

ASX ANNOUNCEMENT

17 APRIL 2020

**CASSIUS SERVES NOTICE OF INTENT TO TAKE GHANA TO
INTERNATIONAL ARBITRATION OVER THE GBANE GOLD PROJECT**

- **Notice of Intent to commence International Arbitration served on the Government of the Republic of Ghana (“Ghana”)**
- **Ghana breaches obligations in Licence Agreement, Minerals & Mining Act 2006 & Constitution**
- **Ghana illegally refuses to renew the Gbane Prospecting Licence despite prior formal agreement to do so**
- **Experienced international legal counsel with successful track record engaged by Cassius**
- **Legal action will pursue full compensation (including damages and costs)**

On 16 April, 2020, Cassius Mining Limited’s (“Cassius”¹ or “the Company”) (ASX Code: CMD) international lawyers (Pinsent Masons, London) served Notice of Intent to proceed to International Arbitration to all relevant Ghanaian Government and Ministerial officials (including the President of Ghana, the Minister for Lands and Natural Resources, the Attorney-General and the Minerals Commission CEO).

The Notice sets out a number of fundamental matters and claims including but not limited to:

- Ghana actively encouraged Cassius to invest in Ghana
- Key breaches by Ghana, not according fair and equitable treatment to Cassius, include:
 - knowledge of the Company’s neighbour, Shaanxi Mining (Gh) Mineral Processing Company Limited Ltd and related entities (“Shaanxi”), illegally trespassing on and removing assets from Cassius’ licence, without providing any protection for Cassius’ investment or compensation to the Company
 - attempts to unilaterally re-demarcate licence boundaries in favour of Shaanxi, to Cassius’ detriment, which would then illegally transfer a portion of Cassius’ asset to Shaanxi
 - delays and refusal to issue routine permits and the licence renewal to Cassius without any valid reason (whilst Shaanxi continues to operate illegally and trespass into Cassius’ licence), thereby expropriating Cassius’ investment without compensation
 - failure to act on allegations of and demonstrated corruption at senior levels of government, resulting in decisions being made against the interests of Cassius

¹ A reference to *Cassius* includes, where relevant, both Cassius Mining Limited (Aust) and/or Cassius Mining Limited (Ghana).

The proposed action is designed to provide for full protection of the Company's interests, including:

- the value of its historic investment in Ghana, and
- recovery of the value of illegally extracted sub-surface assets (gold) by Shaanxi, and
- recovery of the value of the loss of future profit from the unlawful prevention of Cassius' ability to develop its asset and earn value from its investment for the benefit of its shareholders, and
- compensation for the harmful effect on Cassius' value due to its inability to progress to mining, plus
- any additional damages and costs.

Cassius is intent on pursuing its claims against Ghana to recover its losses, which it anticipates to be valued in excess of USD 275 million.

Litigation funding options to prosecute the case are already well progressed (with costs minimised on a risk-to-reward basis).

Cassius has at all times, both prior to and after the signing of the Prospecting Licence Agreement on 28 December 2016, conducted its business responsibly to ensure that the Gbane project would be of mutual benefit to Ghana, its economy and its people. However, Cassius' business has been damaged as a result of multiple breached obligations by Ghana, in the form of the various acts and omissions of Ghana, including its current refusal to issue the Company's Prospecting Licence renewal.

As previously announced, and in accordance with all relevant legislative regulations, in August 2018 the Company's Ghanaian registered Joint Venture partner, Cassius Mining Limited (Ghana), submitted its application to renew its Prospecting Licence, to progress to a Mining Licence during the extension term. Following the lodgment of the application for the renewal, which Cassius is legally entitled to (subject to routine requirements which are fully satisfied), the Company has been in frequent communication with senior representatives of both the Ministry of Lands and Natural Resources and the Minerals Commission to process the renewal.

During that time the Licence formally remained in place.

Simultaneously, and in order to protect the Company's asset, Cassius Ghana took legal action in Ghana against Shaanxi, its direct neighbour at Gbane, from late 2018 to protect against illegal sub-surface trespass and asset (gold) removal by Shaanxi.

The Minister and the Minerals Commission are aware of evidence of underground trespass by Shaanxi into Cassius' licence and consequent asset removal, which the Company believes is ongoing despite the legal action taken in country. Despite frequent advice to Cassius that, as a precursor to any compensation claim by Cassius against Shaanxi, a full independent underground survey would be conducted to quantify such underground trespass by Shaanxi, no meaningful action has been taken by Ghana.

Nevertheless, Cassius remains steadfast in protecting its investment and all its rights, whilst working through its legal counsel to secure full compensation.

The Company will consider any other actions necessary to ensure its rights are preserved and fully compensated for, and will keep the market informed of material progress on this matter.

This announcement was authorised for release to the ASX by the Board of Directors of the Company.

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FURTHER INFORMATION

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COMPETENT PERSONS STATEMENT

Information in this report that relates to the Gbane Project is based on information compiled by Rob Seed, a direct consultant to Cassius and member of the Australian Institute of Geoscientists and a member of the Institute of Mining Metallurgy and Materials UK. Mr Seed has sufficient experience which is relevant to the style of mineralisation under consideration and to the activity which he is undertaking 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.' Mr Seed consents to the inclusion in this report of the statements based on his information 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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