



# Brazilian Metals heads for Cyprus

**B**razilian Metals Group Ltd has cast aside the woes in the Cypriot economy to swoop on and make the Treasure copper-gold project its flagship.

Brazilian Metals managing director Bruce McCracken said the state of the Republic's national finances was a concern but the company couldn't ignore the copper and gold prospectivity in country.

"For us it was a matter of finding a good new opportunity for the company. It just so happened that the project that met all our requirements was in Cyprus. First and foremost we were focused on what the operation presented technically," McCracken said.

"We were very excited by the style of the deposit, the work that had been done, the results that were presented and we felt that it was extremely prospective from an exploration perspective. We then looked to the nature of the deal we could do to secure the project, the vendors were very sensible and for a modest cash and scrip we were able to put together a transaction that made very good sense for ourselves and the vendors," he said.

The company paid Treasure Development Ltd (TDL), now a wholly-owned subsidiary of Brazilian Metals, \$400,000 and issued 45 million shares to TDL, with further \$750,000 due upon completion of a BFS.

Brazilian Metals is fully focused on its Cyprus tenements however as its name suggests it does have interests in Brazil which are now longer-term iron ore investments in northern Minas Gerais, McCracken told **Paydirt**.

"We think that there is potential for value creation there (Brazil) however given the nature of the deposits and capital requirements to ultimately move those opportunities forward in that region of Brazil, which requires investment in infrastructure, realistically they are much longer-term opportunities," McCracken said.

"For us we're very much focused on opportunities that can create real value in the near-term and that points us towards our Cypriot operations.

"We'll continue to monitor and evaluate our interests in Brazil but our near-term focus will be around advancing our copper-gold opportunities in Cyprus."



Brazilian Metals has favoured advancing projects quicker in Cyprus than Brazil

Results from rock chip sampling in the Black Pine area has provided the company with the impetus to start a drilling programme in May.

Massive sulphide units to have emerged on the company's radar from rock chip sampling are Pevkos – 18.25 g/t gold and 1.98% nickel – and Laxia, copper grades associated with gold ranging from 0.44% copper (9.47 g/t gold) to 1.37% copper (0.56 g/t gold).

A fully underwritten \$4.4 million capital raising completed earlier this year means the company is well poised for drilling activities to start at the primary Laxia target in the coming quarter.

Reflex Drilling has been awarded the contract to carry out phase one drilling targeting 160m of strike to a vertical depth of 220m for a total of 1,620m from nine holes.

"We've got sufficient cash to see us through the medium-term," McCracken said.

"When we go back for cash and how much we go back for is really dependent on what we ultimately discover and what we decide to do as an ongoing programme. Companies can make a lot of choices in terms of how quickly they move with their programmes and how much they decide to invest at a particular point in time. We're comfortable that we have sufficient resources to run a good high impact programme around our key targets."

The company has ordered one rig for the initial drilling programme at Black Pine, while exploration continues to identify other areas for potential resource growth.

In addition to Black Pine, Kambia and Vrechia are of interest to Brazilian Metals, with

copper-gold mineralisation identified in massive sulphides related to ancient volcanic activity with potential silver and zinc credits.

The three areas give Brazilian Metals 200sq km of ground in Cyprus.

McCracken said the copper potential of Cyprus has been known for thousands of years but given Turkey's occupation of Northern Cyprus in the mid-1970s the resources sector has ground to a halt.

Being underexplored and under developed the country's resources sector has been surpassed by emerging counterparts, such as in Asia, but McCracken is confident there remains a vibrant sector to unlock.

"Cyprus isn't a big country, so in terms of the mining sector it will only be a particular size. There have been a lot of small mining operations over the years but they have dug away at the higher grade areas at surface without any concentrated exploration or drilling programmes beyond that."

Equipped with modern techniques and equipment Brazilian Metals is excited about its exploration programme and is being warmly welcomed into the country by the Government.

Cyprus' economy has suffered a similar fate to that of neighbouring Greece and Cypriots realise they face a long road to recovery.

McCracken said the Government understood investment needed to be ploughed into the country and jobs created for its people.

"What we are seeing is the Government putting together incentive structures for companies to take on graduates and create opportunity. We've met with various levels of government in terms of what we're proposing to do. They are very supportive and see the nature of the development that we are potentially bringing to the country as being very important moving forward.

"While we need to approach this with some caution given the nature of the banking sector I am encouraged by the ability to advance what it is we're doing given the priorities that I think the Government will have," McCracken said.

– Mark Andrews