

DRILLING PROGRAMS SET TO COMMENCE AT BURRAGA.

Elysium Resources Limited ("Elysium" or "Company") (ASX:EYM) is pleased to provide an update on impending RC drilling program(s) its Burraga Copper / Gold Project ("Project") in NSW.

Highlights

- **Resource Growth Reverse Circulation (RC) drilling at the Lloyd's Copper Resource comprising 11 holes for ~ 3,000m designed.**
- **Holes to test previously undrilled extensions east of the current resource in areas of significant historical underground mining development.**
- **Up-dip projections from historical mining development also targeted.**
- **Emerging Isabella Gold Prospect targeted with 5 holes for ~ 500m.**
 - **Drilling testing down dip of:**
 - **7m @ 5.33g/t Au, Incl. 1m @ 11.5g/t Au & 1m @ 7.3g/t Au (Hole IRC020), and**
 - **8m @ 4.2g/t Au, Incl. 1m @ 9.58g/t Au & 1m @ 14.6g/t Au (Hole IRC021).**
- **Drilling to commence early in the New Year.**

The Company's November 2016 Update Presentation follows.

For and on behalf of the Board of Directors



Mark Ohlsson,
Company Secretary

JORC COMPLIANCE STATEMENT

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 Kerrin Allwood, (Geology), a Competent Person who is a Member of the Australasian Institute of Mining and Metallurgy with Chartered Professional (Geology) status. 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. Neither Geomodelling Ltd nor Mr Allwood have any economic interest in Elysium Resources Limited or any of its related entities.

EXPLORATION TARGETS

References to Exploration Target or Targets in this document are in accordance with guidelines of the JORC Code (2012). As such it is important to note that the reported Targets are based on existing data, historical production and geology models. Any references to grade and quantity are conceptual in nature. Exploration carried out to date is insufficient to be able to estimate and report mineral resources in accordance with the JORC Code (2012). It is uncertain if further exploration will result in the determination of a Mineral Resource.

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Current Resources – Lloyd's Copper Resource



- JORC 2012 Compliant Measured, Indicated & Inferred Resource.
- Significant advancement in obtaining Mining Lease approvals, including Environmental Impact Statement.
- “Near Mine” resource growth opportunities identified:
 - Evidence for repeated lodes near surface, possible stacked lodes at depth.
 - Open in multiple directions including un-drilled areas containing historical mining production.
 - Very limited drilling outside of current resource.



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	Indicated	280,000	1.2	0.3	9	0.2	3,490
Slag Heaps	Indicated	90,000	1.3	0.2	7	0.7	1,170
Burrage 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

In-situ **1.3Mt @ 0.8% Cu**
Tailings **280Kt @ 1.2% Cu**
Slag **90Kt @ 1.3% Cu**
TOTAL **1.68Mt @ 0.9% Cu**

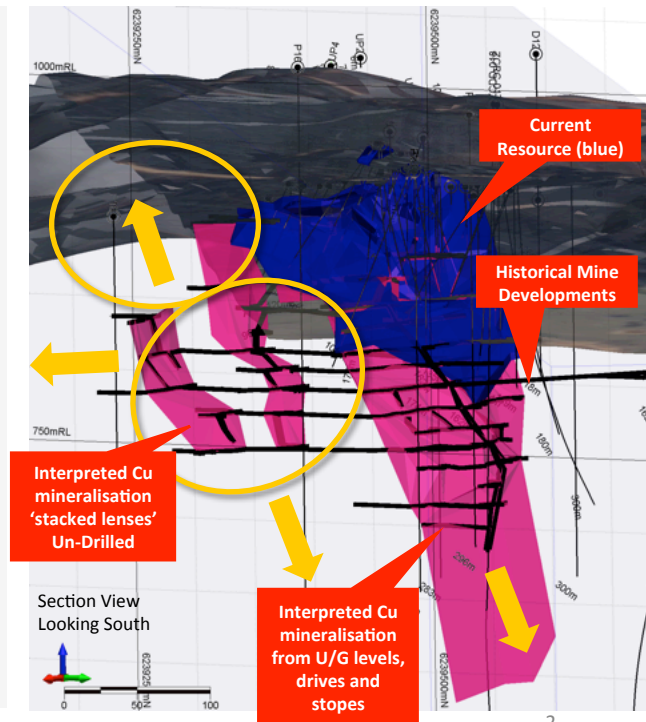
Lloyd's Resource Estimation completed by GeoModelling Pty Ltd, June 2015. Refer to ASX announcement 23rd June 2015 for full details, also www.elysiumresources.com.au

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Current Resources – Lloyd's Copper Resources Growth



- Current near surface resource (blue), remains open down dip / plunge to the north & east.
- Historical mining development extends ~100m below current resource (black lines), interpreted mineralization and stoping (pink)
- Potential repeat 'stack lenses' to the east interpreted from historical development are undrilled, including up-dip.
- "Walk-up" drilling targets identified.
- Modest RC drill program proposed, utilizing 'scissor' drill sections.
- Combined with Downhole Electro-magnetics (E.M.).
- Staged Drilling program(s)
 - Success driven
 - Drilling News flow
 - E.M. survey News flow

