ASX ANNOUNCEMENT
FOR IMMEDIATE RELEASE

10th November 2014

ENCOURAGING COPPER GRADES FROM FIRST DRILLING AT LLOYDS.

Elysium Resources Limited ("Elysium" or "Company") (ASX:EYM) is pleased to announce the first results received from the drilling commenced in October at its Burraga project in NSW.

Highlights

- **Significant intercepts from drill-hole EYMRC-003:**
    - **7m @ 1.26 % Cu from 32m.**
    - **32m @ 1.47% Cu from 42m {including: 4m @ 3.87% Cu and 6m void}**
- **Significant intercepts from drill-hole EYMRC-005:**
    - **9m @ 2.16 % Cu from 41m.**
    - **15m @ 0.91% Cu from 57m {including: 3m void}**

Six reverse circulation (RC) drill-holes have been completed for 693m in and around the historic Lloyds Mine where the Company is upgrading a resource estimate carried out by Burraga Copper Limited. The Company is nearing completion of the resource estimates at the historic tailings and slag dumps which are earmarked for the first mill feed, and are now upgrading the hard-rock resource estimates at Lloyds where a remnant halo of mineralisation remains. The results confirm historical records that a halo of mineralisation remains around the old underground workings grading up to 3% copper. Occasionally grades in excess of the 3% are encountered in pillars and areas the historic mining was unable to access, an example of this is an intercept from EYMRC-003 of 2m @ 6.14% Cu. The mineralised halo widths encountered are also impressive and beyond what has been assumed in the Company's 2011 pre-feasibility study.

The drilling reported here was located to confirm previous drilling in the area which has not been included to date in the resources estimates as a precautionary measure due to the high grades and widths. The Company is now comfortable that the "SP" series of holes be included in the resource which will give an increased level of confidence to the estimate. The best intercept from the SP series of drill-holes is from SP2: 35m @ 1.49% Cu from 24m. The results also allow the Company to position diamond-core holes for metallurgical test-work. Most of metallurgical test-work has been completed for the tailings and slag with the hard-rock test-work remaining. The core drilling is anticipated to commence once the water-bore drilling / installation is completed over the next couple of weeks.

EYMRC-007 was the third hole where results were returned. The location of this hole was through the southern slag dump where a magnetic anomaly presents below the slag. An anomalous interval of zinc (10m @ 0.27% Zn from 63m) suggests the hole was not drilled deep enough; metal zonation of the Lloyds area is clearly seen in EYMRC-003 where zinc is encountered earlier in the hole than the deeper copper mineralisation (see Table 1). A total of two holes for 262m has been drilled in areas away from Lloyds (refer Figure 2).

The remaining results from the drilling at Lloyds and scout holes into nearby anomalous areas is anticipated over the next 1-2 weeks. RC drilling is anticipated to resume after the metallurgical diamond core work is completed.

