



## Early exploration success in Cyprus

Poised for game-changing growth

October, 2013

# Disclaimers

## **Exploration Results and Mineral Resources**

The information in this report that relates to Exploration Targets and Exploration Results is based on information compiled by Michael Green, a competent person who is a Member of the Australian Institute of Geoscientists ("AIG"). Dr Green is 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.

## **Exploration Targets**

The exploration targets are estimated from geological information including drill holes, outcrops and geological information and are shown as a range. The potential quantity and grade is conceptual in nature. There has been insufficient exploration to define the Mineral Resource and it is uncertain if further exploration will result in the determination of a Mineral Resource.

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# Investment Highlights

- Attractive pipeline of growth projects with expansion potential
- Significant potential for high grade Volcanic Hosted Massive Sulphides (VHMS) / Shear hosted copper deposits across 100% owned project holdings (~200km<sup>2</sup>)
- Successful maiden drilling programme has confirmed high grade copper-gold mineralisation at Black Pine – Laxia prospect
- Project areas have excellent infrastructure and access
- Experienced key personnel with strong commercial and technical expertise

BMG is poised for game-changing growth in Cyprus

# Key Personnel



**Christopher Eager**  
**Chairman**

Mr Eager is a Mining Engineer who has spent the majority of the past 25 years in mine development, management of mining companies and resources banking. From 2001 to 2007 he was CEO of Monterrico Metals Plc.



**Bruce McCracken**  
**Managing Director**

Mr McCracken is an experienced business executive having spent 20 years working across a broad range of industries based in Perth, Melbourne and Sydney. This has included corporate advisory and project finance roles. Mr McCracken joined the board of Regalpoint Resources Ltd in September 2013.



**Michael Green**  
**Chief Operating Officer**

Dr Green is a geologist with over 15 years' experience with managing all aspects of exploration programs in Australia and worldwide, targeting a broad range of commodities with a focus on gold, copper and nickel.



**Malcolm Castle**  
**Non-Executive Director**

Mr Castle has over 40 years' experience in exploration geology and property evaluation, working for major companies for 20 years as an exploration geologist. He has experience in iron ore, gold, base metals, uranium and mineral sands.



**Fleur Hudson**  
**Company Secretary**

Mrs Hudson has a Bachelor of Arts, Bachelor of Laws and Master of Laws degrees. Fleur has been a director of Transcontinental Group since 2009 and was appointed company secretary of Regalpoint Resources Ltd in 2010.

High calibre team with significant commercial and technical expertise

# Focused Strategy – Copper / Gold in Cyprus

- Primary focus is on copper / gold exploration in Cyprus
- Further evaluation to test revised exploration model for Black Pine Project
- Targeting near term JORC Resource
- Portfolio-based strategy to maximise value for shareholders
- Continue to assess acquisition opportunities that meet BMG's selection criteria

