



ASX ANNOUNCEMENT

10 August 2017

Elysium set for Phase 2 drilling at Lloyd's Copper Mine

Highlights:

- Elysium to commence Phase 2 drilling program at Lloyd's Copper Mine, NSW, in September
- 600m of RC drilling expected, with completion in early October
- Drilling aims to follow up Phase 1 results* which 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, and
 - 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
- First RC drill holes to be drilled in the north-eastern zone of Lloyd's in 33 years
- Detailed chip logging and sampling for laboratory analysis to follow drilling, with assays expected by the end of October.

Elysium Resources Limited ("Elysium" or "the Company") (ASX: EYM) is pleased to announce it is preparing for Phase 2 drilling at Lloyds Copper Mine, part of its flagship Burraga Project ("Project") near Bathurst in NSW.

Phase 2 drilling, to consist of two reverse circulation (RC) holes for 600m, is expected to commence mid-September, pending contractor engagement and weather conditions, with completion in early October.

The two RC holes are designed to follow-up the Phase 1 drilling program which earlier this month returned results* of:

- 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.

**Refer to Elysium's ASX announcement lodged with ASX on 7 August 2017*

Drilling will be conducted from one pad to test lateral extensions of a potential epithermal copper-lead-zinc system to the North East of Lloyd's (Figure 3).

Drill chip sampling and basic logging will be conducted onsite, with detailed logging to be completed by mid-October, and assay results expected to follow by the end of October.

All access agreements are in place and the required drilling activity notifications have been submitted, allowing drill site preparations to commence within the next two weeks. The drilling is expected to commence mid-September, subject to contractor availability and weather.

The drill holes have been designed to test key areas of ore body where modelling suggests lodes remain open, but lack of drilling prevents expansion of model. The drill holes will be positioned to drill towards 210°N and 250°N (true) back towards the mine area at 210°N and 250°N and angled at -80° and -60° to allow for both testing of mineralisation at depth as well as adequate sampling of sub-vertical geology and alteration.

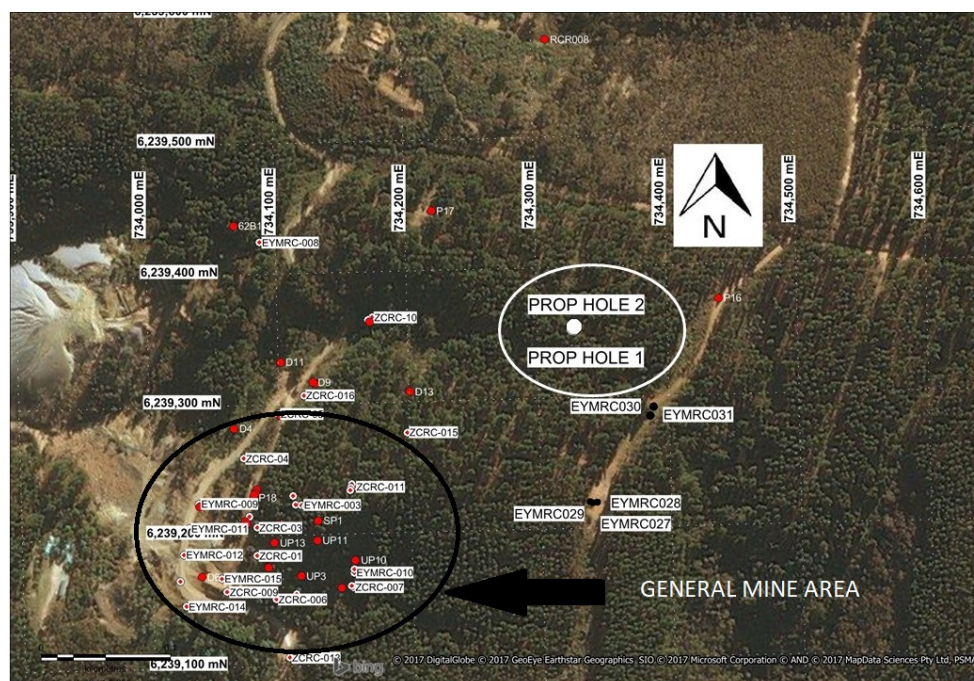


Figure 1: Proposed holes relative to general mine area at Lloyd's Copper Mine, part of the Burraga Project, NSW.

