ELYSIUM RESOURCES

ASX ANNOUNCEMENT

7 August 2017

ELYSIUM EXTENDS COPPER MINERALISATION AT BURRAGA

Highlights:

- **Five RC holes for 1176m completed at Burraga Project, NSW**
- **Drilling discovered an eastern extension of mineralisation at the historical Lloyds Copper Mine, almost doubling the strike length of known mineralisation.**
- **Results included:**
  - **9m @ 2.3% Cu, 0.1% Zn, 12.4 g/t Ag from 197m – including 1m @ 9.6% Cu, 0.4% Zn and 50.4 g/t Ag from 198m in EYMRC030;**
  - **20m @ 0.8% Cu, 0.1% Zn, 7.5 g/t Ag from 180m – including 3m @ 3.1% Cu, 0.1% Zn and 28.6 g/t Ag from 192m in EYMRC028;**
  - **1m @ 4.2% Cu, 1.1% Zn, 50.4 g/t Ag from 238m in EYMRC028;**
  - **17m @ 0.6% Cu, 0.1% Zn and 5.4 g/t Ag from 164m to end of hole – including 13m @ 0.7% Cu, 0.1% Zn and 6.3 g/t Ag from 168m to EOH in EYMRC027.**
- **Phase 2 drilling program planned to further define the extent of the ore body**

Elysium Resources Limited (ASX: **EYM**) ("**Elysium**" or "**the Company**") is pleased to announce results from phase 1 drilling at Lloyds Copper Mine, part of its flagship Burraga Project ("**Project**") near Bathurst in NSW.

Elysium completed five reverse circulation (RC) drill holes for 1176m in July, aiming to extend known mineralisation at Lloyds, which was periodically mined for copper from the 1800s to the 1960s. Holes in Elysium's program were drilled further east than all previous EYM and historical drilling, successfully locating an eastern extension of the copper mineralisation.

Copper mineralisation has been shown to extend at least a further 180m along strike from the existing Lloyds Copper Mine resource (1.31Mt at 0.8% Cu, refer ASX announcement 23 June 2015 and http://www.elysiumresources.com.au/images/pdfs/Lloyds-resource-final-report-20150612.pdf). The existing Lloyds Resource extends over a strike length of 200m.

Results included:

EYMRC027

- 17m @ 0.6% Cu, 0.1% Zn and 5.4 g/t Ag from 164m to end of hole - including 13m @ 0.7% Cu, 0.1% Zn and 6.3 g/t Ag from 168m to EOH

EYMRC028

- 20m @ 0.8% Cu, 0.1% Zn, 7.5 g/t Ag from 180m - including 3m @ 3.1% Cu, 0.1% Zn, 28.6 g/t Ag from 192m
- 1m @ 4.2% Cu, 1.1% Zn and 50.4 g/t Ag from 238m

EYMRC030

- 9m @ 2.3% Cu, 0.1% Zn and 12.4 g/t Ag from 197m - including 1m @ 9.6% Cu, 0.4% Zn, 0.1% Pb and 50.4 g/t Ag from 198-199m
- 4m @ 0.8% Zn from 249m - including 2m @ 1.5% Zn from 251m

EYMRC031

- 9m @ 0.5% Cu from 203m - including 5m @ 0.8% Cu from 203m and 3.1% Cu in the 203m-204m sample.

Hole EYMRC029 did not encounter any significant mineralisation.

Results from a review of historical records and previous drilling indicate that a halo of mineralisation remains around the existing underground workings. This halo grades up to 3% copper, occasionally higher in remnant pillars or where historic mining was unable to access.

Broad mineralised halo widths demonstrated in these drilling results are beyond what was assumed in 2011 pre-feasibility study completed by the Company (when known as Burraga Copper Limited) and may enhance the economic viability of the project.

Mineral intercepts appear to fit the model of stacked lenses of mineralisation at the Lloyds site. The depth of intercepts correlates with previous models, with mineralisation dipping to the east/north-east.

Director Terence Clee said: “With this drilling completed, we will add these results to our ore body models to better understand the structure at Lloyds Mine, and we are planning a Phase 2 drilling program to the east of this mineralisation to define the extent of the ore body.”

BURRAGA PROJECT

The Burraga Project consists of three contiguous exploration licences (ELs) (EL6463, EL7975 and EL6874) surrounding the highly prospective Burraga Granite (Figure 1). The Burraga region is in the heart of the world-class Lachlan Fold Belt, which is famed for its base and precious metal deposits such as Cadia-Ridgeway.