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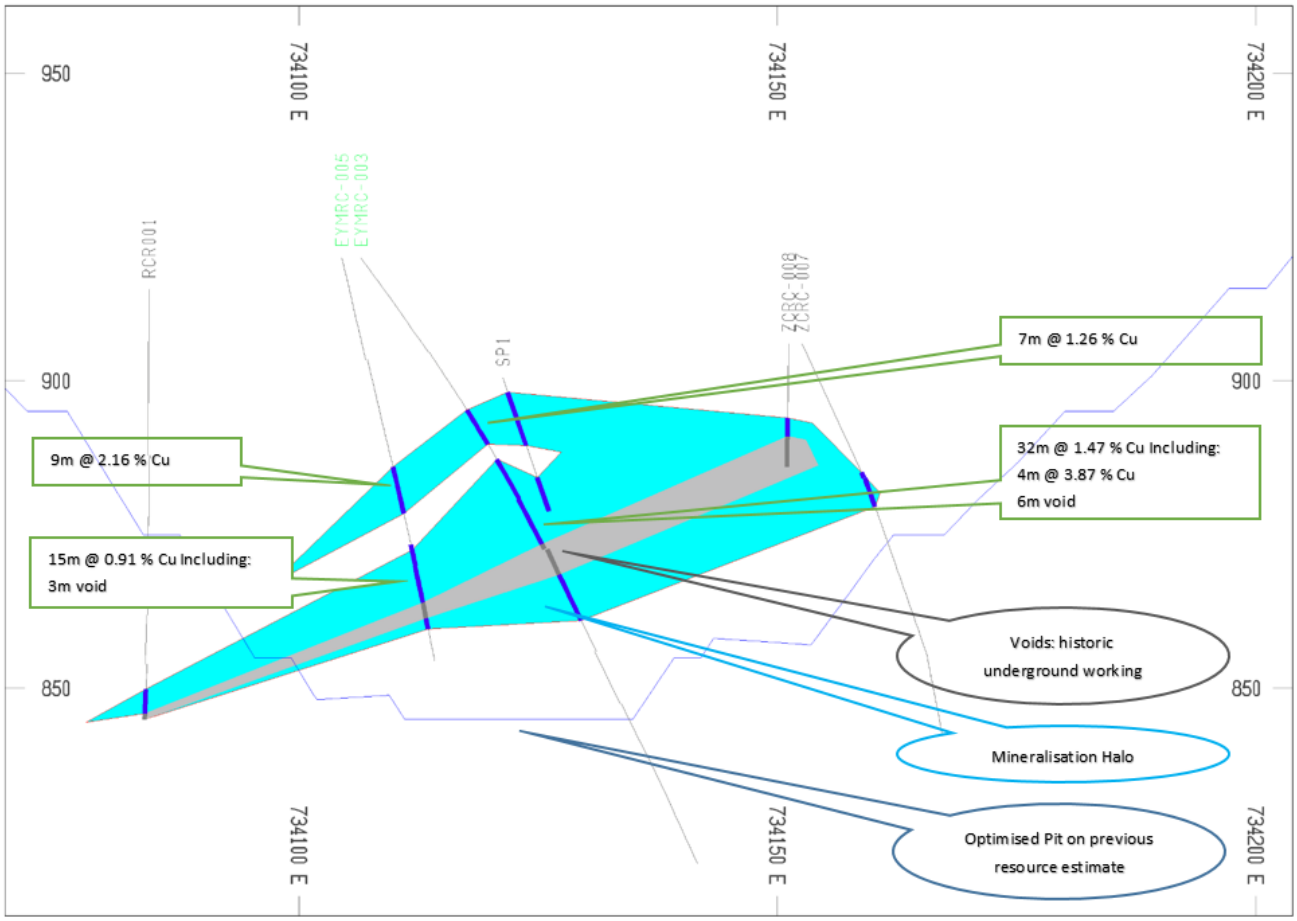

Figure 1. Cross-section (looking towards 050^0) through centre of proposed open pit at Lloyds.

Hole ID	East (m)	North (m)	Planned Azimuth (degrees)	Planned Dip (degrees)	Hole Depth (m)	From (m)	To (m)	Significant Interval (m)	Cu % (average)	Zn % (average)
EYMRC-007	734155	6239750	000	-90	100	0	3	3 (Slag)	0.62	0.71
EYMRC-007	734155	6239750	000	-90	100	63	73	10	-	0.27
EYMRC-005	734108	6239216	210	-55	84	41	50	9	2.16	-
EYMRC-005	734108	6239216	210	-55	84	57	72	15	0.91	-
					Including:	67	70	3	void	void
EYMRC-003	734120	6239222	170	-50	120	18	32	14	-	0.46
EYMRC-003	734120	6239222	170	-50	120	32	39	7	1.26	-
EYMRC-003	734120	6239222	170	-50	120	42	74	32	1.47	-
					Including:	42	46	4	3.87	-
					Including:	59	65	6	void	void
EYMRC-001	734153	6239240	185	-55	114	Results	Not	Yet	Received	
EYMRC-008	734085	6239425	000	-90	162	Results	Not	Yet	Received	
EYMRC-010	734147	6239168	000	-90	74	Results	Not	Yet	Received	
BC-6	734153	6239240	000	-90	121	Results	Not	Yet	Received	
BC-1	734175	6239375	000	-90	180	Results	Not	Yet	Received	

Table 1. RC results received and pending.

