



Elysium Resources (ASX: EYM)

Rejuvenated Elysium Resources prepares to bring back Burraga

Elysium Resources (ASX: EYM) has caught the eye of the ASX traffic police a couple of times in recent months due to renewed interest and subsequent growth in the company's share price.

AFTER A FIVE YEAR PERIOD when the company felt the sector-wide pinch of a depressed copper market, Elysium Resources recently declared itself to be back in the game with a rejuvenated Board, the completion of a capital raising, and the stated objective of a change of company focus to include a wider focus on mineral exploration to include its gold prospects.

The Board changes resulted in the recruitment of a new geological team, which has approached the Burraga copper project in the Lachlan Fold Belt, in New South Wales, with new eyes and fresh enthusiasm – and the opportunity to unlock the significant potential value of the project's gold targets.

Darren Glover and Ben Harper both have long associations with the region.

Glover in particular is no stranger to the area having spent 15 years of his 20-year career based in the area working for companies such as Goldfields and Newcrest.

Since coming on board, the geologists have undertaken routine reporting to maintain the currency of the company's exploration leases and undertaken data verification work to prepare for an advanced exploration-drilling program to commence in early 2017.

Elysium Resources' main focus is the company's 100 per cent-owned Burraga copper project (EL 6463, EL 6874 & EL 7975), located in a well-endowed minerals district which hosts the major Cadia, Cowal and North Parkes Mines, and one said by Geoscience Australia to hold potential for new discoveries.

The Burraga copper project has a JORC 2012-compliant Measured, Indicated & Inferred Resources of 1.68 million tonnes at 0.9 per cent copper, comprising and in-situ Resource of 1.3 million tonnes at 0.8 per cent copper as well as 280,000 tonnes at 1.2 per cent copper in tailings and 90,000 tonnes at 1.3 per cent copper in slag.

The Burraga copper project hosts three main targets: the Lloyd's copper mine, Hackney's Creek gold mine and the Lucky Draw gold mine.

Elysium purchased the Burraga asset back in 2010, and at the time considered it to be a project that would be relatively simple to get back into production and subsequently provide cash flow to fund future copper and gold exploration on the unexplored areas of the project's tenure.

The company's plan was to establish Burraga as a low cost operation capable of producing around 13,200 tonnes of copper from the Lloyd's mine over an original mine life of 4.4 years.

Unfortunately for the company the global copper market went into decline taking with it the copper price to unsustainable lows, which resulted in a dramatic loss of momentum on the Burraga project.

However, just as the copper price has staged something of a recovery in recent times, so too has Elysium Resources' passion, and the company is ready to breathe new life into Burraga and the Lloyd's copper mine.

"Once we established the new Board, there were a lot of people who were prepared to take a fresh look at

what we are hoping to achieve at the Burraga project and give us another chance," Elysium Resources managing director Maxim Carling told *The Resources Roadhouse*.

"We recently completed a successful share placement, which welcomed a large number of new shareholders to the company register."

Since completing the raising the Elysium share price has been on the move, which Carling puts down to the positivity generated by the raising.

