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HIGH GRADE COPPER-GOLD MINERALISATION CONFIRMED AT LAXIA PROSPECT, CYPRUS

- **Remaining assays confirm high grade copper intercepts with significant gold and cobalt**
- **All holes in maiden 13-hole drilling programme intersect 20-40 m wide mineralised zone**
- **Best results from latest assays include:**
 - **2.25 m at 4.15 % copper, 0.21 g/t gold, and 0.10 % cobalt from 153.05 m, including 0.45 m at 18.0 % copper, 0.70 g/t gold and 0.37 % cobalt (LMD008)**
 - **2.61 m at 1.70 % copper, 4.2 g/t gold and 0.11 % cobalt from 118 m (LMD011)**
 - **7.66 m at 0.66 % copper from 184.51 m (LMD012)**
- **Strong platform established for next phase of exploration - defining additional high priority targets in the greater Black Pine area and evaluation of existing volcanic-hosted massive sulphide (VHMS) extensions**

Brazilian Metals Group Limited (ASX:BMG) (**BMG** or **the Company**) is pleased to announce further high-grade copper intercepts in the final assay results from its maiden drilling programme at the Laxia Prospect, Cyprus. Thirteen (13) holes were completed at the Laxia Prospect and each hole intersected a 20 to 40 metre wide mineralised zone containing massive to semi-massive, stringer, vein and disseminated sulphides. This is an outstanding early-stage exploration result.

The drilling confirms the presence of high-grade copper-gold-cobalt sulphide mineralisation at the Laxia Prospect. Combined with the previous high-grade copper-nickel-gold-cobalt results from the nearby Pevkos Prospect it demonstrates the significant potential for high-grade sulphide mineralisation in the Black Pine Project area. Importantly, BMG holds all of the most prospective ground in the Black Pine Project area under granted licence (100 % owned).

Work is continuing to locate large sulphide accumulations around known prospects and also to identify new prospects within the Black Pine Project. Exploration work is also underway concentrating on the VHMS deposits within the Company's licences, where numerous abandoned copper mines and prospects are being evaluated and tested.

BMG's Managing Director, Bruce McCracken commented: "Intersecting our highest grade sample at 18 % copper is fantastic and complements our previous copper intercepts of over 10 % in drill hole LMD002. For a maiden drilling programme to encounter mineralisation in every hole, some with exceptionally high copper grades, is a great outcome. It is also very encouraging to observe some excellent cobalt and gold grades in the recent results. BMG has now completed its first phase of exploration in Cyprus and our geological team is progressing the next phase of the programme with active exploration of the broader Black Pine area and our VHMS projects."

LAXIA PROSPECT – DRILLING SUMMARY

The latest assay results come from six holes across the Laxia Prospect and include LMD008-010 to complete the original three sections, plus LMD011 to test further west, LMD012 to test east of a large fault zone and LMD013 to re-drill LMD006, which hit a void. All holes intersected massive to semi-massive sulphides, except LMD013, which hit a void at the depth predicted for the massive sulphides. This void is considered to be part of some unrecorded underground workings and was also encountered in LMD006. A summary of the assay results from the entire drilling programme is presented below.

Table 1: Summary of all significant intersections at Laxia Prospect

Hole ID	Width (m)	Copper %	Gold g/t	Cobalt %	From (m)
LMD001	0.84	3.89		0.21	29.64
	2.10	0.42			34.00
LMD002	2.27	0.45			12.75
	1.20	0.44			18.49
	4.25	2.53			30.75
includes	0.38	13.05	0.62	0.36	31.92
includes	0.35	10.55	0.28	0.21	32.88
LMD003	8.18	0.58	0.13	0.04	46.82
LMD005	4.18	1.72	1.18	0.15	33.1
LMD006	0.44	2.03	1.35	0.05	39.3
plus	large void from 53.5 m, probably unrecorded historic workings				
LMD007	3.58	1.74	0.28	0.05	112.91
LMD008	2.25	4.15	0.21	0.10	153.05
includes	0.45	18.0	0.70	0.37	154.05
LMD009	4.65	0.33	0.69	0.02	94.86
LMD010	1.74	0.81	0.34	0.12	138.76
LMD011	2.61	1.70	4.2	0.11	118.00
LMD012	7.66	0.66			
LMD013	large void from 52.0 m, probably unrecorded historic workings				