Evaluating multiple independently verified copper-gold targets



# TREASURE PROJECT

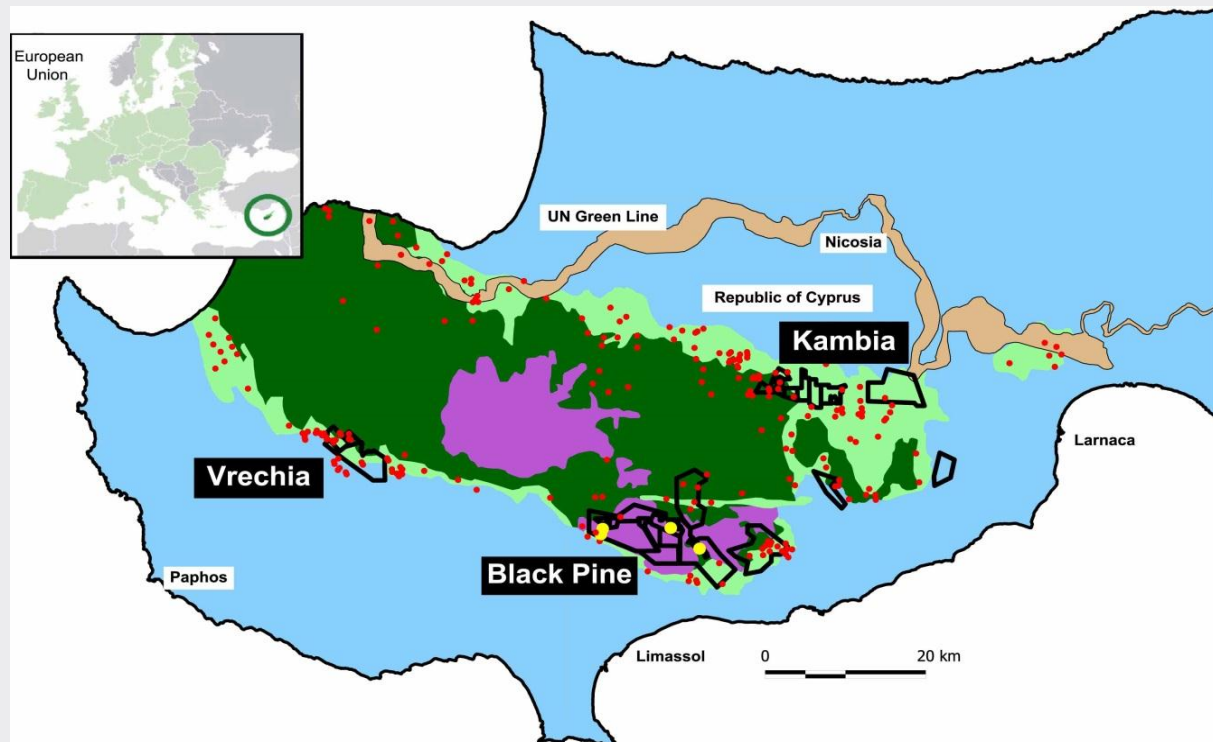
## OVERVIEW

### CYPRUS

- Source of high-grade copper since Bronze Age
- Limited mineral exploration for last 40 years
- 27 significant copper mines were developed with an average grade of 2.0% Cu
- Best – Mavrovouni 16.5 Mt @ 4.5 % Cu
- Excellent infrastructure, access and government assistance