EYM's ELs encompass highly productive historical mine sites of Lloyds Copper Mine (produced 19,443 tonnes Cu @ grades of 3.5% -4.14%) and Lucky Draw Gold Mine (1.41 million tonnes of ore @ 4.2g/t Au treated from 1988 - 1991) as well as the highly prospective Isabella and Hackneys Creek gold targets.

The Burraga Project also includes the "ready to process" resources of the Lloyds tailings dam and slag heaps (tailings: 280,000t @ 1.2% Cu, all indicated, 0.3% Cu cutoff; slag: 140,000t @ 0.9% Cu, all indicated, 0.3% Cu cutoff).

Hole ID	East (m)	North (m)	Elevation (m)	Azimuth (degrees)	Dip (degrees)	Hole Depth (m)	From (m)	To (m)	Significant Interval *(m)	Cu % (average)	Zn % (average)
EYMRC027	734339	6239219	980.1	198	-60	181	164	181	17	0.6	0.1
	Including:						168	181	13	0.7	0.1
EYMRC028	734342	6239222	980.3	148	-60	248	180	200	20	0.8	0.1
	Including:						192	195	3	3.1	0.1
EYMRC028	734342	6239222	980.3	148	-60	248	238	239	1	4.2	1.1
EYMRC029	734334	6239224	980.4	228	-80	240	120	140	20	-	0.1
EYMRC030	734387	6239291	991.5	288	-80	259	197	206	9	2.3	0.1
	Including:						198	199	1	9.6	0.4
EYMRC030	734387	6239291	991.5	288	-80	259	249	253	4	-	0.8
	Including:						251	253	2	-	1.5
EYMRC031	734392	6239284	989.4	198	-80	248	203	212	9	0.5	0.1
	Including:						203	204	1	3.1	0.2

Table 1: Significant intercepts from 2017 phase 1 drilling program. All intercepts are length weighted averages. The grid is MGA94 zone 55. Refer to JORC table 1 (attached) for more details. * Intercept lengths are close to (within 80% of) true width.

Model		tonnes	Cu (%)	Au (g/t)	Ag (g/t)	Zn (%)	Cu Metal (t)
Lloyds (0.3% Cu cutoff)	Measured	80,000	1.0	0.1	5	0.2	800
	Indicated	910,000	0.8	0.1	7	0.2	7,130
	Inferred	320,000	0.7	0.1	5	0.1	2,200
	Total	1,310,000	0.8	0.1	6	0.2	10,090
Tailings (0.3% Cu cutoff)	Indicated	280,000	1.2	0.3	9	0.2	3,490
Slag Heaps (0.3% Cu cutoff)	Indicated	90,000	1.3	0.2	7	0.7	1,170
Burraga Combined	Measured	80,000	1.0	0.1	5	0.2	800
	Indicated	1,280,000	0.9	0.1	7	0.2	11,520
	Inferred	320,000	0.7	0.1	5	0.1	2,200
	Total	**1,680,000**	**0.9**	**0.1**	**7**	**0.2**	**15,120**

Table 2: Lloyds Mine Area Mineral Resources.