Note 1: Significant intervals for resource development holes use Cu cut-off grade of 0.3%
Note 2: EYMRC-007 is exploratory; significant intervals are reported as anomalous grade & width, not above cut-off

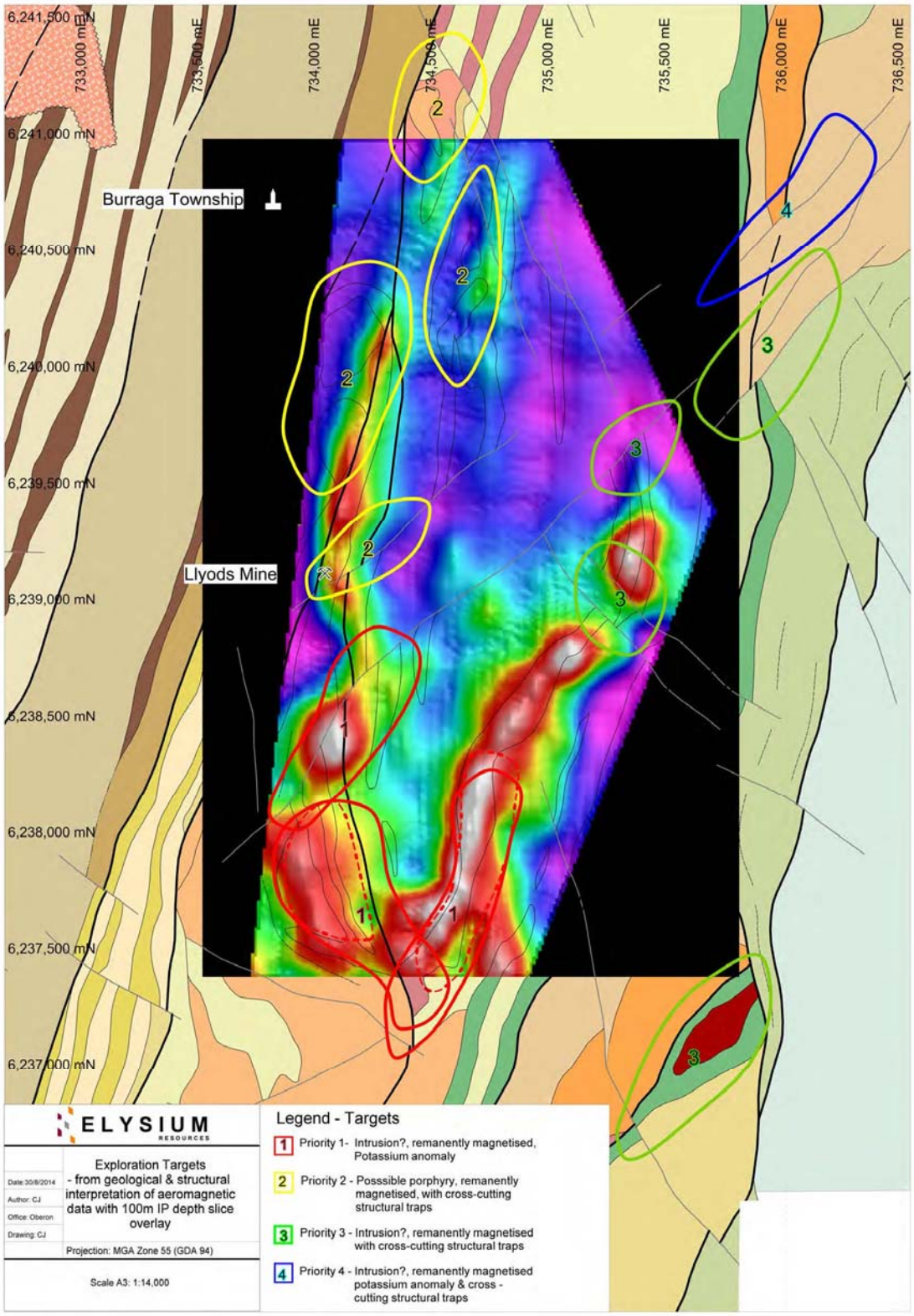

Figure 2. Priority 1 and 2 targets being drilled directly north and south of the Lloyds Mine.

