fifty metre (50m) flight line spacings are being flown normal to main strike of mineralisation, totalling 689 line-km's. The survey area is shown in **Figure 1** covers a licence perimeter overlap of approximately 500m to obtain perspective for more accurate interpretation.

Since the end of the quarter, the aerial magnetic survey has been completed with results expected later this quarter.

APPOINTMENT OF BACCHUS CAPITAL ADVISORS LIMITED

Following attendance at the 121 Mining Conference in London in November 2017, the Cassius land position and exploration activities began to capture significant industry and market attention.

In February 2018, the Company announced the engagement of Bacchus Capital Advisers Limited ("**Bacchus Capital**") to act as its Strategic and Financial Adviser.

The appointment of Bacchus Capital will enable the Board and management to consider and evaluate interest from various interested parties, as well as to consider other opportunities in the region, in order to deliver the best outcome for our shareholders.

As part of the terms of engagement of Bacchus Capital will be issued with 3 million unlisted options at an exercise price of \$0.11. The options will be exercisable until 15 December 2020.

PHASE 3 DRILLING SHOWS HIGH-GRADE GOLD INTERCEPTS WITHIN WIDE LOW-GRADE INTERVALS FROM SURFACE

The Company completed its analysis of the Phase 3 drilling program at the end of the third quarter. The highlights of Phase 3 drilling program were:

- ❖ **Wide, continuous and shallow gold intersections, situated 700m SE of Phases 1 and 2.**
- ❖ **Multiple high-grade gold intersections within lower grade sequences**

Details of the Phase 3 drilling results were announced on 4 April 2018.

❖ **Multiple high-grade gold intersections within lower grade sequences (all depths vertical, grades averaged over interval, see Table 1):**

- **1m @ 8.09 g/t from 1.6m - DDD 007**
- **4m @ 1.09 g/t from 17m - DDD 001**
- **4.5m @ 1.03 g/t from 32m - DDD 001**
- **2.2m @ 2.21 g/t from 52m - DDD 061**
- **2m @ 3.76 g/t from 67m - DDD 002**
- **4m @ 1.14 g/t from 134m - DDD 061**

HIGH GRADE INTERSECTIONS

Table 1 shows significant intersections in 9 of the 11 holes drilled in Phase 3, with an average grade across intervals of >1 g/t gold.

Hole ID	Collar Elevation (m ASL)	Interval downhole (m)	Downhole length (m)	Average grade (g/t) over interval	Vertical depth (m)	End of Hole (m)
DDD 001	190.14	20-24	4	1.09	17	114.3
		48-52.5	4.5	1.03	32	
		56-57	1	1.24	44	
		90-91	1	1.44	72	
DDD 002	191.6	10-11	1	1.15	8	357.3
		81-83	2	1.05	65	

		86-88	2	3.76	67	
		203-206	3	1.10	162	
DDD 003	188.47	150-151	1	1.40	120	351.3
		241-243	2	1.01	192	
DDD 007	167.8	2-3	1	8.09	1.6	153.3
		23-24	1	1.42	18	
DDD 010	186.1	15-17	2	1.30	13	168.3
		164-165	1	1.35	131	
DDD 055	169.4	43-44	1	3.27	34	279.3
DDD 061	163.0	57.8-60	2.2	2.21	52	270.3
		76-77	1	1.00	60	
		93-95	2	1.29	74	
		168-172	4	1.14	134	
		258-259	1	2.37	206	
DDD 062-1	167.0	134-135	1	1.08	107	252.2
		192-193.7	1.7	1.84	152	
		230.7-232.3	1.6	1.32	184	
DDD 063	167.0	77-78.3	1.3	1.12	61	171.3
		157-158	1	1.09	125	

Table 1: Significant gold intersections >1 g/t Au (average across intervals)

ACQUISITION OF A 100% INTEREST IN THE LARGE SCALE LICENCE

As announced in the previous Quarter, the Company has agreed to terms to acquire the whole Large-Scale Licence covering an area of 13.79km², encompassing the balance of the Gbane Project Area as well as the option areas in the Joint Venture (the “**Licence Area**”).

The proposed acquisition encompasses the balance of the Gbane Project area and all the option areas included in the Company’s Joint Venture agreement¹. This acquisition, which is conditional on shareholder approval, will conclude the Joint Venture by effectively transferring the balance of the Licence Area to the Company, who will then own 100% of the Licence Area.

The acquisition requires the approval of shareholders. Accordingly, the Company engaged RSM Corporate Australia (Pty) Limited to provide an Independent Expert’s Report. RSM have requested an Independent Technical Valuation of the Cassius Mining Limited (Cassius) Large Scale Prospecting (LSP) Licence in northern Ghana (the Mineral Asset) by Snowden Mining Industry Consultants (Pty) Limited. The reports will accompany the Notice of Meeting

The Notice of Meeting setting out the details and resolutions relating to the proposed transaction will be finalised and dispatched to the Company’s shareholders shortly.