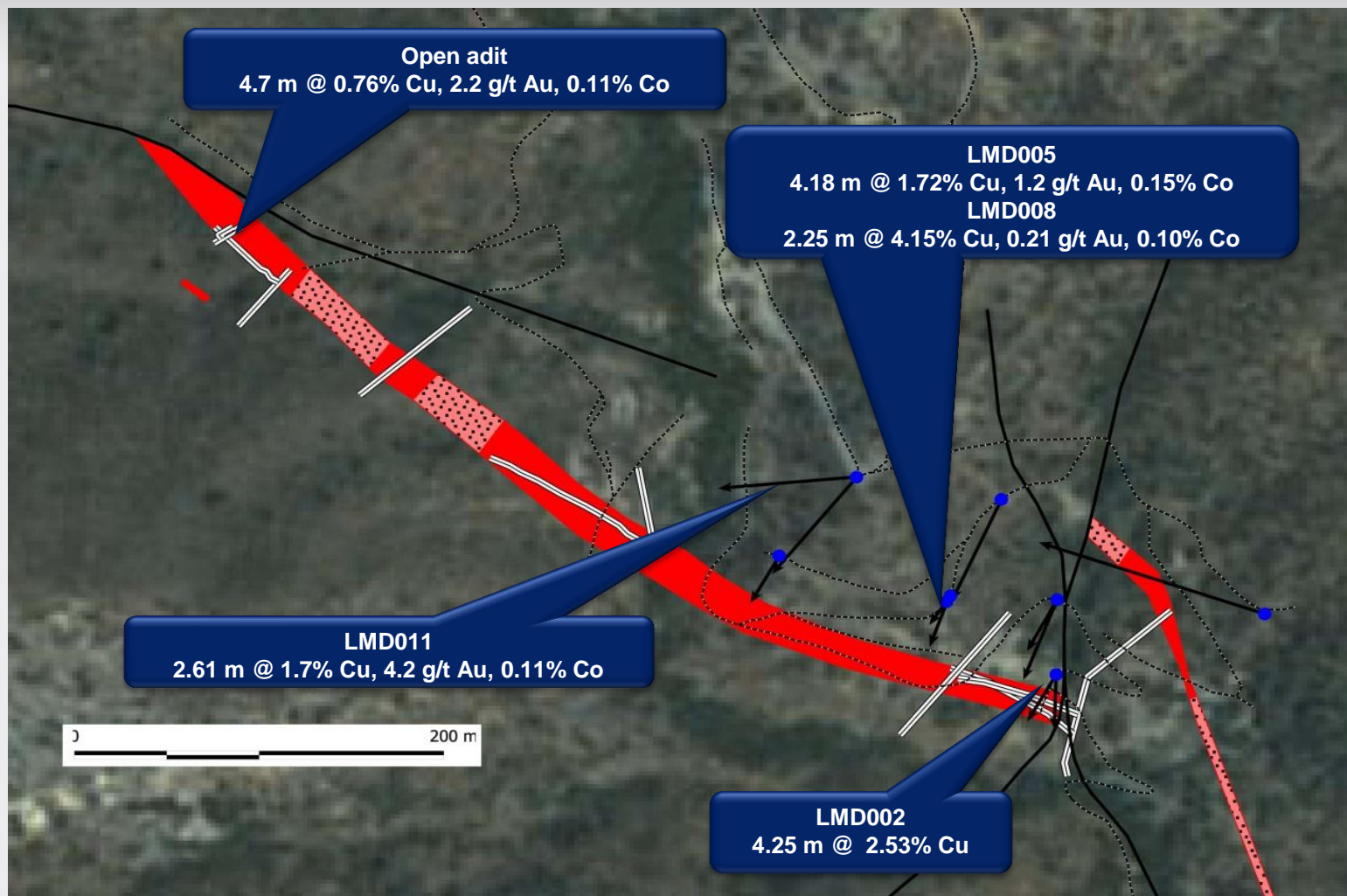
### BMG

- Three key project areas (~200 km<sup>2</sup>, 100% owned)
- Historical copper mining operations within BMG licences
- High-grade sulphide deposits