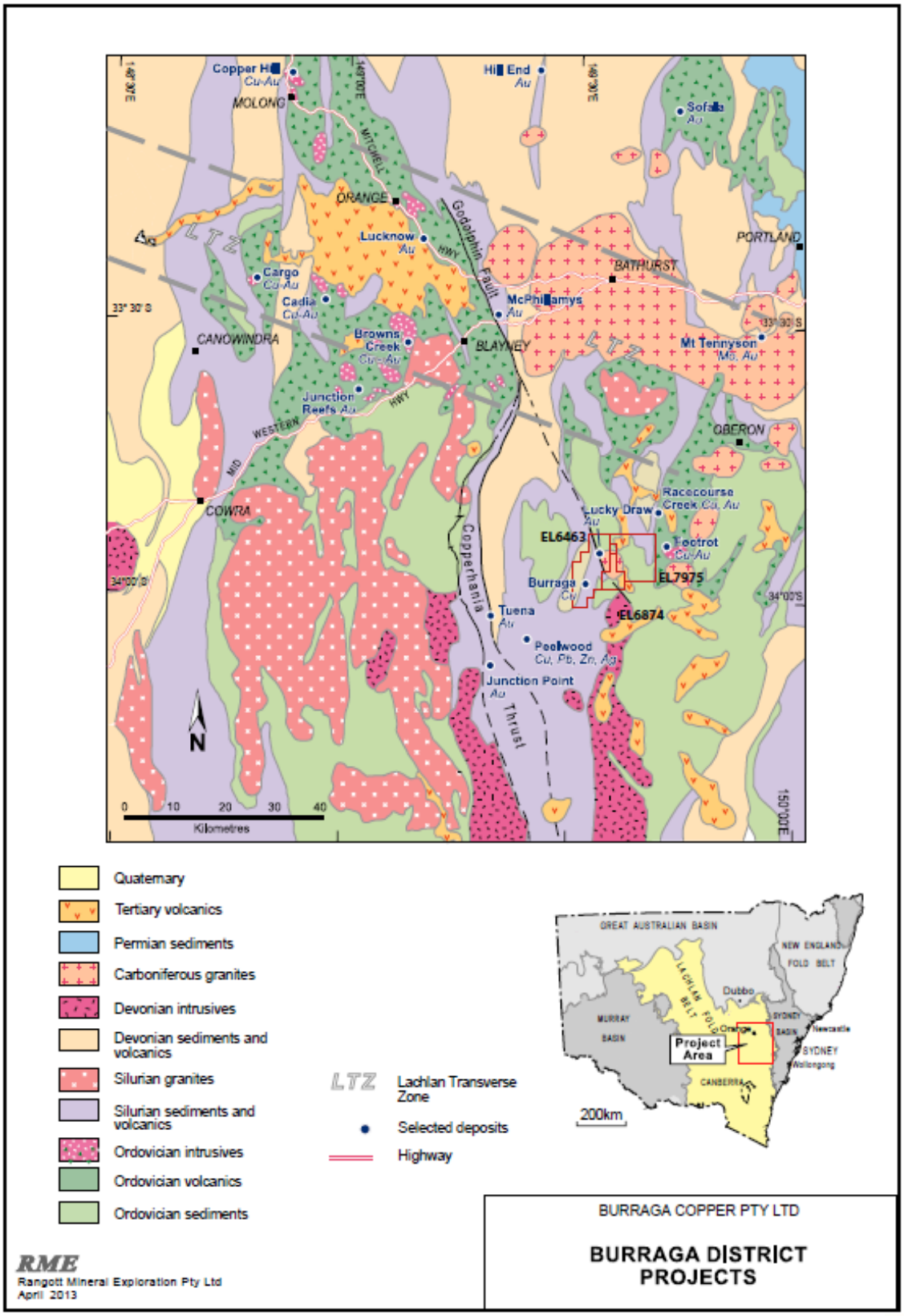

Figure 3. Location of the Company's Burraga Projects.

About the Burraga Copper Project

As announced on 9th April 2014, the Company engaged Endure Environmental to carry out an Environmental Impact Study ("EIS"), pivotal to gaining the necessary permits to commence production at the historical Lloyds Mine near the township of Burraga in NSW. The decision to progress towards production is based on the preliminary findings of the 2011 prefeasibility study ("PFS") which is available for reading on the Company's website. The findings suggested an economically viable operation was plausible within a relatively short period and at a relatively low upfront capital investment. The operation is anticipated to yield a cash-flow to allow Elysium to explore the attractive upside potential across its entire tenement holding (refer Figure 2 “priority targets”).