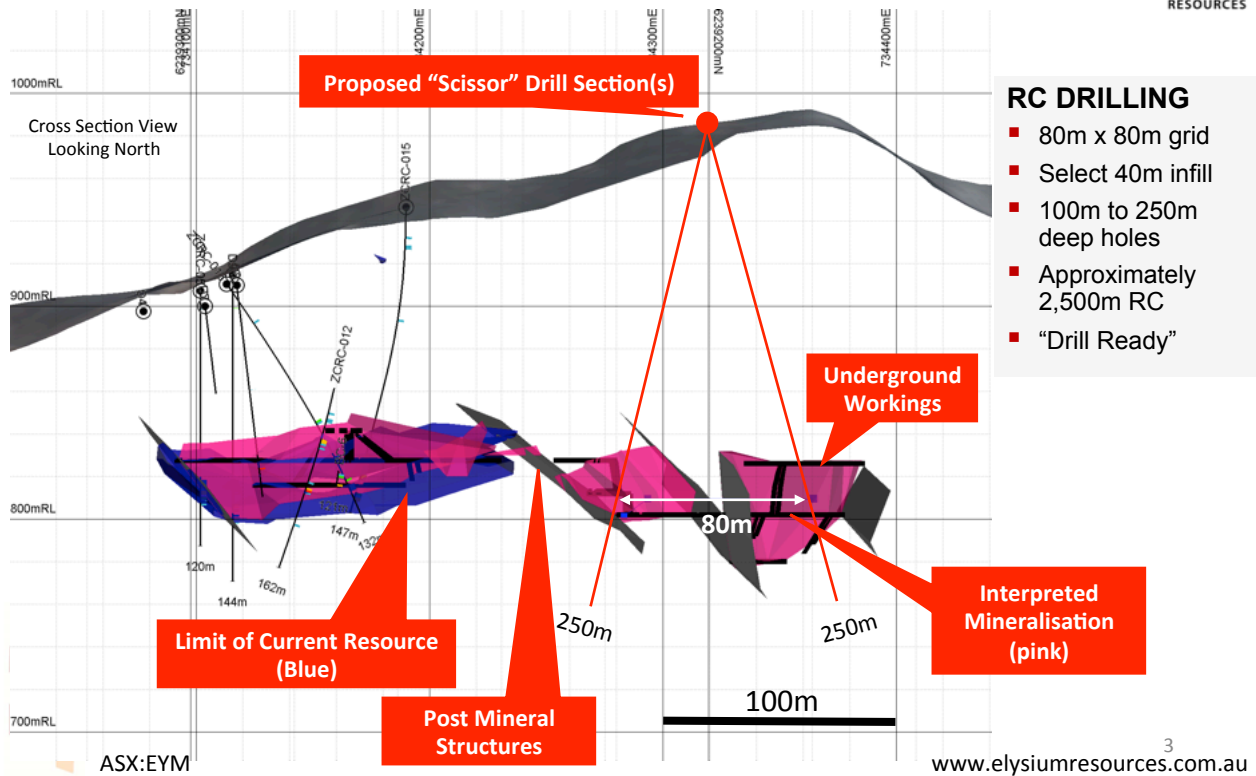


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Current Resources - Lloyd's Proposed RC Drilling



Current Resources

Growing Lloyds Resource: EXPLORATION STRATEGY:

Review and utilize current high quality datasets at Lloyd's and 'near mine' targets.

Shallow RC drilling:

- Follow up previous drill intersections (e.g. Lloyds North Cu Prospect) with step outs to establish orientation and plunge to high grade Cu-Au.
- RC drill test resultant coincident E-W oriented structural / surface geochemical targets.
- Down Hole Electro-Magnetic (DHEM) surveys:
 - Higher % sulphide (cpy-py-po) = higher Cu grades ? Vector to high grade Cu.