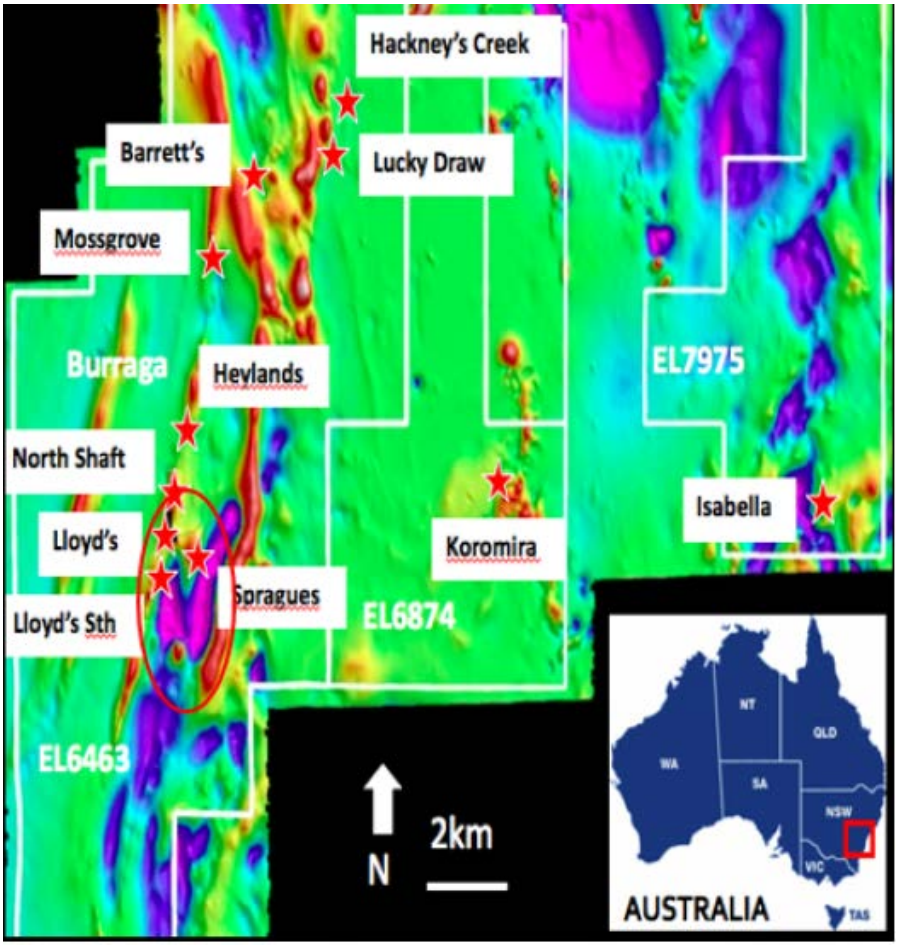

Figure 1: EYM's contiguous exploration licences over the Burraga Granite and prospect locations. Phase 1 drilling at the Lloyds prospect shown in red.

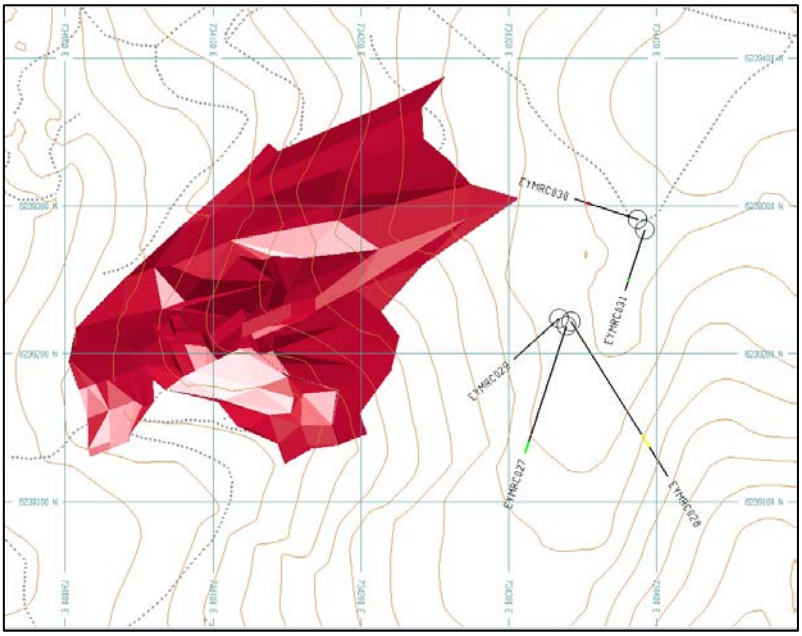

Figure 2: Plan of phase 1 RC drilling program completed as part of the Lloyds Copper Mine extension program. Existing resource wireframe shown in red, 10m topographic contours in brown, grid is 100m.