# BLACK PINE AREA

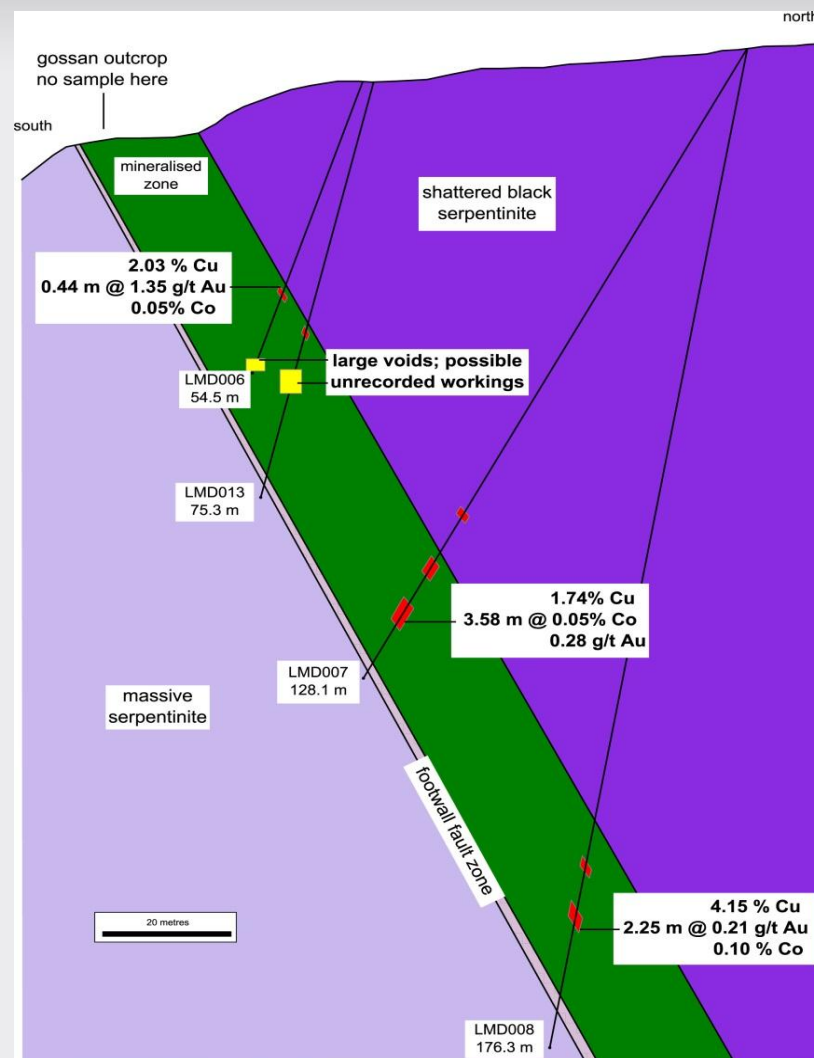
## LAXIA DRILLING HIGHLIGHTS – RECENT HIGH GRADE INTERCEPTS



# BLACK PINE AREA

## LAXIA DRILLING HIGHLIGHTS

- Maiden drilling programme complete
- 13 drill holes for 1,567 m
- All holes intersect 20 - 40 m wide mineralised zone
- Very high-grade copper, cobalt & gold