The Lloyds Copper Mine produced 19,443 tons of Copper from 469,626 tons of ore implying a recovered grade of 4.14% Cu, between 1880 and 1920, then intermittently up to 1961. As a result of mining at the Lloyds Mine, and to a lesser extent at nearby mines, there now exists a tailings dump and two slag dumps of up to 350 Kt. The tailings resource contains a drill proven 234Kt @ 1.2% Cu (see Company website for detail). Metallurgical testing of the tailings confirms a greater than 70% recovery rate from processing of the tailings. The PFS assesses the commercial potential of reprocessing the tailings, slag and hard rock resources from the surface of Lloyds Mine, and concludes that such a project, subject to further testing and financial investigation, is financially and commercially viable with start-up capital expenditure estimated at $10.8 million, generating a net profit of $75 million over 4.4 years of operation.

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For and on behalf of the Board of Directors

Mark Ohlsson,
Company Secretary,
Elysium Resources Limited

The information in this announcement that relates to Exploration Targets, Exploration Results, Mineral Resources or Ore reserves is based on information reviewed or compiled by Neb Zurkic BAppSc (Geol), MSc (Min & Energy Economics), a Competent Person who is a Member of the Australasian Institute of Mining and Metallurgy and a Registered Professional Geoscientist with the Australian Institute of Geoscientists. Mr. Zurkic is employed by Zurkic Mining Consultants Pty Ltd. Mr. Zurkic 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. Zurkic consents to the inclusion in this announcement of the matters based on his information in the form and context in which it appears. Zurkic Mining Consultants Pty Ltd, which is owned and controlled by Mr. Zurkic, owns shares in Elysium Resources.

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

Section 1 Sampling Techniques and Data

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.*	• Samples are collected using standard industry practice sampling, assay methods and QAQC. Reverse Circulation (RC) samples weighing approximately 2kg are collected as individual 1m samples through a cyclone which are riffle split for analysis.
	• *Include reference to measures taken to ensure sample representivity and the appropriate calibration of any measurement tools or systems used.*	• Nominal 1m down the hole samples are taken unless geology intervals dictate otherwise. • Uniform weight collected.
	• *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 for all RC drill sample.
	• *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.*	• Best industry practise used for reverse circulation drilling whereby a nominal 2kg RC drill sample representing a 1m sample interval down the hole was used to obtain a 250g pulp for analysis. Similarly for gold analysis the same sample was used to produce a 30g nominal sample charge to analyse by fire assay method.
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 tube, depth of diamond tails, face-sampling bit or other type, whether core is oriented and if so, by what method, etc).*	• Reverse Circulation • Face-sampling bit • 126mm diameter
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%. Any poor sample recovery or condition is noted in the logs.
	• *Measures taken to maximize sample recovery and ensure representative nature*	• RC samples are visually checked for recovery, moisture and contamination. A

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	of the samples.	cyclone splitter is used to provide a uniform sample and these are routinely cleaned. 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. Magnetic susceptibility is quantitative. Chip trays are stored for reference and photos are included in the logs.
	• *The total length and percentage of the relevant intersections logged.*	• RC drilling is logged from top to the hole bottom.
Sub-sampling techniques and sample preparation	• *If core, whether cut or sawn and whether quarter, half or all core taken.*	• No core sampling took place in reference to this announcement.
	• *If non-core, whether riffled, tube sampled, rotary split, etc and whether sampled wet or dry.*	• Sampling was dry of the cyclone / riffle split.
	• *For all sample types, the nature, quality and appropriateness of the sample preparation technique.*	• High quality and appropriateness of sample preparation techniques
	• *Quality control procedures adopted for all sub-sampling stages to maximize representivity of samples.*	• QAQC procedures adopted for all sampled intervals. Laboratory methods include insertion of blanks, standards and duplicate check samples at a 1: 20 ratio.
	• *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.*	• Yes, appropriate measures taken to ensure in-situ material collected
	• *Whether sample sizes are appropriate to the grain size of the material being sampled.*	• Samples sizes are to industry standard and considered appropriate.
Quality of assay data and	• *The nature, quality and appropriateness of the assaying and laboratory procedures used and whether the technique is*	• Near-total ALS appropriate techniques for material and mineralisation being sampled. Includes Gold Fire assay (Au-AA25) and