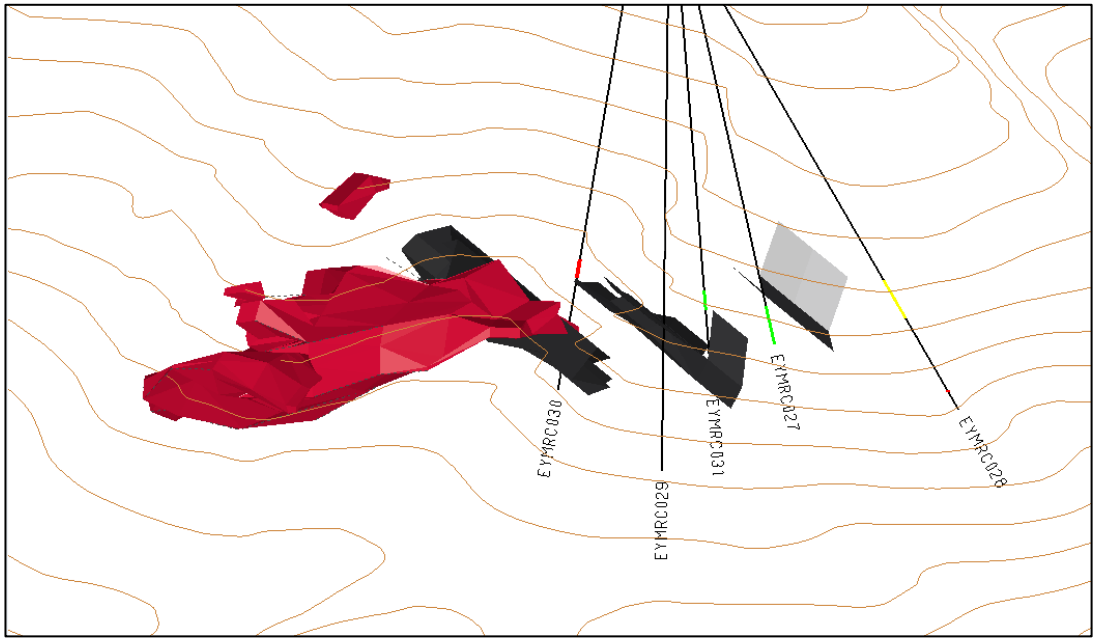

Figure 3: Oblique view of phase 1 RC drilling program looking down plunge towards the northeast. Interpreted faults shown as dark grey. Mineralised intercepts in new drilling shown as coloured intervals. Otherwise colours are as for figure 2. Note that EYMRC028 is approximately 180m east of the eastern boundary of the resource estimate.

Figure 4: Chip trays from hole EYMRC030 highlighting significant chalcopyrite mineralisation intercepts.

Competent Person's Statement

The information in this announcement that relates to Mineral Resources and exploration results is based on information reviewed or compiled by Kerrin Allwood (M.Sc., CP Geol), a Competent Person who is a Member of the Australasian Institute of Mining and Metallurgy. Mr. Allwood is employed by Geomodelling Ltd. Mr. Allwood has sufficient experience that is relevant to the styles of mineralisation and types 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 Mineral Resources and Ore Reserves". Mr. Allwood consents to the inclusion in this announcement of the matters based on his information in the form and context in which it appears.

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ABOUT ELYSIUM RESOURCES

Elysium Resources (ASX: EYM) is a publicly listed, junior mineral resources company focused on the exploration and development of key demand-driven commodities. The Company's current core focus is the Burraga Copper-Gold Project, located in the world class minerals province of the East Lachlan Fold Belt in central western New South Wales. The Burraga Project consists of three contiguous exploration licences (EL6463, EL6874 and EL7975) and one exploration licence application (ELA5454) covering a total area of approximately 221km^2. Elysium is engaged in active and ongoing exploration programs at Burraga, with the aim of discovering valuable mineral resource and delivering shareholder value. The Company also seeks to pursue other value accretive project opportunities.

1 Appendix One: JORC Table 1

1.1. Section 1 Sampling Techniques and Data

The following table provides explanations required under JORC 2012. It pertains to the Lloyds Mine and areas in the immediate vicinity.

