

ASX ANNOUNCEMENT

28 January 2022

SECOND QUARTER ACTIVITIES REPORT

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 December 2021.

SOALARA LIMESTONE PROJECT, MADAGASCAR – *Operations Update*

- ✓ The Company finalised contracting its primary service providers in Geology, Drilling and Laboratory Assays for its imminent resource estimation drilling programme¹.
- ✓ The drilling programme may be slightly delayed while the drilling contractor completes its operations on its current location, estimated to be of the order of only a week or two. Further updates will be given once Phase 1 has started.
- ✓ On ground Phase 1 tracks and drill pad accesses are complete, ready for the rig’s arrival.
- ✓ It is envisaged that Phase 1 drilling operations will take around 25 days to complete.
- ✓ Assays will then take around a further 10-12 weeks, slightly longer than initially expected due to a revised export of samples to SGS Perth labs in Western Australia, along with the lab’s high workload. Samples were to be sent to SGS Johannesburg, but this is no longer an option.

About the SOALARA PROJECT

- ✓ The Company’s flagship Soalara Limestone Project is in SW Madagascar, 28 kms south of the port of Toliara. It consists of two contiguous Mining permits totalling 18.75 km². Both were granted to mine limestone, valid for 40 years to 2055.
- ✓ A location close to Toliara port supports exportation of limestone. Supply of limestone aggregate for domestic use would also realise value, particularly for infrastructure building.
- ✓ The Soalara deposit includes 2 sequences of horizontally bedded exposed limestone totalling 70-90m thickness, overburden free. The drilling programme will penetrate both sequences.
- ✓ The lower sequence has an average 54.6% Calcium Oxide (CaO), deemed high purity. The upper sequence is even purer with an average 56.01% CaO, deemed very high purity.
- ✓ The project currently has a JORC Exploration Target of 491 to 818 Mt of limestone with a purity of high to very high². Drilling is targeting a potential upgrade to a JORC Resource. The potential quantity and grade of the defined Exploration Target is conceptual in nature, there has been insufficient exploration to estimate a Mineral Resource and it is uncertain if further exploration will result in the estimation of a Mineral Resource.

¹ ASX 27 October 2021

² ASX 19 May 2016

GBANE GOLD PROJECT, GHANA – *Litigation Update*

- ✓ The Company has elected to commence proceedings against the Government of Ghana (Ghana) by referring the dispute to arbitration under the United Nations Commission on International Trade Law (**UNCITRAL**) arbitration rules, and for that purpose, to the London Court of International Arbitration (**LCIA**) institution as appointing authority and administrator.
- ✓ The Company continued its rigorous and extensive legal and commercial due diligence with its litigation funding options, with a view to commencing proceedings as soon as possible.

The Company will continue to take all prudent and available actions to protect the Company's interest in the Gbane project and fully recover all losses recoverable by law and will continue to update material progress to shareholders.

CORPORATE

The Company held its Annual General Meeting on 26 November 2021 with all resolutions being passed by poll.

7,413,000 shares were issued on 21 December 2021 at \$0.015 per share in lieu of the payment of Directors fees as approved by shareholders at the Annual General Meeting held on 26 November 2021.

10,000,000 shares were issued on 21 December 2021 to Directors at \$0.015 per share which was approved by shareholders at the Annual General Meeting held 26 November 2021 which was part of placement in early June 2021.

OTHER OPPORTUNITIES

The Company continues to review opportunities to expand its portfolio where a significant benefit can be identified for its shareholders.

This announcement is authorised for release to the ASX by the Board.

FURTHER INFORMATION

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Director/Co. Secretary

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SCHEDULE OF TENEMENTS AS AT 31 DECEMBER 2021

Location		Tenement / Mining Lease Number / Special Licence Number					
Madagascar		R14542 – 100%, R14960 – 100%					
Permit	Company	Int (%)	Type	Expiry date	Grant date	Area (sq. km)	Commodity
14542	Soalara Calcaire SARLU	100	Exploitation (Mining)	03 Nov 2055	04 Nov 15	12.50	Limestone
14960	Soalara Calcaire SARLU	100	Exploitation (Mining)	03 Nov 2055	04 Nov 15	6.25	Limestone

The Licence Permits are held by wholly owned subsidiary Soalara Calcaire SARLU, the Permits were granted on 3 November 2015 and expire on 3 November 2055

Competent Person Statement

The information in this 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 Cassius Mining 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 it appears.