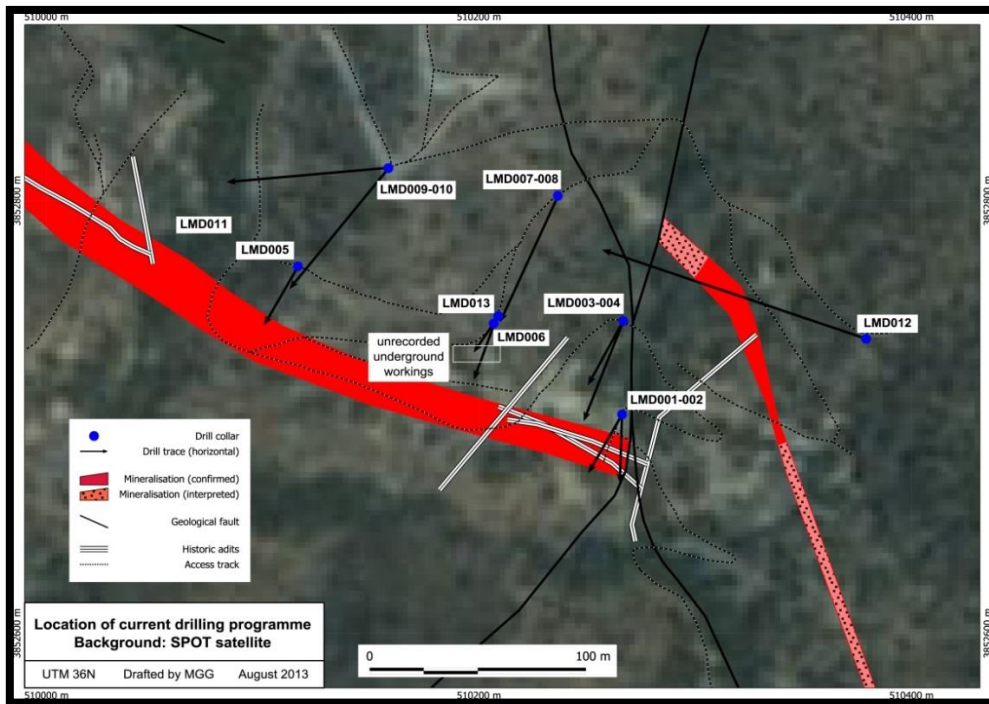


Figure 1: Map showing drill holes at Laxia

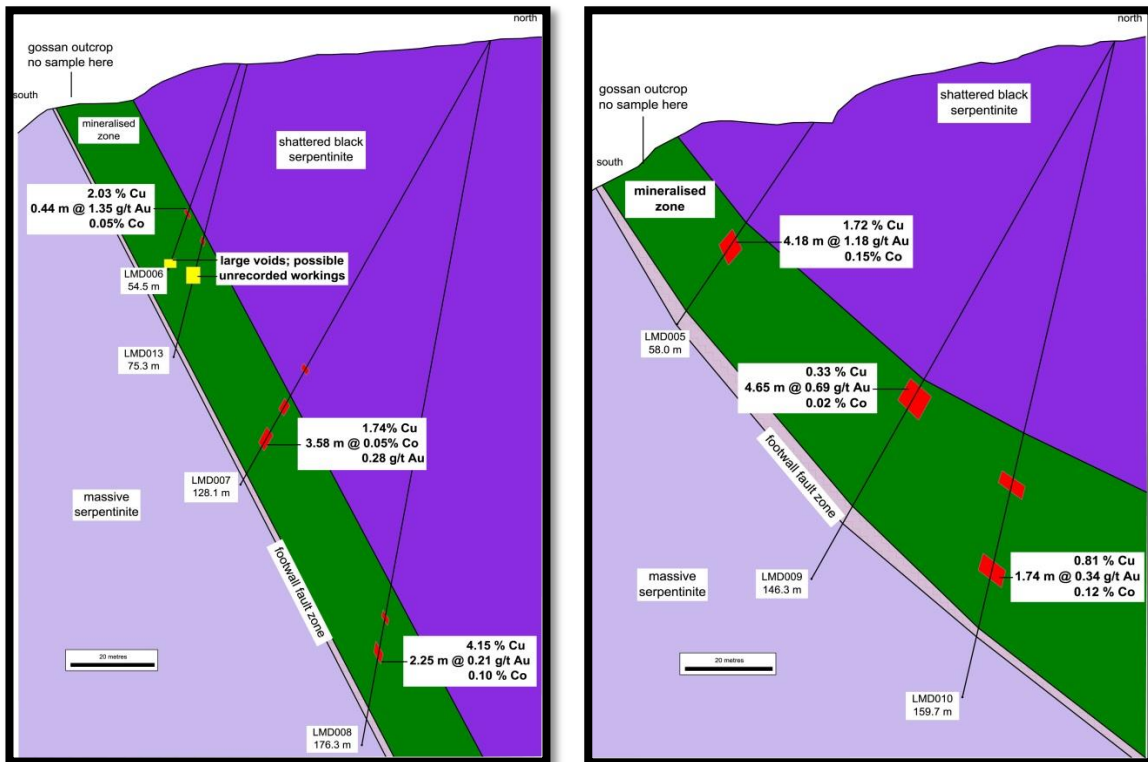


Figure 2: Selected cross-sections of Laxia drilling (from east to west)

