

Energia Minerals Ltd

(EMX 0.042) Spec Buy

EUROZ

Analyst	Date	Price Target
Greg Chessell	11 th September 2015	\$0.093/sh

Gorno Drilling Progress

Investment case

Energia is making good progress in the early stages of evaluation of Gorno, enroute to redeveloping the former Zn concentrate mine in northern Italy. The Dec H'15 will see a significant lift in news as drilling activity ramps up culminating in a resource estimate in March Q'16. Historical data suggests potentially mineable ore remains but requires validation with modern drilling. The historical data makes Gorno lower than average risk to mine development stage and Energia is adequately funded through to feasibility completion. We like the mid-long term outlook for zinc. Energia's key shareholders have a track record for delivering value, and is evidenced recently with the sale of the underappreciated Carley Bore Uranium Project to Paladin.

Key points

Drilling at Gorno on the Colonna Zorzzone orebody is progressing as planned with +600m drilled in 16 holes from underground positions with 2 diamond core rigs. Avg hole length is ~40m.

Results have so far been encouraging:

- GDD001-GDD003: geotechnical holes;
- GDD004: 13.2m @ 10.9% Zn & 2.8% Pb, from RL1,000m;
- GDD005: 8.0m @ 4.2% Zn & 1.4% Pb, from RL1,000m;
- GDD006: 9.0m @ 13.5% Zn & 4.2% Pb, from RL999m;
- GDD007: 4.0m @ 32.3% Zn & 7.9% Pb, from RL999m;
- GDD008: 4.1m @ 2.6% Zn & 0.8% Pb, from RL943m;
- GDD009: 10.4m @ 6.3% Zn & 1.7% Pb, from RL1,001m;
- GDD010: 5.0m @ 4.2% Zn & 1.4% Pb, from RL943m;
- GDD011-GDD016: assays pending;
- GDD011 is suggested to have high grade based on visual observation.

The average of intersections reported so far is:

- 7.7m grading 10% Zn and 3% Pb.

Two drilling programs are planned to be completed by end 2015:

- A 480m program testing the up-plunge portion above the 940m RL has already been expanded to 1,000m in 30 holes. This drilling is contracted to Edilmac which is using 2 rigs. The program will possibly be expanded further, based on the good progress and successful results so far.
- Drilling below the 940m RL is contracted to Cabo, 25 holes for 4,000m of core planned. Commencement of this drilling is awaiting excavation of a 710m long exploration decline which is due to commence shortly.

Energia has an Exploration Target of 6-10mt grading 7% - 10% Zn+Pb for Gorno, including 3-5mt in the Colonna Zorzzone deposit, the area of initial focus. The initial resource estimate is due for completion in March Q 2016. We remain comfortable that Energia's Exploration Target will be achieved.

Energia Minerals Ltd		year end 30 Jun
Share Price	0.042	A\$/sh
Price Target	0.093	A\$/sh
Valuation	0.093	A\$/sh

Shares on issue	609	m,
diluted *		
Market Capitalisation	26	A\$m
Enterprise Value	22	A\$m
Debt	0	A\$m
Cash	4	A\$m
Largest Shareholder	Directors - 28.9%	

Directors

A Burns	Ex Chair
K Robinson	MD
M Cozijn	Fin Dir
M Cardaci	NE Dir

Shareholders

Directors	28.9%
Zero Noms	11.6%
Jetosea	5.4%

Share Price Chart



Disclaimer

Euroz Securities declares that it has acted as underwriter to and/or arranged an equity issue in and/or provided corporate advice to Energia Minerals Ltd during the last year. Euroz Securities has received a fee for these services.

This analyst declares that he has a beneficial interest in Energia Minerals Ltd.