Criteria	JORC Code explanation	Commentary
Sampling techniques	• *Nature and quality of sampling (e.g. cut channels, random chips, or specific specialized industry standard measurement tools appropriate to the minerals under investigation, such as down hole gamma sondes, or handheld XRF instruments, etc). These examples should not be taken as limiting the broad meaning of sampling.*	• All sampling reported on here was from by reverse circulation (RC) drilling using a face sample hammer. • Reverse Circulation (RC) samples were collected by cyclone and bagged at 1 m intervals.
	• *Include reference to measures taken to ensure sample representivity and the appropriate calibration of any measurement tools or systems used.*	• sampling used a three tier riffle splitter to ensure sample representivity
	• *Aspects of the determination of mineralization that are Material to the Public Report.*	• Gold by fire assay method and Base metals by 4 acid digest with ICP-AES analysis.
	• *In cases where 'industry standard' work has been done this would be relatively simple (e.g. 'reverse circulation drilling was used to obtain 1 m samples from which 3 kg was pulverized to produce a 30 g charge for fire assay'). In other cases more explanation may be required, such as where there is coarse gold that has inherent sampling problems. Unusual commodities or mineralization types (e.g. submarine nodules) may warrant disclosure of detailed information.*	• The 1 m RC sample bags were sub-sampled using a 12.5% riffle splitter to approximately 2kg and submitted to the laboratory as either 1m individual or 2m or 4m composite samples. • Best industry practise used with drill samples crushed to 2mm, split in a riffle splitter to obtain a 250g sub-sample which was milled to 75 µm. • 0.5g of the pulp was analysed (4 acid digest, ICP-AES analysis) for a multi-element suite including Cu, Zn, Ag and Pb. When results exceed a threshold trigger (5000ppm for Cu) the sample is re-analysed by 4 acid digest / AAS. • Gold analysis was by fire assay of a nominal 30g sample charge with AAS finish. • Mineralisation is mostly disseminated with moderate variability and no known sampling difficulties.
Drilling techniques	• *Drill type (e.g. core, reverse circulation, open-hole hammer, rotary air blast, auger, Bangka, sonic, etc) and details (e.g. core diameter, triple or standard*	• All sampling reported on here was from by reverse circulation (RC) drilling using a face sample hammer. • No significant water flows were

	tube, depth of diamond tails, face-sampling bit or other type, whether core is oriented and if so, by what method, etc).	encountered and all samples were dry.
Drill sample recovery	• *Method of recording and assessing core and chip sample recoveries and results assessed.*	• Visual inspection of the sample volume indicates sample recovery is better than 90%. Poor sample recovery or condition is noted in the logs. • RC sample bags are weighed prior to splitting
	• *Measures taken to maximize sample recovery and ensure representative nature of the samples.*	• RC samples are visually checked for recovery, moisture and contamination. Air is used at the beginning of each drill rod to remove excess water and maintain dry samples where possible.
	• *Whether a relationship exists between sample recovery and grade and whether sample bias may have occurred due to preferential loss/gain of fine/coarse material.*	• Ground conditions are conducive for RC drilling and drilling returned consistent sized samples. RC recoveries are high enough to preclude the potential for sample bias.
Logging	• *Whether core and chip samples have been geologically and geotechnically logged to a level of detail to support appropriate Mineral Resource estimation, mining studies and metallurgical studies.*	• Logging of RC drilling identifies all aspects of lithology, colour, weathering, texture, alteration and mineralization including percentage estimates of sulphide content. During logging, part of the RC sample was sieved, logged and placed in RC chip trays which is also photographed and included with the logging. The logging includes references to wet samples if present, voids and other information important to the resource estimation process.
	• *Whether logging is qualitative or quantitative in nature. Core (or costean, channel, etc) photography.*	• Logging is qualitative. Chip trays are stored for reference and photos are included in the logs.
	• *The total length and percentage of the relevant intersections logged.*	• All drilling is logged over the full length of the hole.
Sub-sampling techniques and sample preparation	• *If core, whether cut or sawn and whether quarter, half or all core taken.*	• No diamond drilling completed during this program.
	• *If non-core, whether riffled, tube sampled, rotary split, etc and whether sampled wet or dry.*	• Sampling was dry off the cyclone. • Sub-sampling was by three tier riffle splitter.
	• *For all sample types, the nature, quality and appropriateness of the sample preparation technique.*	• The sample preparation techniques are appropriate to the style, grade and grain size of mineralisation
	• *Quality control procedures adopted for all sub-sampling stages to maximize representivity of samples.*	• Field duplicate samples are taken at a rate of 1 per 30 samples and submitted to the laboratory. • Sub-sampling is done with a riffle splitter in the laboratory until the sample has been reduced to a pulp. Grinding performance (%