- Sulphide mineralisation related to later dolerite dykes - orthomagmatic
- Results show potential for very high-grade sulphide deposit
- Ground geophysics required in immediate area to define larger sulphide bodies

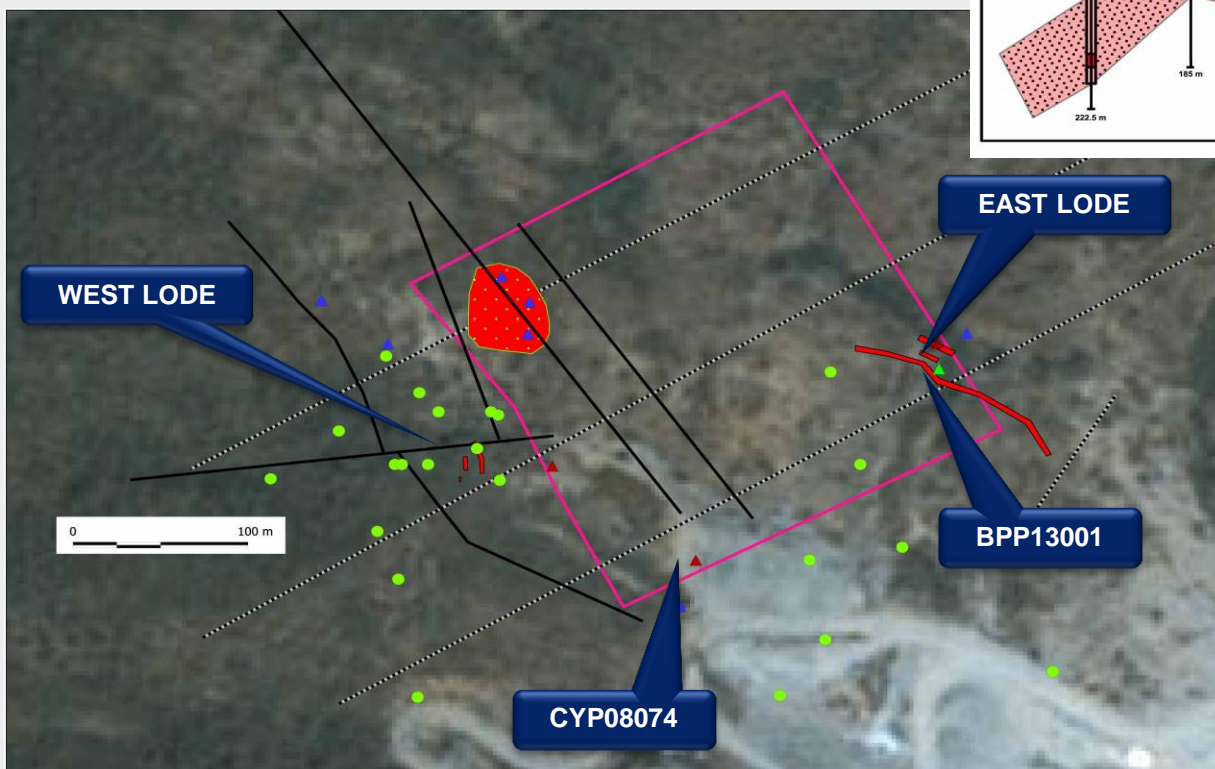
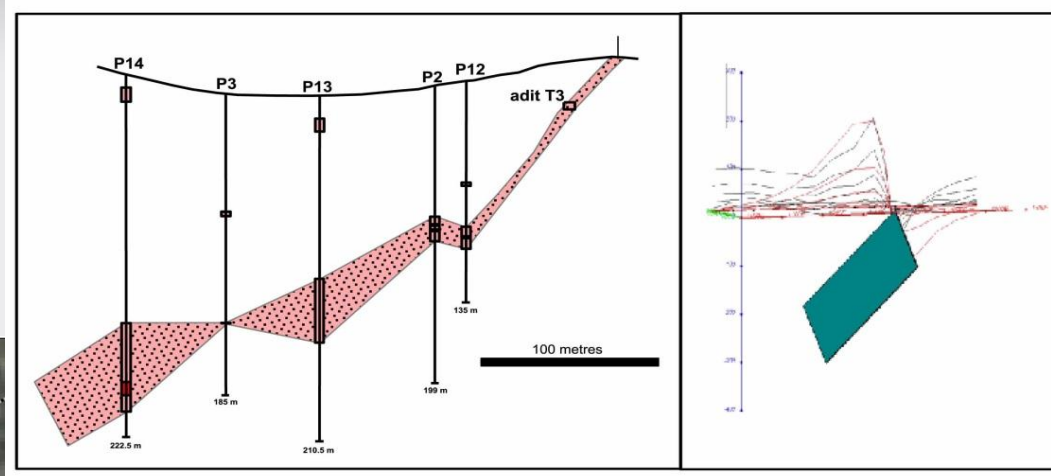