SOALARA LIMESTONE PROJECT, MADAGASCAR

During the last Quarter the Company received enquiries around a possible joint venture or industry trade sale of the Company’s Limestone asset.

The Company has undertaken extensive discussions with the regulatory authorities regarding the finalisation of a formal Operations Plan. As the Company already has a Mining Permit (held by its wholly owned subsidiary), for a period of 40 years.

Background

The Soalara property is located on the coast in southwest Madagascar and consists of two contiguous permits that encompass a total area of 18.75 sq. km. The permits are granted to Soalara Calcaire SARLU, a Malagasy company Gulf acquired 100 % share capital in through its Malagasy subsidiary Austral Malagasy Mining SARL. In 2015, the permits were granted for the exploitation of limestone, and are valid for a period of 40 years.

Based on the report and its due diligence, the Company believes that, with a successful drilling programme and the development of a Pre-Feasibility study, the Project could achieve a potential JORC compliant resource which could lead to a substantial uplift in the value of the Project.

¹ The Parties entered into a Joint Venture Agreement (the **Joint Venture**) following shareholder approval which was granted at a meeting of Company members on 26 May 2017 (**Shareholder Approval**).

Based on a successful drilling programme a Typical Resource Classification value ranges for limestone are²:

- Measured: USD\$0.15/t – USD\$0.20/t
- Indicated: USD\$0.03t/ -- USD\$0.05/t
- Inferred: USD\$0.01/t – USD\$0.02/t

Marketing and Possible Customers

The Company believe that since the Soalara limestone deposit is situated near the Madagascan coast, the prospect of bulk exports is a strong possibility.

Additionally, assuming the limestone is suitable for manufacture of cement and lime, these will become two prime potential markets. A third potential market with reasonably large volume potential is the supply of limestone for glass-making.

CORPORATE

Increase Interest in Gbane Joint Venture

Based on the terms of the Gbane Project Joint Venture, the Company's exploration expenditure has resulted in an increase of the Company's interest in the Gbane Joint Venture Project.

The Company will now seek shareholder approval to acquire a 100% interest in the Large-Scale Licence.

Exercise of Options

During the quarter 27,031,248 unlisted options exercisable at \$0.032 were exercised raising \$865,000.

² These values are based on a database held by Ausrocks (Ausrocks, 2015) on Resource values for industrial minerals and quarry materials and are indicative only with an accuracy of +/-33%. The database has been generated from actual sales of projects. The range of values for each Resource Classification depend on:

- The quality of the limestone in the Resource.
- The size of the Resource.

The likely production rate which is linked to the Resource size and the potential market. For extremely large resources, a value is selected for the first 40 years production (a typical project life) and the remaining Resource is discounted at the minimum value. This assessment is based on an average production rate of 2 Mt/a for 40 years.

SCHEDULE OF TENEMENTS as at 31 March 2018

Location	Tenement / Special License Number
Ghana	70% interest in the Gbane project
Madagascar	R14542 - 100% R14960 – 100%

SCHEDULE OF TENEMENTS DISPOSED OF DURING THE QUARTER

Location	Tenement / Special License Number
-	-

Attribution: Competent Person Statement

The information in Report that relates to Exploration Targets and Exploration Results is based on information compiled by Peter Gleeson who is a Member of the Institute of Materials, Minerals and Mining, a 'Recognized Professional Organization' (RPO) including in the list promulgated by the ASX from time to time. Peter Gleeson is a consultant working for SRK Consulting (UK) Ltd and has been engaged by Gulf Industrials Ltd to prepare documentation for the Gbane Project. He has sufficient experience which is related to the style of mineralization and type of deposit under consideration and to the activity which has been undertaken, to qualify as Competent Person as defined by the 2012 edition of the "Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves", Peter Gleeson consents to the report being issued in the form and context in which its appears.

The information in Report that relates to Exploration Targets and Exploration Results is based on information compiled by Dr David Jefferson who is a Member of the Institute of Materials, Minerals and Mining, a 'Recognized Professional Organization' (RPO) including in the list promulgated by the ASX from time to time. Dr Jefferson is a consultant working for SRK Exploration Services Ltd and has been engaged by Gulf Industrials Ltd to prepare documentation for the Soalara Limestone Property. He has sufficient experience which is related to the style of mineralization and type of deposit under consideration and to the activity which has been undertaken, to qualify as Competent Person as define by the 2012 edition of the "Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves", Dr. Jefferson consents to the report being issued in the form and context in which its appears.

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