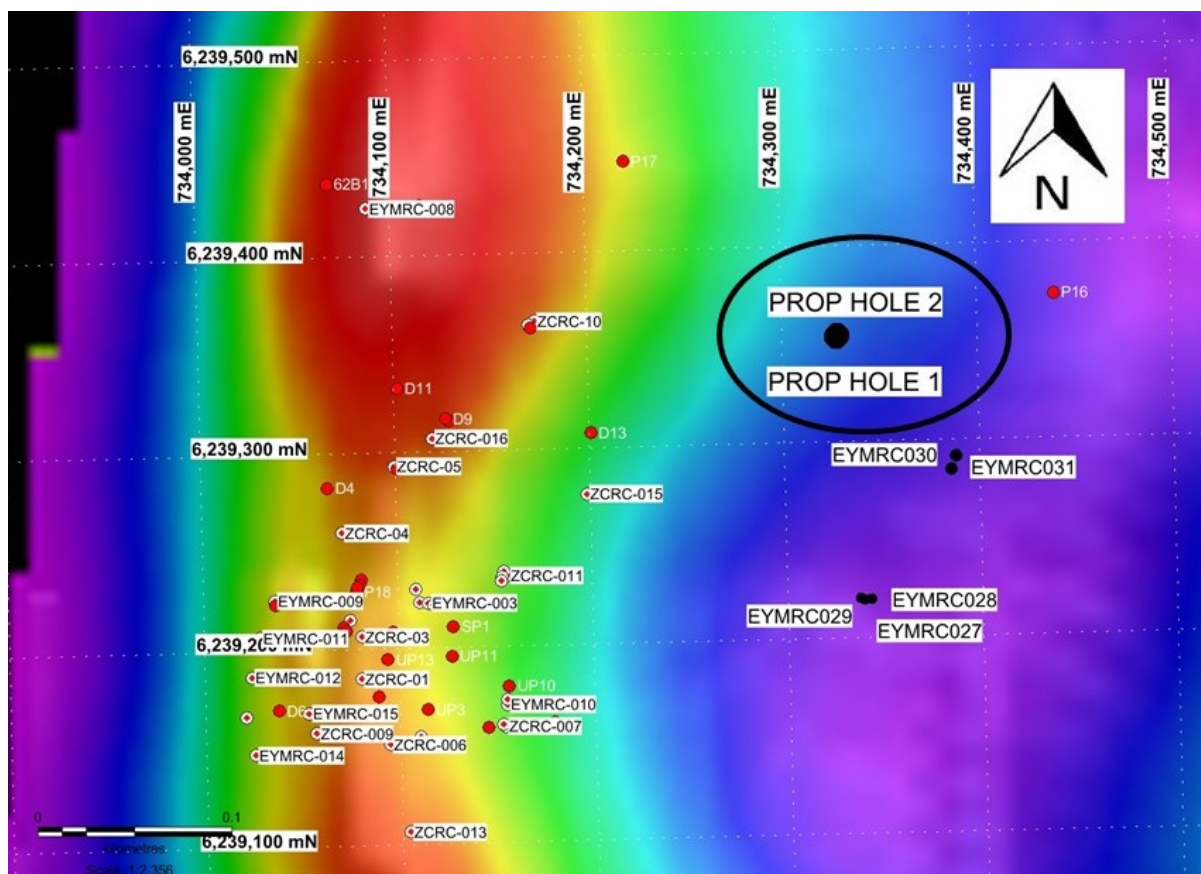


Figure 2: Proposed drill holes at Lloyd's Copper Mine over IP at 100m depth slice.