Disclaimer

This ASX announcement has been prepared by Cassius. It should not be considered as an offer to subscribe for or purchase any securities in the company or as an inducement to make an offer or invitation with respect to those securities. No agreement to subscribe for securities in the company will be entered into on the basis of this announcement.

This announcement contains summary information about Cassius, its subsidiaries and their activities which is current as at the date of the announcement. The information in this announcement is of a general nature and does not purport to be complete nor does it contain all the information which a prospective investor may require in evaluating a possible investment in Cassius.

By its very nature exploration for minerals is a high-risk business and is not suitable for certain investors. Cassius securities are speculative. Potential investors should consult their stockbroker or financial advisor. There are a number of risks, both specific to Cassius and of a general nature which may affect the future operating and financial performance of Cassius and the value of an investment in Cassius including but not limited to economic conditions, stock market fluctuations, gold price movements, regional infrastructure, constraints, timing of approvals from relevant authorities, regulatory risks, operational risks and reliance on key personnel and foreign currency fluctuations.

Certain statements contained within this announcement, including information as to the future financial or operating performance of Cassius, are forward looking statements that:

- May include, among other things, statement regarding targets, estimates and assumptions in respect of mineral

reserves and mineral resources, and anticipated grades and recovery rates, production, prices, recovery costs, results capital expenditure, and are or may be based on assumptions and estimates related to future technical, economic, market, political, social and other conditions;

- Are necessarily based upon a number of estimates and assumptions that, while considered reasonable by Cassius, are inherently subject to significant technical, business, economic, competitive, political and social uncertainties and contingencies; and,
- Involve unknown and known risk and uncertainties that could cause actual events or results to differ materially from estimated or anticipated events or results reflected in such forward looking statements.

Cassius disclaims any intent or obligation to update publicly any forward-looking statements, whether as a result of new information, future events or results or otherwise. The words “believe”, “expect”, “anticipate”, “indicate”, “contemplate”, “target”, “plan”, “intends”, “continue”, “budget”, “estimate”, “may”, “will”, “schedule”, and similar expressions identify forward looking statements.

All forward looking statements made in this announcement are qualified by the fore going cautionary statements. Investors are cautioned that forward looking statements are not guarantees of future performance and accordingly investors are cautioned not to put undue reliance on forward looking statements due to inherent uncertainty therein.

No verification: Although all reasonable care has been undertaken to ensure that the facts and opinions given in this Announcement are accurate, the information provided in the Announcement has not been independently verified.

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Appendix 5B

Mining exploration entity or oil and gas exploration entity quarterly cash flow report

Name of entity

Cassius Mining Limited

ABN

13 115 027 033

Quarter ended ("current quarter")

31 December 2021

Consolidated statement of cash flows	Current quarter \$A'000	Year to date (6 months) \$A'000
1. Cash flows from operating activities		
1.1 Receipts from customers	-	-
1.2 Payments for		
(a) exploration & evaluation	(30)	(52)
(b) development	-	-
(c) production	-	-
(d) staff costs	-	-
(e) administration and corporate costs	(38)	(57)
1.3 Dividends received (see note 3)	-	-
1.4 Interest received	-	-
1.5 Interest and other costs of finance paid	-	-
1.6 Income taxes paid	-	-
1.7 Government grants and tax incentives	-	-
1.8 Other (provide details if material)	-	-
1.9 Net cash from / (used in) operating activities	(68)	(109)

2. Cash flows from investing activities		
2.1 Payments to acquire or for:		
(a) entities	-	-
(b) tenements	-	-
(c) property, plant and equipment	-	-
(d) exploration & evaluation	-	-
(e) investments	-	-
(f) other non-current assets	-	-

Mining exploration entity or oil and gas exploration entity quarterly cash flow report

Consolidated statement of cash flows		Current quarter \$A'000	Year to date (6 months) \$A'000
2.2	Proceeds from the disposal of:		
	(a) entities	-	-
	(b) tenements	-	-
	(c) property, plant and equipment	-	-
	(d) investments	-	-
	(e) 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 equity securities (excluding convertible debt securities)	150	150
3.2	Proceeds from issue of convertible debt securities	-	-
3.3	Proceeds from exercise of options	-	-
3.4	Transaction costs related to issues of equity securities or convertible debt securities	-	-
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	150	150

4.	Net increase / (decrease) in cash and cash equivalents for the period		
4.1	Cash and cash equivalents at beginning of period	194	235
4.2	Net cash from / (used in) operating activities (item 1.9 above)	(68)	(109)
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)	150	150

Mining exploration entity or oil and gas exploration entity quarterly cash flow report