		of sample below grind size) are reported by the laboratory for every 20th sample
	• *Measures taken to ensure that the sampling is representative of the in situ material collected, including for instance results for field duplicate/second-half sampling.*	• Duplicate samples are inserted at a rate of approximately 1: 30 as a check on the sampling process
	• *Whether sample sizes are appropriate to the grain size of the material being sampled.*	• Samples sizes are appropriate to the grain size, mineralogy and grade of the mineralisation.
Quality of assay data and laboratory tests	• *The nature, quality and appropriateness of the assaying and laboratory procedures used and whether the technique is considered partial or total.*	• The analytical methods used are appropriate to the mineralogy of the samples and return total results for all elements of economic importance. • Partial results are not considered necessary as most of the mineralisation is primary with chalcopyrite the only copper mineral
	• *For geophysical tools, spectrometers, handheld XRF instruments, etc, the parameters used in determining the analysis including instrument make and model, reading times, calibrations factors applied and their derivation, etc.*	• Geophysical tools were not used.
	• *Nature of quality control procedures adopted (e.g. standards, blanks, duplicates, external laboratory checks) and whether acceptable levels of accuracy (i.e. lack of bias) and precision have been established.*	• In addition to the internal laboratory checks the Company submits standards and duplicate samples on a 1: 30 ratio.
Verification of sampling and assaying	• *The verification of significant intersections by either independent or alternative company personnel.*	• the assay results were compared to drill logs and photographs of sieved chips, more to confirm the logging rather than vice versa.
	• *The use of twinned holes.*	• No twinning of holes was carried out as it is an exploration programme.
	• *Documentation of primary data, data entry procedures, data verification, data storage (physical and electronic) protocols.*	• Data is stored as both hard copy and entered into a database. • Validation checks (overlaps, gaps, out of range data) are performed on import into the database
	• *Discuss any adjustment to assay data.*	• No adjustments were made to the data.
Location of data points	• *Accuracy and quality of surveys used to locate drill holes (collar and down-hole surveys), trenches, mine workings and other locations used in Mineral Resource estimation.*	• Collar locations are determined by DGPS. • Down-hole surveys are electronically recorded magnetic compass and inclinometer readings at 50m intervals except for vertical holes where fewer

		readings are taken.
	• *Specification of the grid system used.*	• GDA94 (Zone 55)
	• *Quality and adequacy of topographic control.*	• Topographic surface in areas of likely development is from closely spaced (<10m) DGPS traverses in a grid pattern and on ridges and gullies. Elsewhere a DTM obtained from airborne geophysical surveys was used. • This data is adequate for resource estimation and mine planning purposes.
Data spacing and distribution	• *`Data spacing for reporting of Exploration Results.*	• Scout drilling into anomalous areas defined by geochemistry and geophysics does not consider drill spacing.
	• *Whether the data spacing and distribution is sufficient to establish the degree of geological and grade continuity appropriate for the Mineral Resource and Ore Reserve estimation procedure(s) and classifications applied.*	• The drilling reported here is adjacent to the existing Lloyds Mine mineral resource. • It is unlikely that the drilling here is of sufficient density to allow a resource to be estimated in this area.
	• *Whether sample compositing has been applied.*	• Composite sampling has been carried out as a cost-saving measure, largely in zones that geological logging found no mineralisation
Orientation of data in relation to geological structure	• *Whether the orientation of sampling achieves unbiased sampling of possible structures and the extent to which this is known, considering the deposit type.*	• Drilling is oriented as close to perpendicular to the interpreted mineralised shoot as practically possible (and therefore, across the direction of greatest variance).
	• *If the relationship between the drilling orientation and the orientation of key mineralized structures is considered to have introduced a sampling bias, this should be assessed and reported if material.*	• As per above. No bias suspected.
Sample security	• *The measures taken to ensure sample security.*	• All samples prior to submission are under the supervision of the Geologist. • Following submission to the laboratory (by Company personnel), reference samples are stored at the Company's warehouse in Orange.
Audits or reviews	• *The results of any audits or reviews of sampling techniques and data.*	• No audits or reviews have been completed on the sampling techniques or data (including the database). This is because the project is not sufficiently advanced to warrant such an expense.