# BLACK PINE AREA

## PEVKOS PROSPECT

- High-grade Cu-Ni-Au-Co
- Ground EM defined conductor (2010)
- Confirms historic drilling results

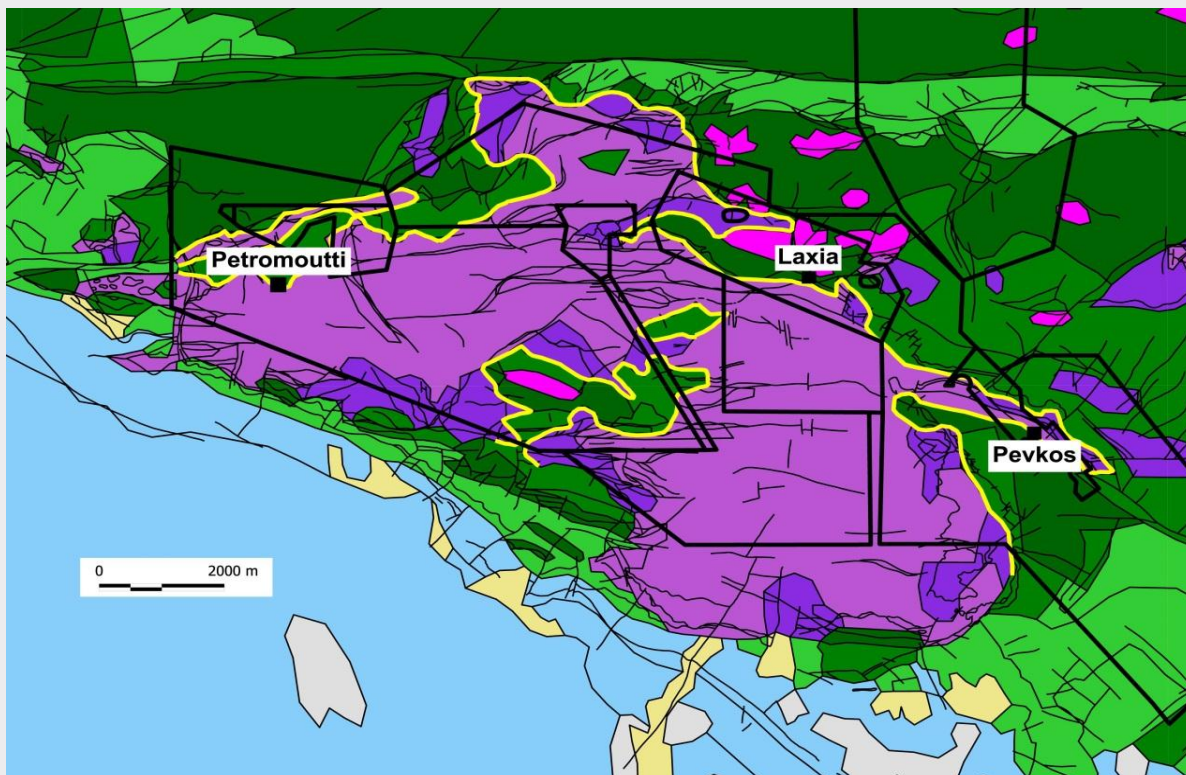


**CYP08074**  
 3.09 % Cu, 3.67 % Ni  
 7.58 g/t Au, 0.28 % Co

**BPP13001**  
 0.35 % Cu, 1.98 % Ni  
 18.25 g/t Au, 0.26 % Co

# BLACK PINE AREA

## REGIONAL PROSPECTIVITY



### Orthomagmatic model

- Sulphide mineralisation near contact with dolerite intrusions
- Three known prospects in area
- Pevkos has high Ni providing further support for model
- BMG has >50 km strike length of possible mineralised contacts
- Area poorly explored and mapped
- Use of mineral maps derived from ASTER multi-spectral satellite to identify most prospective area
- Field crew checking with handheld XRF
- Globally significant Cu-Ni deposits

# VHMS DEPOSITS

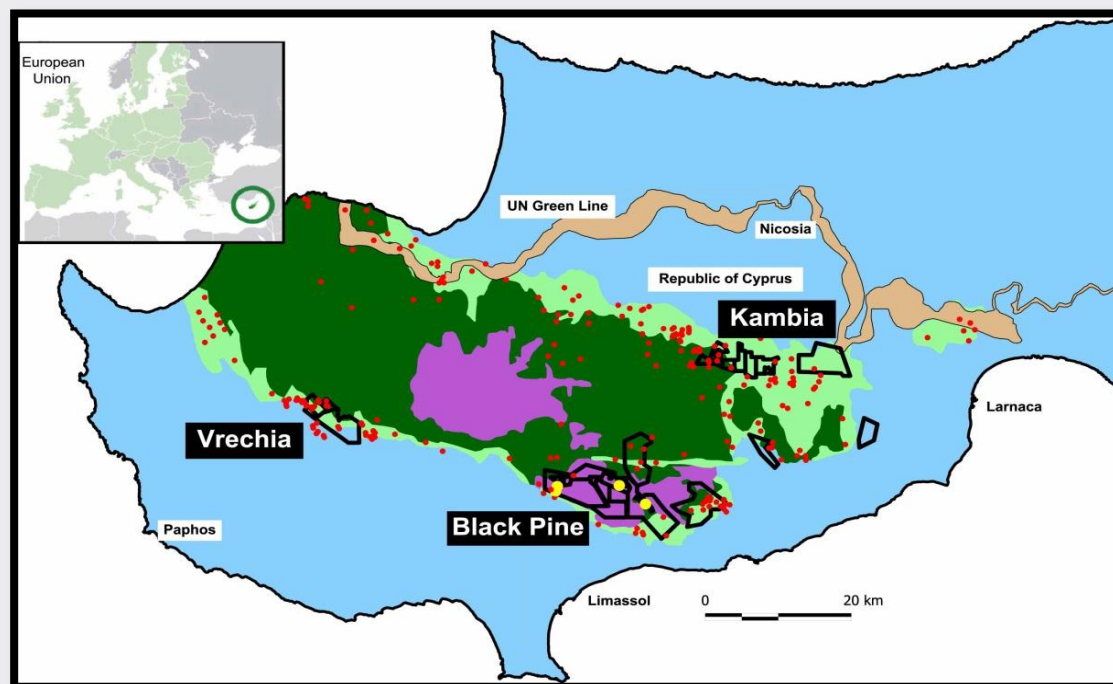
## OVERVIEW

### GLOBAL

- Well understood style of deposit formed by sea-floor volcanism
- Cyprus-style prospective for Cu-Au-Ag-Zn
- Modern exploration in similar areas (eg. Oman) has identified many deposits