Consolidated statement of cash flows		Current quarter \$A'000	Year to date (6 months) \$A'000
4.5	Effect of movement in exchange rates on cash held	-	-
4.6	Cash and cash equivalents at end of period	276	276

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	276	194
5.2	Call deposits	-	-
5.3	Bank overdrafts	-	-
5.4	Other (provide details)	-	-
5.5	Cash and cash equivalents at end of quarter (should equal item 4.6 above)	276	194

6.	Payments to related parties of the entity and their associates	Current quarter \$A'000
6.1	Aggregate amount of payments to related parties and their associates included in item 1	-
6.2	Aggregate amount of payments to related parties and their associates included in item 2	-
<i>Note: if any amounts are shown in items 6.1 or 6.2, your quarterly activity report must include a description of, and an explanation for, such payments.</i>		

Mining exploration entity or oil and gas exploration entity quarterly cash flow report

7. Financing facilities	Total facility amount at quarter end \$A'000	Amount drawn at quarter end \$A'000
<i>Note: the term "facility" includes all forms of financing arrangements available to the entity. Add notes as necessary for an understanding of the sources of finance available to the entity.</i>		
7.1 Loan facilities	-	-
7.2 Credit standby arrangements	-	-
7.3 Other (please specify)	-	-
7.4 Total financing facilities	-	-
7.5 Unused financing facilities available at quarter end		-
7.6 Include in the box below a description of each facility above, including the lender, interest rate, maturity date and whether it is secured or unsecured. If any additional financing facilities have been entered into or are proposed to be entered into after quarter end, include a note providing details of those facilities as well.		

8. Estimated cash available for future operating activities	\$A'000
8.1 Net cash from / (used in) operating activities (item 1.9)	(68)
8.2 (Payments for exploration & evaluation classified as investing activities) (item 2.1(d))	-
8.3 Total relevant outgoings (item 8.1 + item 8.2)	(68)
8.4 Cash and cash equivalents at quarter end (item 4.6)	276
8.5 Unused finance facilities available at quarter end (item 7.5)	
8.6 Total available funding (item 8.4 + item 8.5)	276
8.7 Estimated quarters of funding available (item 8.6 divided by item 8.3)	4.06
<i>Note: if the entity has reported positive relevant outgoings (ie a net cash inflow) in item 8.3, answer item 8.7 as "N/A". Otherwise, a figure for the estimated quarters of funding available must be included in item 8.7.</i>	
8.8 If item 8.7 is less than 2 quarters, please provide answers to the following questions:	
8.8.1 Does the entity expect that it will continue to have the current level of net operating cash flows for the time being and, if not, why not?	
Answer: Not applicable	
8.8.2 Has the entity taken any steps, or does it propose to take any steps, to raise further cash to fund its operations and, if so, what are those steps and how likely does it believe that they will be successful?	
Answer: Not applicable	

Mining exploration entity or oil and gas exploration entity quarterly cash flow report

8.8.3 Does the entity expect to be able to continue its operations and to meet its business objectives and, if so, on what basis?

Answer: Not applicable

Note: where item 8.7 is less than 2 quarters, all of questions 8.8.1, 8.8.2 and 8.8.3 above must be answered.

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.

Date:28 January 2022.....

Authorised by: Wayne Kernaghan – Director, Cassius Mining Limited
(Name of body or officer authorising release – see note 4)

Notes

1. This quarterly cash flow report and the accompanying activity report provide a basis for informing the market about the entity's activities for the past quarter, how they have been financed and the effect this has had on its cash position. An entity that wishes to disclose additional information over and above the minimum required under the Listing Rules is encouraged to do so.
2. If this quarterly cash flow 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 cash flow 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.
4. If this report has been authorised for release to the market by your board of directors, you can insert here: "By the board". If it has been authorised for release to the market by a committee of your board of directors, you can insert here: "By the [name of board committee – eg *Audit and Risk Committee*]". If it has been authorised for release to the market by a disclosure committee, you can insert here: "By the Disclosure Committee".
5. If this report has been authorised for release to the market by your board of directors and you wish to hold yourself out as complying with recommendation 4.2 of the ASX Corporate Governance Council's *Corporate Governance Principles and Recommendations*, the board should have received a declaration from its CEO and CFO that, in their opinion, the financial records of the entity have been properly maintained, that this report complies with the appropriate accounting standards and gives a true and fair view of the cash flows of the entity, and that their opinion has been formed on the basis of a sound system of risk management and internal control which is operating effectively.