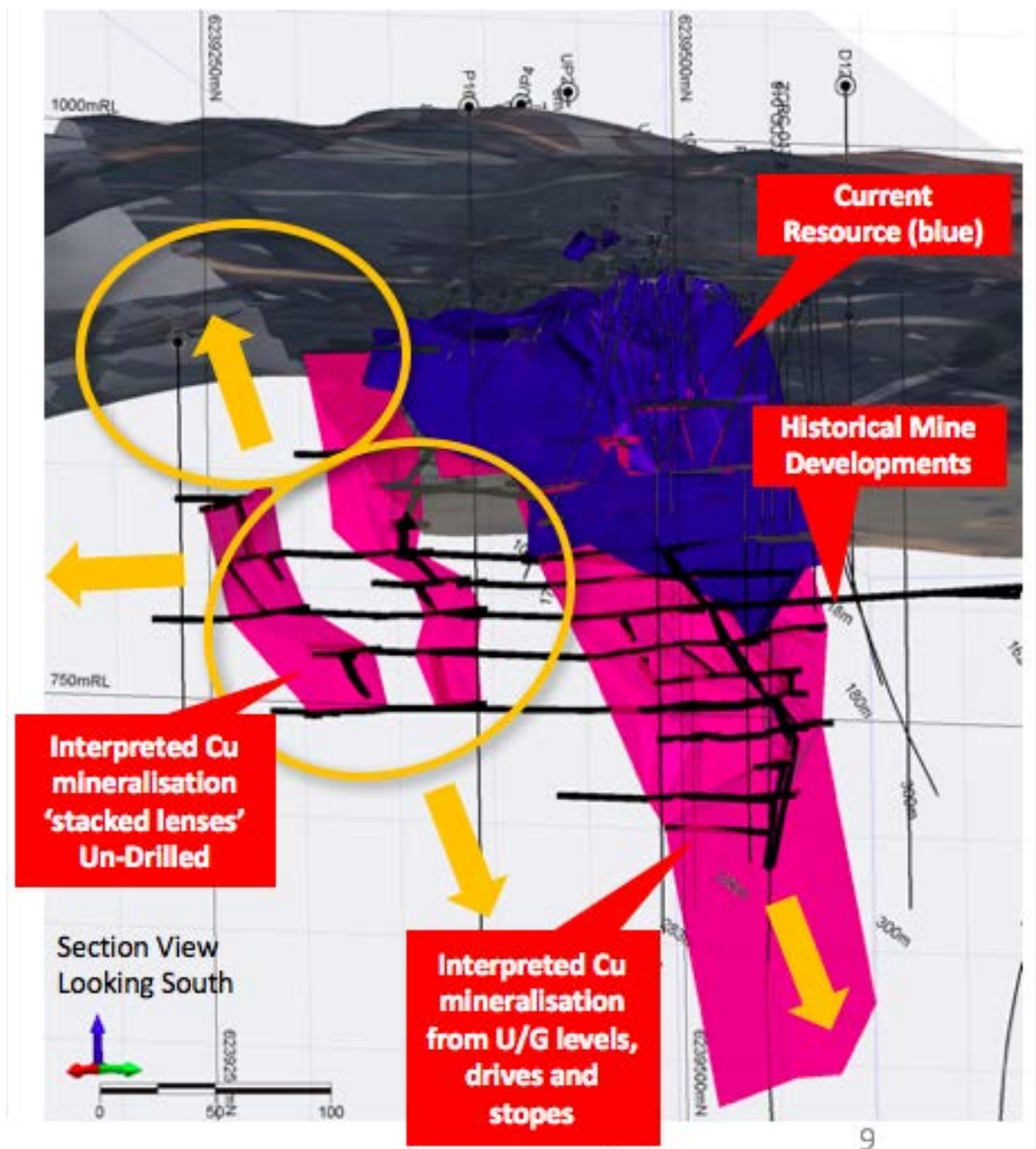


Figure 3: Modelled lode at Lloyd's Copper Mine, indicating extension potential.

BURRAGA PROJECT

The Burranga Project consists of three contiguous exploration licences (ELs) (EL6463, EL7975 and EL6874) surrounding the highly prospective Burranga Granite (Figure 4). The Burranga region is in 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: 234,000t @ 1.25% Cu; slag: 140,000t @ 0.9% Cu).

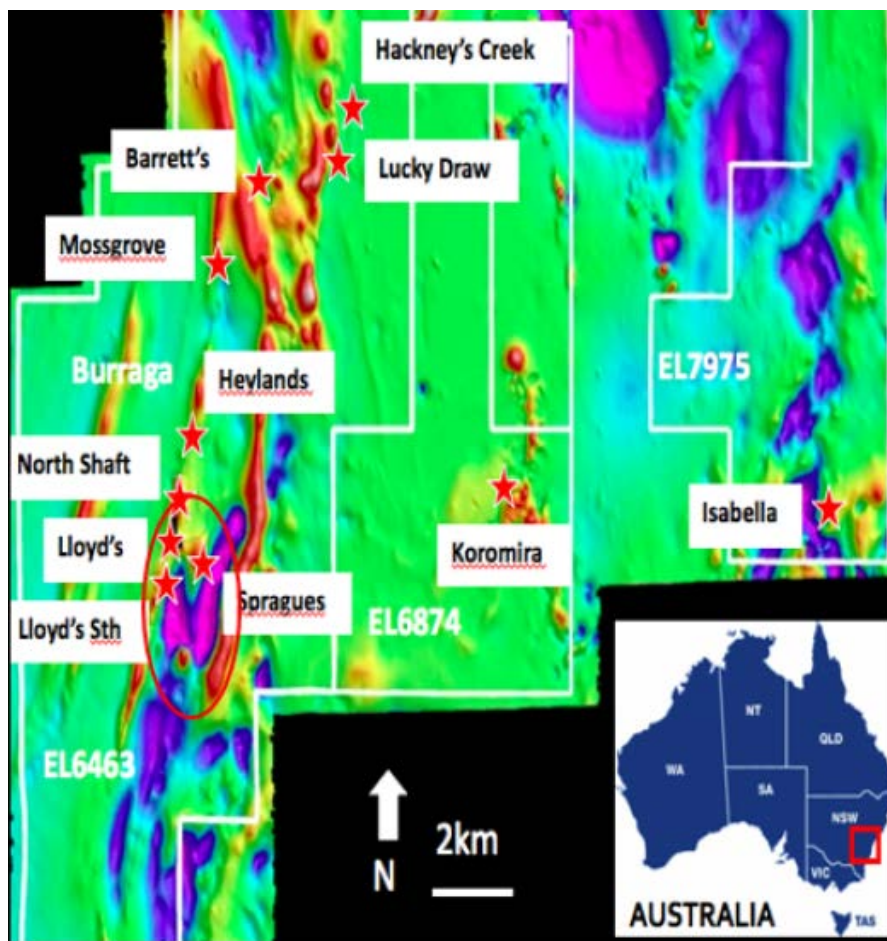


Figure 4: EYM's contiguous exploration licences over the Burraga Granite and prospect locations. Phase 1 drilling at the Lloyds prospect shown in red.

For further information, please contact:

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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 221km². 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.