BLACK PINE AREA - EXPLORATION AND EVALUATION

A technical review of the Laxia drilling results is now underway. The aim is to identify key geological criteria which may help to better understand local mineralising processes. The other known Black Pine prospects (Pevkos, Petromoutti) are being evaluated to prioritise the most prospective areas for further work. It is expected that ground geophysical surveys will need to be employed to identify significant sub-surface sulphide mineralisation.

The entire Black Pine Project area will also be covered by the mineral maps that are currently being produced by Geolmage Pty Ltd from the ASTER multi-spectral data. It is expected that these mineral maps will refine the geological understanding of the area, and lead to not only the identification of immediate extensions to known mineralised areas, but also reveal new prospects.

BMG also has significant tenure covering areas within Cyprus that are prospective for VHMS deposits. This includes a number of historical copper mines that have not been worked on for over 50 years and other prospects with exposed gossans containing visible copper.

The Company is currently evaluating each of these prospects by geochemical (handheld XRF) and geological mapping. Ground geophysical surveys will then be employed to identify sub-surface extensions of known sulphide bodies or to locate completely blind sulphide bodies. Previous work in similar geological terranes has been quite successful using this approach. The Company's VHMS tenure will also be covered by mineral maps which, for these deposits, will identify the prevailing alteration system and directly pinpoint new targets/prospects.

Table 2: Summary of assay results

Hole_ID	From	To	Width	Au ppm	Co ppm	Cu ppm	
LMD008	143.60	144.52	0.92	<0.01	70	60	
LMD008	144.52	145.45	0.93	0.06	240	3910	
LMD008	145.45	146.43	0.98	0.02	240	3920	
LMD008	146.43	147.40	0.97	<0.01	90	90	
LMD008	152.58	153.05	0.47	<0.01	70	70	
LMD008	153.05	154.05	1.00	0.01	170	3020	4.15 % Cu 2.25 m @ 0.21 g/t Au 0.10 % Co
LMD008	154.05	154.50	0.45	0.49	3670	1.79%	
LMD008*	154.05	154.50	0.45*	0.92	3770	1.81%	
LMD008	154.50	155.30	0.80	0.17	600	1.17%	
LMD008	155.30	156.70	1.40	<0.01	90	70	
LMD009	93.72	94.86	1.14	0.09	90	300	
LMD009	94.86	95.40	0.54	0.6	220	7220	0.33 % Cu 4.65 m @ 0.69 g/t Au 0.02 % Co
LMD009	95.40	96.30	0.90	0.53	140	1190	
LMD009	96.30	97.37	1.07	0.51	110	630	
LMD009	97.37	98.3	0.93	0.78	130	4550	
LMD009	98.30	99.23	0.93	0.29	70	1600	
LMD009	99.23	99.51	0.28	3.2	1350	1.46%	
LMD009	99.51	99.70	0.19	0.15	130	510	
LMD010	138.17	138.76	0.59	0.01	110	30	
LMD010	138.76	139.41	0.65	0.62	1780	1.74%	0.81 % Cu 1.74 m @ 0.34 g/t Au 0.12 % Co
LMD010*	138.76	139.41	0.65*	0.74	1830	1.62%	
LMD010	139.41	140.50	1.09	0.13	860	2840	
LMD010	140.50	141.04	0.54	<0.01	120	130	
LMD011	117.57	118.00	0.43	0.02	100	200	
LMD011	118.00	119.06	1.06	4.48	740	1.62%	1.70% Cu 2.61 m @ 4.2 g/t Au 0.11 % Co
LMD011	119.06	119.81	0.75	3.24	1190	1.12%	
LMD011*	119.06	119.81	0.75*	3.81	1170	1.34%	
LMD011	119.81	120.56	0.75	4.77	1500	2.37%	
LMD011	120.56	121.97	1.41	0.2	100	500	
LMD011	121.97	122.85	0.88	0.02	50	60	
LMD011	133.62	133.85	0.23	0.14	140	570	
LMD011	133.85	134.15	0.30	0.3	380	2780	
LMD011	134.15	135.06	0.91	0.05	100	300	
LMD011	135.06	136.00	0.94	0.01	90	60	
LMD011	136.00	136.44	0.44	0.03	110	130	
LMD011	136.44	137.00	0.56	1.87	160	4250	
LMD012	157.44	157.82	0.38	1.29	320	3370	
LMD012	157.82	158.80	0.98	0.28	270	230	
LMD012*	157.82	158.80	0.98*	0.24	200	280	
LMD012	158.80	159.45	0.65	0.02	120	40	
LMD012	178.82	179.10	0.28	0.15	210	2.06%	
LMD012	183.75	184.51	0.76	0.01	90	80	
LMD012	184.51	184.91	0.04	0.13	1710	6.17%	7.66 m @ 0.66 % Cu
LMD012	184.91	185.63	0.72	<0.01	170	450	
LMD012	185.63	186.74	1.11	0.01	110	290	
LMD012	186.74	187.78	1.04	0.01	100	400	
LMD012	187.78	188.30	0.52	0.03	590	1.22%	
LMD012	188.30	188.86	0.56	0.01	170	420	
LMD012	188.86	190.00	1.14	0.01	150	1460	
LMD012	190.00	191.09	1.09	0.08	2050	1.16%	
LMD012	191.09	192.17	1.08	0.02	850	3440	
LMD012	192.17	192.39	0.22	<0.01	110	70	