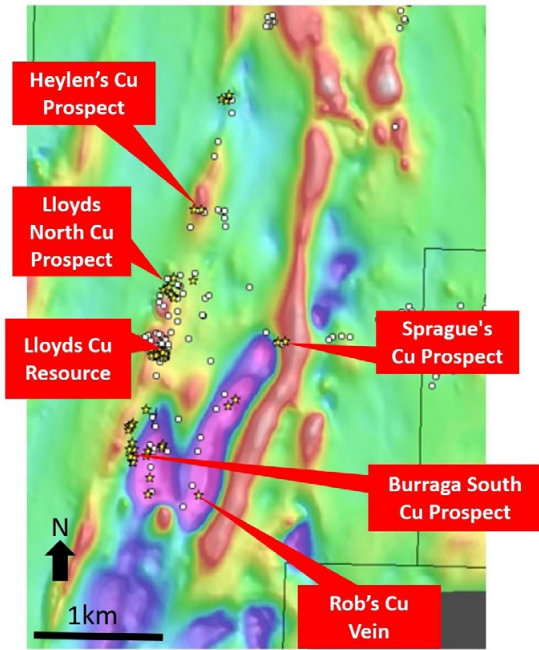
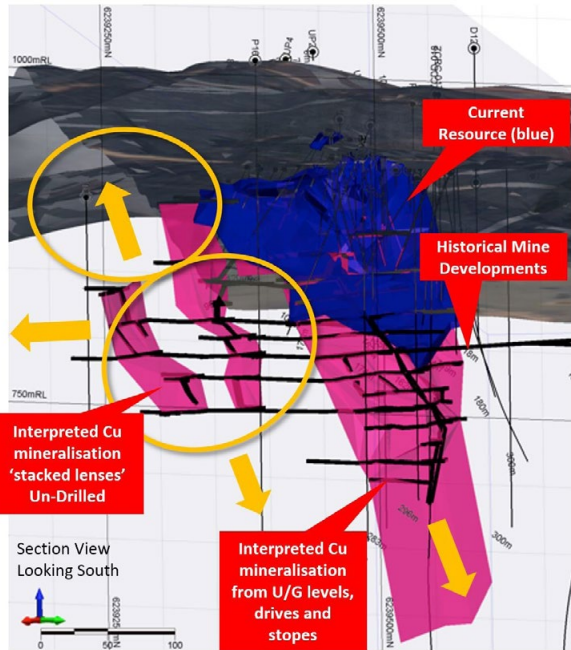
"I get the feeling that people see the combination of the recent Board changes and the raising as an indication the company is finally prepared, cashed up, and ready, to have a red hot crack at developing the Burraga project," Carling said.

The funds raised by the placement have been earmarked to further the company's efforts to complete the development work and Environmental Impact Study (EIS) activities at the Burraga project.

To that end, Elysium has re-employed Endure Consulting Pty Ltd, which has commenced working on the outstanding components of the EIS that is scheduled to be completed during first half 2017.

"The first thing we want to do is complete the unfinished aspects of the EIS in order to have the project in the position where it is ready to go once conditions, such as an improvement in the copper price, become more favourable," Carling said.

"As it currently stands, we have around 80 per cent of the EIS completed and it will really only necessitate a small cost to get it finished.



“Then our intention is to add to the Reserves and Resource base of the project, which is why we will be out on the ground drilling in the New Year.”

Preliminary geophysics and surface geochemistry sampling carried out in 2015 on the Burraga Granite contact generated drill ready targets.

Elysium has signalled its intentions to undertake a drill program of a minimum 3,000 metres in early 2017 with the aim of extending the ore reserves at the Burraga copper project.

The proposed 2017 drilling program is subject to the receipt of access agreements and government approvals, and the company is currently seeking to contract a drilling company to undertake that work.

“Some of the targets to be drilled in the upcoming program were identified by our previous geological team, who were focused on increasing the Resource base for the copper,” Carling said.

“Our new team agree with that objective, but in addition to that they are also keen on drilling at a few of our prospective gold targets,

which have basically not received the attention we believe they deserve.

“The gold targets are quite shallow and gold has been mined there previously, both at Lucky Draw and at Hackneys.”

From the work carried out at the project, Elysium has determined the copper to be stacked, at depth, towards the east.

The company is aiming to define a 10 million tonnes at 2 per cent copper equivalent Resource at Burraga – around 40,000 tonnes of copper metal.

Elysium also hopes to increase the current 32,000 ounces of gold at Hackney’s Creek and Lucky Draw to the vicinity of 500,000 ounces of gold at around 2 to 4 grams per tonne gold.

Historic drilling encountered 21.3 metres at 15.15g/t gold from 89m, so its confidence could be well-placed.

Elysium Resources let the market know it has returned with a vengeance by announcing it will also be actively seeking potential new project opportunities.

As part of this process the company has wasted little time and

is already reviewing a number of potential resource projects.

“It’s no secret that we are open-minded in regards to the acquisition of new projects,” Carling said.

“We would, of course, in the first instance like these to be located within the Lachlan Fold Belt, as it is an area we are extremely familiar with.

“Having said that, we are not entirely tunnel-visioned and would be willing to look at other regions, provided of course, that the project is worthwhile looking at.”

The Short Story

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