### CYPRUS

- Limited modern exploration
- 27 significant copper mines developed before 1970 with average grade of 2.0% Cu
- Best – Mavrovouni 16.5 Mt @ 4.5 % Cu
- BMG has tenure with abandoned mines and unexplored gossans

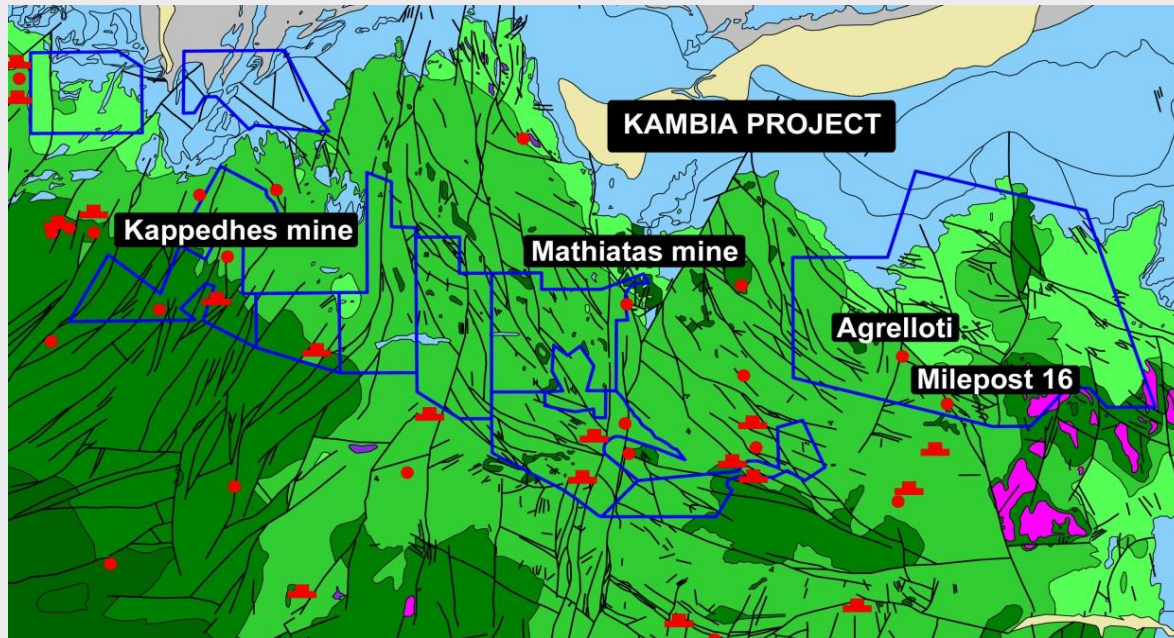




# VHMS DEPOSITS

## KAMBIA AREA

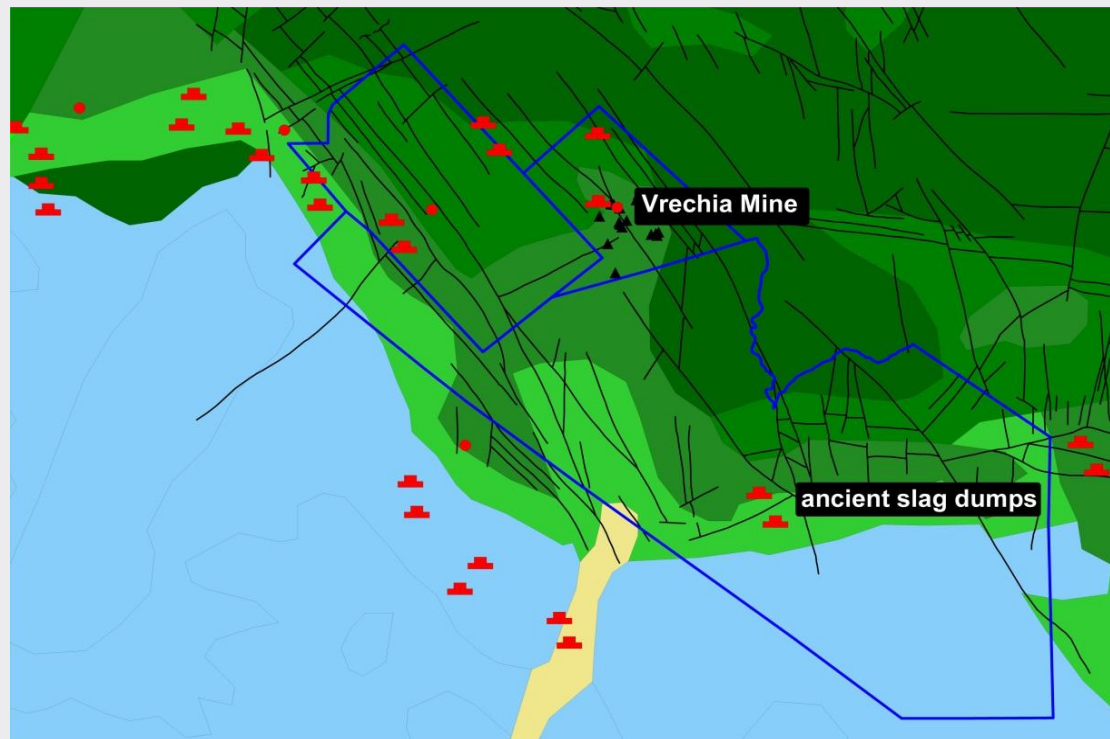
- Abandoned mines; untested gossans
- 10 granted licences = >72 km<sup>2</sup>
- No significant work for 40 years



# VHMS DEPOSITS

## VRECHIA AREA

- Abandoned mine; untested gossans
- 3 granted licences = ~23.6 km<sup>2</sup>
- No significant work for 30 years
- 200,000 t @ 0.5% Cu
- Historic work in CGS archives





# TREASURE PROJECT

## PROPOSED DEVELOPMENT PLAN

Period	Activities
NEAR TERM (0 – 12 months)	<ul style="list-style-type: none"> <li>▪ <b>TEST FOR LARGE SULPHIDE BODIES AT LAXIA – PEVKOS WITH GEOPHYSICS</b></li> <li>▪ Identify new prospects at Black Pine with mineral maps and field mapping</li> <li>▪ Reconnaissance and detailed mapping and sampling of VHMS projects</li> <li>▪ Define drill targets with geophysics</li> <li>▪ Drill test all significant targets</li> <li>▪ <b>DEFINE A JORC-COMPLIANT RESOURCE</b></li> </ul>