1.2. Section 2 Reporting of Exploration Results

Criteria	JORC Code explanation	Commentary
Mineral tenement and land tenure status	• *Type, reference name/number, location and ownership including agreements or material issues with third parties such as joint ventures, partnerships, overriding royalties, native title interests, historical sites, wilderness or national park and environmental settings.*	• EL6463 • ~60km South of Oberon in NSW. • EYM through a subsidiary holds 100% of EL6463 • There are no agreements over the tenement other than the usual conditions imposed by the NSW government
	• *The security of the tenure held at the time of reporting along with any known impediments to obtaining a license to operate in the area.*	• Tenement is in good standing.
Exploration done by other parties	• *Acknowledgment and appraisal of exploration by other parties.*	Various operators have held tenure over the area; the following companies have recorded work in the area to varying capacities: • CRA Ltd • General Resources Ltd • Pacific Copper Ltd • Southern Ventures Ltd • Telminex N.L. • Michelago Resources • Marlborough Resources • Getty Oil • Dominion Mining • Republic Gold N.L. The final three in the list have carried out the majority of the recent work and upon which EYM has based its exploration programs.
Geology	• *Deposit type, geological setting and style of mineralization.*	• At Lloyds mine copper mineralisation occurs as quartz – sulphide veins, and as a halo of disseminated mineralisation in the wall rocks. The predominant sulphide mineral is chalcopyrite with sphalerite on the vein walls and pyrrhotite disseminated in the wall rocks. Galena and tetrahedrite have also reported, but not at economically important levels. The mineralisation varied in width from 0.3m to 12 m, striking roughly east - west and dipping moderately north. The mined mineralisation had a strike extent of 180m, terminating in faults at both ends. The intersection of the terminating faults with the mineralisation results in the ore plunging to the northeast.

Drill hole Information	• *A summary of all information material to the understanding of the exploration results including a tabulation of the following information for all Material drill holes:* o *easting and northing of the drill hole collar* o *elevation or RL (Reduced Level – elevation above sea level in metres) of the drill hole collar* o *dip and azimuth of the hole* o *down hole length and interception depth* o *hole length.*	• Refer to the body of the text of this report and table 1.
	• *If the exclusion of this information is justified on the basis that the information is not Material and this exclusion does not detract from the understanding of the report, the Competent Person should clearly explain why this is the case.*	• No exclusions of information have occurred.
Data aggregation methods	• *In reporting Exploration Results, weighting averaging techniques, maximum and/or minimum grade truncations (e.g. cutting of high grades) and cut-off grades are usually Material and should be stated.*	• Intercepts are reported as length weighted averages • No cutoff grades were used.
	• *Where aggregate intercepts incorporate short lengths of high grade results and longer lengths of low grade results, the procedure used for such aggregation should be stated and some typical examples of such aggregations should be shown in detail.*	• Intercepts are reported as length weighted averages of high and low grades together • Where higher grade intervals are considered material, these are reported as 'included' intervals
	• *The assumptions used for any reporting of metal equivalent values should be clearly stated.*	• No metal equivalents are reported.
Relationship between mineralization widths and intercept lengths	• *These relationships are particularly important in the reporting of Exploration Results.*	• There is no known relationship between width and grade. Mineralisation generally occurs as a narrow (1m – 3m) high grade (>1.0% Cu) core within a variable width (1m – 20m) low grade (0.2% Cu – 1.0% Cu) halo.
	• *If the geometry of the mineralization with respect to the drill hole angle is known, its nature should be reported.*	• Close to perpendicular.

	• *If it is not known and only the down hole lengths are reported, there should be a clear statement to this effect (e.g. 'down hole length, true width not known').*	• Downhole widths are reported. These are close (within 80% of) to true width.
Diagrams	• *Appropriate maps and sections (with scales) and tabulations of intercepts should be included for any significant discovery being reported These should include, but not be limited to a plan view of drill hole collar locations and appropriate sectional views.*	• To the extent relevant, maps are included in the main body of the report.
Balanced reporting	• *Where comprehensive reporting of all Exploration Results is not practicable, representative reporting of both low and high grades and/or widths should be practiced to avoid misleading reporting of Exploration Results.*	• All material results are reported as intercepts
Other substantive exploration data	• *Other exploration data, if meaningful and material, should be reported including (but not limited to): geological observations; geophysical survey results; geochemical survey results; bulk samples – size and method of treatment; metallurgical test results; bulk density, groundwater, geotechnical and rock characteristics; potential deleterious or contaminating substances.*	• Such results have been previously reported; see announcements to ASX: http://www.elysiumresources.com.au/images/pdfs/Lloyds-resource-final-report-20150612.pdf and http://www.elysiumresources.com.au/images/pdfs/PFS_Burraga-TailingsPlus.pdf
Further work	• *The nature and scale of planned further work (e.g. tests for lateral extensions or depth extensions or large-scale step-out drilling).*	• Additional infill drilling to confirm the size and continuity of mineralisation would allow an update of the present Lloyds Resource Estimate • Further exploration drilling to increase the size of known mineralisation to the east.
	• *Diagrams clearly highlighting the areas of possible extensions, including the main geological interpretations and future drilling areas, provided this information is not commercially sensitive.*	• To the extent relevant, maps are included in the main body of the report.