* Field duplicate

Table 3: Location of Laxia drill holes

Hole_ID	East	North	Elevation (m)	Dip	Azimuth (mag)	Depth (m)
LMD001	510266	3852701	280	-60°	185°	63.1
LMD002	510266	3852702	280	-60°	210°	54.7
LMD003	510267	3852743	294	-60°	200°	99.1
LMD004	510268	3852744	294	-80°	210°	134.8
LMD005	510112	3852770	340	-55°	210°	58.0
LMD006	510200	3852742	328	-70°	200°	54.5
LMD007	510237	3852803	337	-60°	205°	128.1
LMD008	510237	3852804	337	-80°	205°	176.3
LMD009	510158	3852815	362	-60°	210°	146.3
LMD010	510158	3852815	362	-75°	210°	159.7
LMD011	510156	3852812	362	-60°	260°	151.0
LMD012	510379	3852736	345	-60°	290°	266.5
LMD013	510200	3852744	328	-75°	215°	75.3

Geographical co-ordinates in UTM36N

ENDS

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COMPETENT PERSON'S STATEMENT

The information in this report that relates to Exploration Results, Exploration Targets and Geological Interpretation is based on information compiled by Dr. Michael Green, who is a Member of the Australasian Institute of Geoscientists ("MAIG"). Dr Green is the Chief Operating Officer and an executive Director of Brazilian Metals Group Limited. Dr Green has sufficient experience that is relevant to the style of mineralisation and type of deposits under consideration and to the activity being undertaken to qualify as a Competent Person as defined in the 2004 edition of the "Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves". Dr Green consents to the inclusion in this report of the matters based on his information in the form and context in which it appears.

Information regarding drilling/assay data

1. Most drill holes were completed using HQ diamond drilling, except for LMD008 and LMD009, which had NQ2 tails from 47.3 and 62.0 m, respectively.
2. Core recoveries through the sampled zone were >95 % (except for the void in LMD013) and are considered adequate.
3. Only parts of each hole have been sampled with samples selected based on geological criteria, such as gross lithology and sulphide abundance.
4. Only selected samples are shown in the table provided. The remainder of each hole should be considered to contain no significant copper-gold-cobalt results.
5. Assays are from sawn half core samples, except for field duplicates which are quarter core.
6. Blanks, certified reference material and field duplicates were included with the samples.
7. Assays shown here were completed at ALS Minerals, Loughrea, Ireland. Previous results and other samples within holes LMD008-013 were completed by Gemanalysis, Nicosia, Cyprus. Methods used were 50 g fire assays for Au and four-acid digest with ICP-OES finish for all other element. There has been significant auditing of assays due to inconsistencies between assays and geological observations in two batches.
8. Samples were also analysed for Ag, As, Bi, Ca, Cd, Cr, Fe, Ga, Mg, Mn, Mo, Ni, P, Pb, S, Sb and Zn. These elements are not considered here.
9. No metallurgical studies have been undertaken to determine whether the copper, gold or cobalt can be readily extracted.
10. Drill collars were surveyed using a handheld GPS and will be surveyed using DGPS upon completion of the drilling programme.
11. Downhole surveys were conducted using a single-shot camera and each hole showed only minimal deviation.