MEDIUM TERM (12 - 24 months)	<ul style="list-style-type: none"> <li>▪ Upgrade any defined resources</li> <li>▪ Preliminary metallurgical testwork and marketing studies</li> <li>▪ <b>Pre Feasibility Studies</b></li> <li>▪ Review contractor and off-take agreements and review export options</li> </ul>
LONGER TERM (24 - 48 months)	<ul style="list-style-type: none"> <li>▪ Establish full mining operation with expansion capability</li> <li>▪ <b>Evaluate similar opportunities in the region for expansion</b></li> <li>▪ Access the toll treatment and export market</li> </ul>
STRENGTHS	<ul style="list-style-type: none"> <li>▪ <b>Anticipated low cost, highly profitable operations</b></li> <li>▪ Strong gold, nickel and cobalt credits indicated</li> <li>▪ Well established infrastructure within close proximity</li> <li>▪ Depth of experienced mining personnel in surrounding regions</li> </ul>

# Capital Structure

ASX Codes	BMG / BMGO
Ordinary Shares on Issue	629 million
Options	137 million (ex at 20 cents until 31/03/2014)
Share Price	A\$0.006
52 week range	A\$0.017-\$0.005
Market Capitalisation	A\$3.77m
Cash (30 <sup>th</sup> June, 2013)	A\$2.35m

# Summary

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High value proposition ahead of further drilling at Treasure Project



## Contact us

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