

ASX ANNOUNCEMENT

5 September 2017

Elysium Resources Commences Further Drilling at Historic Lloyd's Prospect

Highlights:

- Elysium Resources has commenced further drilling at Lloyd's prospect in Burraga;
- Elysium Resources is testing the extent of mineralised targets in Lloyd's mine area;
- The first reverse circulation (RC) drillholes in 33 years to be drilled to northeast of the historic mine; and
- Drilling is anticipated to be completed within a week.

Mineral exploration company Elysium Resources Limited (ASX: EYM) ('Elysium' or 'the Company') is pleased to announce the commencement of reverse circulation (RC) drilling at the Lloyd's Copper-Lead-Zinc (Cu-Pb-Zn prospect). A two-hole, 600 metre RC program will be completed over the next week.

Elysium recently intersected 9m@2.3% Cu, 0.1% Zn and 12.4 g/t Ag [ASX Announcement 7 August 2017] to the east of the known resource. This program will test the extent of mineralisation further north (Proposed hole 1 & 2, Figure 1).

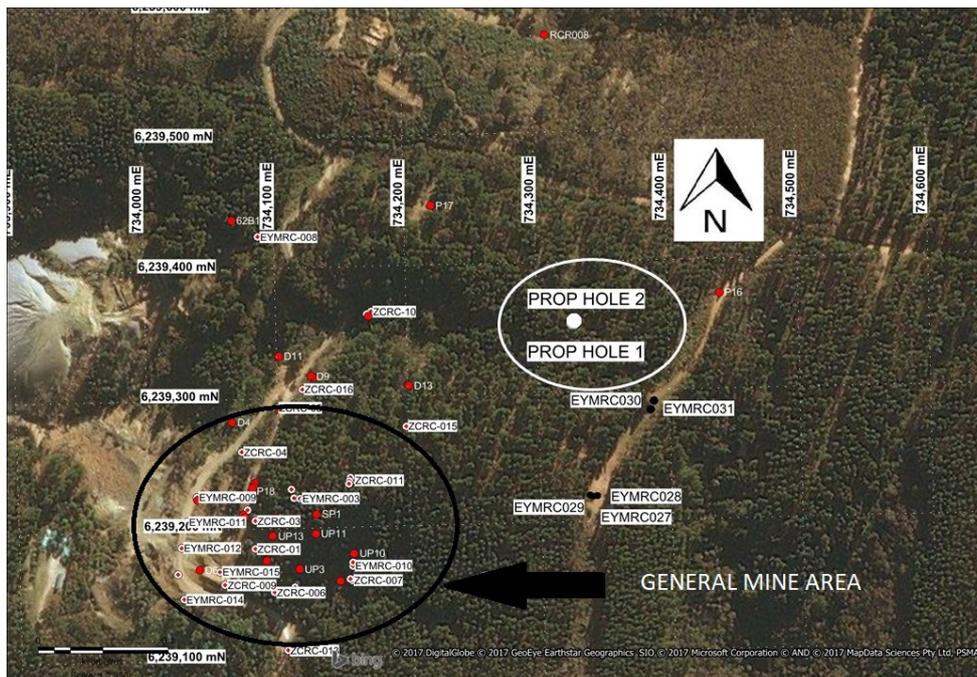


Figure 1: Proposed holes relative to general mine area at Lloyd's

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Background

Elysium's Burranga Project consists of three contiguous exploration licences (ELs) (EL6463, EL7975 and EL6874) encompassing and surrounding the highly prospective Burranga Granite. The Burranga 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.

Elysium's ELs encompass highly productive historic 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 Hackney's Creek gold targets.

Mineralisation at Lloyd's is interpreted to be hosted in a sequence of Ordovician to Silurian meta-sediment and meta-volcanic rocks with copper mineralisation striking east-west and dipping moderately to the north, with an apparent northeast plunge. The mineralisation remains open down dip and down plunge.

Program details

Drilling will consist of two RC drillholes of 300 metre depth each. The drillholes have been designed to test high priority targets generated from ore body modelling, which indicate lodes remain open. Elysium Resources intends to drill towards 210°N and 250°N (true) angled at -80° and -60° to allow for both testing of mineralization at depth as well as adequate sampling of sub-vertical geology and alteration halos.