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laboratory tests	*considered partial or total.*	Acid digest ICP-AES (ME-ICP61) for multi element analysis and ore grade analysis (OG62) of Cu, Pb, Zn for grades >10,000ppm
	• *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 not used to determine grade.
	• *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 on a 1: 30 ratio and one field duplicate for the strongest mineralised interval visualised for every drill hole.
Verification of sampling and assaying	• *The verification of significant intersections by either independent or alternative company personnel.*	• None undertaken during this program.
	• *The use of twinned holes.*	• A proportion of the RC program reported here was in part intended to verify historical significant grade widths. While not close enough to be considered “twins” due to the access issues, the holes trace closely to the historical holes.
	• *Documentation of primary data, data entry procedures, data verification, data storage (physical and electronic) protocols.*	• Data is stored both as a hard copy and entered into a commercial 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.*	• Initial collar locations are determined by handheld DGPS. • Down-hole surveys consisted of single shot digital camera readings obtained at collar and generally every 30m intervals thereafter except for vertical holes where fewer readings are taken.
	• *Specification of the grid system used.*	• GDA94 (Zone 55)
	• *Quality and adequacy of topographic control.*	• Sufficient accuracy for this stage of exploration activity determined from airborne surveys.
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. • Drilling into Lloyds for resource estimation purposes targets a 25 x 25m lateral spacing for the highest confidence. Due to terrain, drilling is carried out from common pads in a “fan” which generally harnesses the highest variance grade reasonably well given the relatively flat nature of the

Criteria	JORC Code explanation	Commentary
		mineralised shoot.
	• *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 resource development drilling is targeting a spacing of between 25-50m, considered sufficient to harness the geological and grade continuity for Mineral Resource and subsequent Ore Reserve estimation.
	• *Whether sample compositing has been applied.*	• No sample compositing is carried out for this program.
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 Project Geologist. • Following submission to the laboratory (by Company personnel), reference material are stored at the Company warehouse in Oberon.
Audits or reviews	• *The results of any audits or reviews of sampling techniques and data.*	• No audits completed on current drill program.

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 S of Oberon in NSW. • EYM through a subsidiary holds 100%
	• *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; Getty Oil, Dominion and Republic Gold NL have carried out the

Criteria	JORC Code explanation	Commentary
		majority of the most recent work and upon which EYM has based its exploration programs.
Geology	• *Deposit type, geological setting and style of mineralization.*	• Within EL6463 copper – gold – silver +/- zinc +/- lead mineralisation is generally restricted to the Lloyds corridor, although localised anomalous base metal values also occur in the Mossgrove North prospect. The mineralisation is best developed in the Hanrahan's Agglomerate but also occurs in the upper part of the Excelsior Porphyry. At Lloyds mine copper mineralisation occurs as two quartz – sulphide veins, although most production was from the main vein. The predominant sulphide mineral in the veins was chalcopyrite with sphalerite on the vein walls and pyrrhotite disseminated in the wall rocks. Galena and tetrahedrite were also reported, but not at economically important levels. Disseminate base metal mineralisation was reported as forming a halo to the veins. The main vein varied in width from 0.3m to 12 m, striking roughly east - west and dipping moderately north. The main vein has a typical strike extent of 180m, terminating in faults at both ends. The intersection of the terminating faults with the vein 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 Appendix #1 for all information, material to the understanding of the exploration results.
	• *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.

Criteria	JORC Code explanation	Commentary
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.*	• Only 1m split samples are reported and simply averaged over the interval considered significant. • A 0.3 % Cu cut-off grade has been used to determine significant intervals without removing individual results less than this grade over 1-2m (considered dilution if / when mined). • The cut-off is deemed appropriate based on preliminary studies of economic viability.
	• *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.*	• Not used / applied.
	• *The assumptions used for any reporting of metal equivalent values should be clearly stated.*	• No metal equivalents reported.
Relationship between mineralization widths and intercept lengths	• *These relationships are particularly important in the reporting of Exploration Results.*	• Sample spacing and orientation is appropriate to the scale and geometry of the interpreted mineralisation.
	• *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').*	• Close 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.*	• Reference is made to both significant and anomalous results, the relevance of each is referred to in Appendix #1. • All drill-holes where results have been received contain intervals of significance.
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,*	• Data considered most comprehensive and most relevant has been reported. Previous data relevant to this work has been reported here.

Criteria	JORC Code explanation	Commentary
	geotechnical and rock characteristics; potential deleterious or contaminating substances.	
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).*	• Water-bore drilling installation • Metallurgical diamond core drilling • Complete resource definition drilling • Scout exploration / sterilization drilling
	• *Diagrams clearly highlighting the areas of possible extensions, including the main geological interpretations and future drilling areas, provided this information is not commercially sensitive.*	• The full extent of the planned drill programs have been previously reported through announcements or Company presentations.