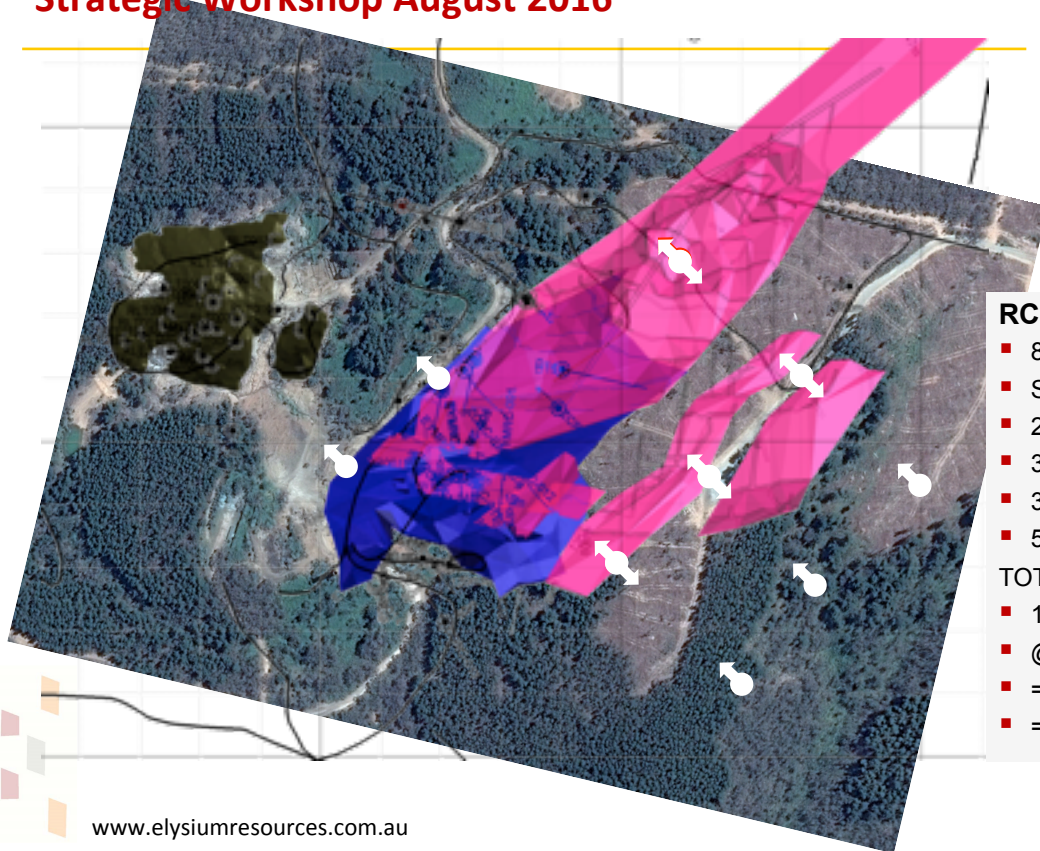
▪ Aims:

- Define high grade Cu resource(s) >10Mt @ >2.0% CuEq.
- Add to the existing inventory - Supplementary Mill Feed
- Prospect Generation – rapid exploration turnover,
- Spend money in the ground.
- Utilize current low costs for exploration and drilling.

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Strategic Workshop August 2016



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RC DRILLING

- 80m x 80m grid
- Select 40m infill
- 2 x 100m deep
- 3 x 150m deep
- 3 x 250m deep
- 5 x 300m deep

TOTAL

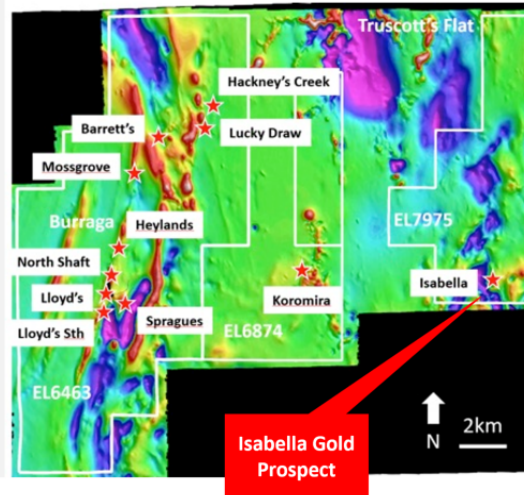
- 13 Holes/3,000m
- @ \$55/m drill
- = \$175,000 drill
- = \$350,000 global

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Burrage Gold Targets – Isabella Gold Prospect



- Gold associated with quartz - sulphide veins in silica-chlorite altered sediments.
- Au-Bi-Cu-As geochemical signature – akin to Lucky Draw gold mine.
- Shallow RC drilling & 1 DDH over >1km strike with significant Au intersections – open in multiple directions and at depth:
- Significant Intersections* include:
 - **6m @ 3.5g/t Au, Incl. 2m @ 10.1g/t Au** in hole IRC008.
 - **7m @ 5.33g/t Au, Incl. 1m @ 11.5g/t Au & 1m @ 7.3g/t Au** in hole IRC020.
 - **8m @ 4.2g/t Au, Incl. 1m @ 9.58g/t Au & 1m @ 14.6g/t Au** in hole IRC021.
 - **6m @ 3.93g/t Au, Incl. 2m @ 11.2g/t Au** in hole IRC094.
 - **8m @ 1.2g/t Au, Incl. 1m @ 7.4g/t Au** in hole IDD080.



* The drill results reported here are from historical drilling conducted during the 1990s by RGC Ltd. Whilst EYM have no reason to doubt the quality of this data, EYM have not been able to obtain any quality assurance data to confirm the quality of this data. For more details see the attached Table 1.

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Burrage Gold Targets – Isabella Cross Section