Drilling is expected to be completed within a week, subject to drilling conditions. Drilling has commenced on first 300 metre hole and will be followed by a second 300m hole to be drilled from the same pad (scissor holes, see Figure 2).

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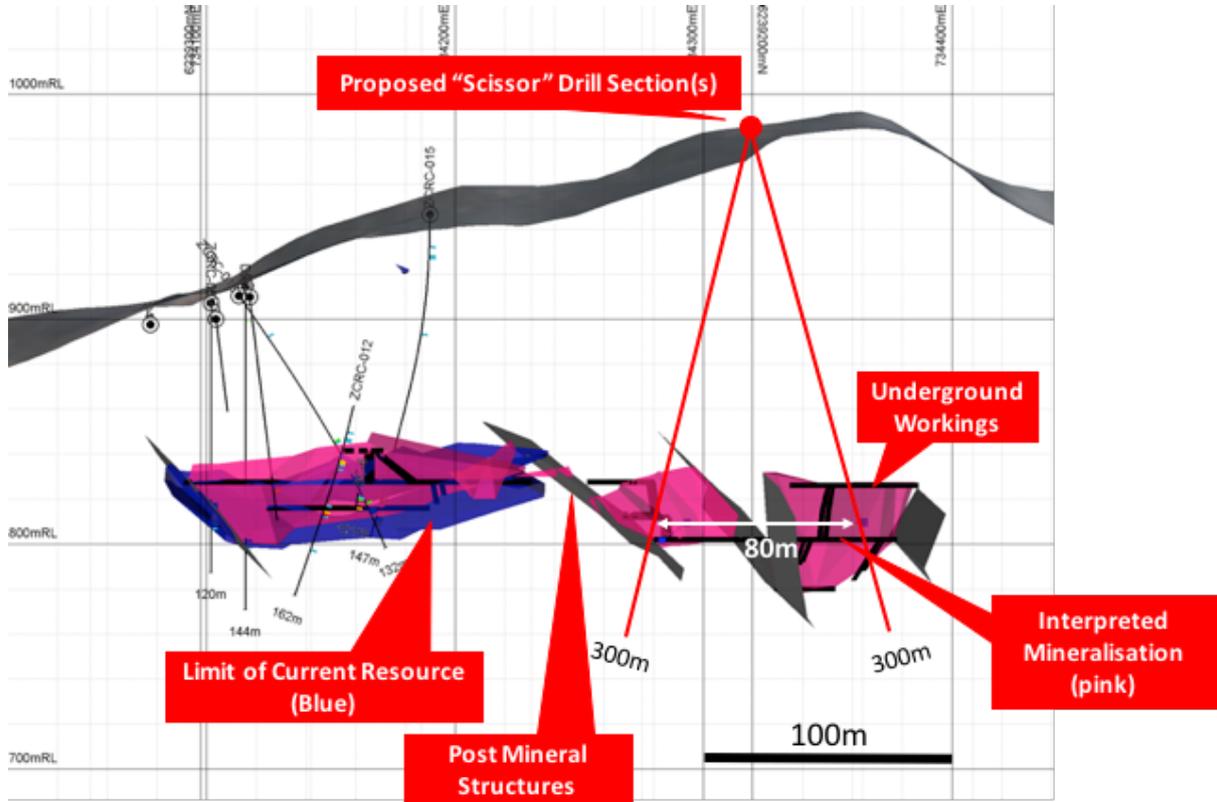


Figure 2: "Scissor" drill holes designed to test north-eastern ore body extensions

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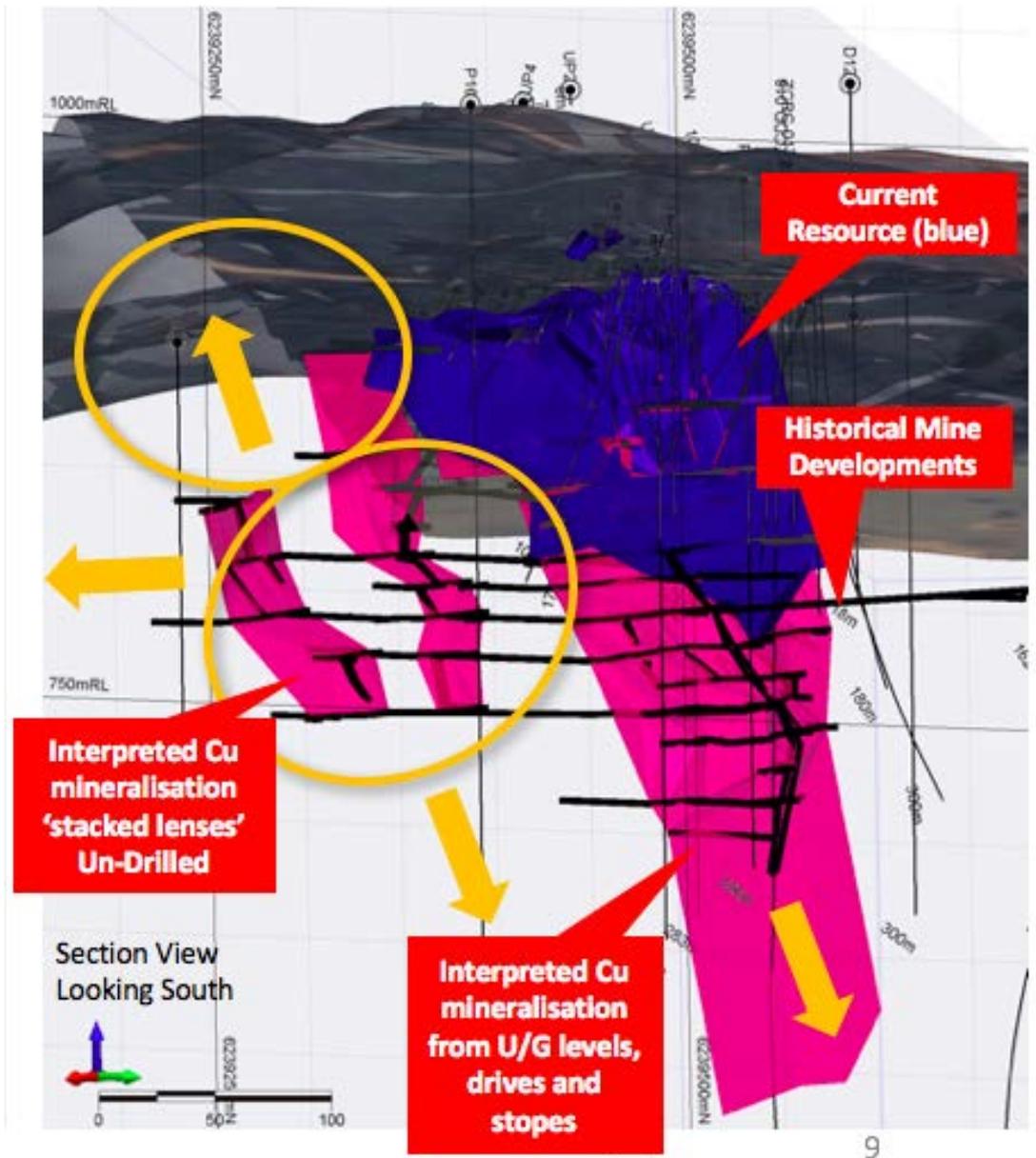


Figure 3: Modelled ore body at Lloyd's indicating extension potential

Elysium Resources Lead Geologist, Alex Tunnadine: "Elysium Resources is delighted to announce that it has commenced reverse circulation drilling at Lloyd's Prospect. The tenements are on the famed Lachlan Fold belt, which houses some of Australia's biggest gold mines including Newcrest Mining's Cadia and Evolution Mining's Cowal pit. A board overhaul earlier this year has seen sharper focus on the Burranga project and the Company is well-funded to continue exploring the historic Lloyd's region."

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About Elysium Resources

Elysium Resources Limited (ASX: EYM) is an Australian-based mineral exploration company with tenements located in New South Wales and Western Australia. Elysium's core business is the exploration of large, high quality copper and gold deposits. Through the development of projects into profitable operating mines, Elysium aims to increase shareholder capital growth, dividends and wealth.

The Company's current focus is the Burruga Copper-Gold Project located in the world-class minerals province of the East Lachlan Fold Belt in central western New South Wales. The Burruga Project consists of three continuous exploration licences (EL6463, EL6874, EL7975) and one exploration licence application (ELA5454) covering a total area of approximately 221 square kilometres. In addition to Burruga, Elysium is also pursuing other value accretive project opportunities.

To learn more, please visit: www.elysiumresources.com.au

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