Euroz Securities Limited

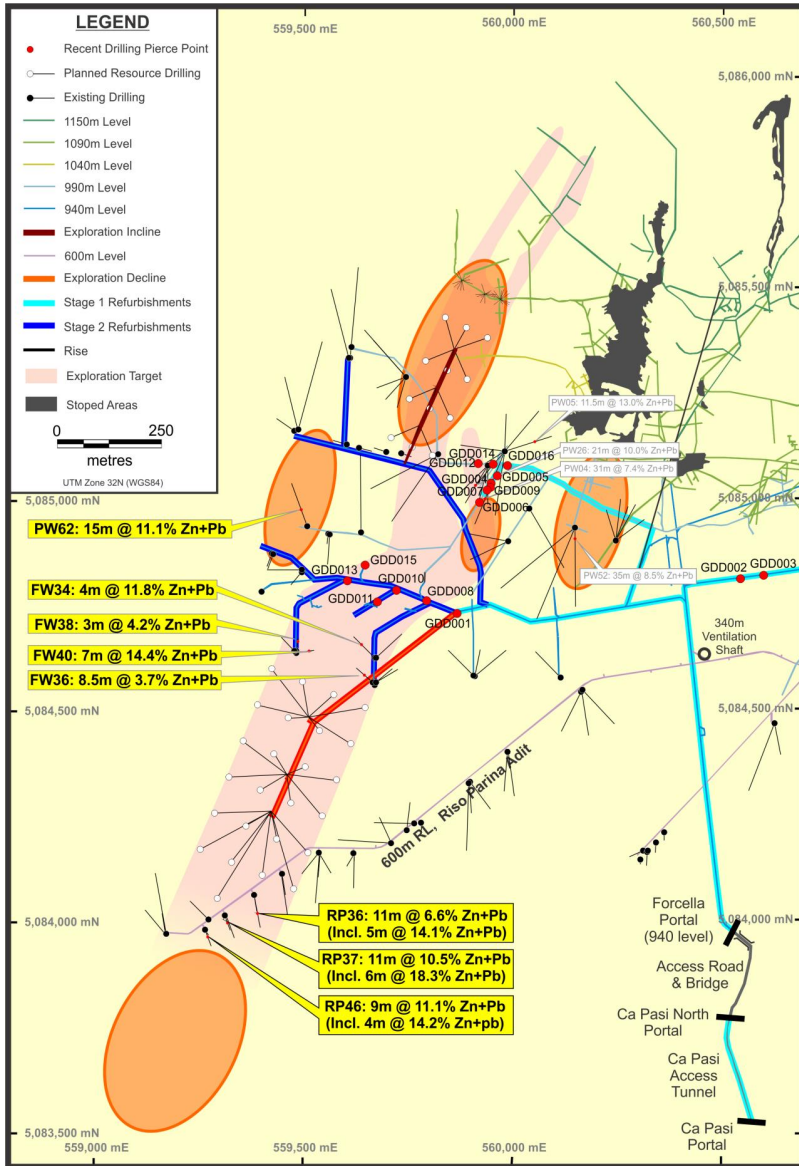
All information and advice is confidential and for the private information of the person to whom it is provided and is provided without any responsibility or liability on any account whatsoever on the part of Euroz Securities Limited or any member or employee thereof. Refer to full disclaimer at the end of this document.

Energia Minerals Ltd

(EMX 0.042) Spec Buy

We particularly like the prospects for Gorno because of its excellent metallurgical characteristics, ie high recovery to produce a high grade clean concentrate. This attribute gives the smelter ability to blend with lower grade concentrates potentially purchased at a discount. Ultimately this affords an above average strategic value to Gorno concentrate.

The economic and environmental prospects for Gorno are also assisted by the ore positioned above the water table, will not require any uphill nor surface haulage.



Source: EMX

Euroz Securities Limited

All information and advice is confidential and for the private information of the person to whom it is provided and is provided without any responsibility or liability on any account whatsoever on the part of Euroz Securities Limited or any member or employee thereof. Refer to full disclaimer at the end of this document.

Disclaimer

Copyright & Distribution

The material contained in this communication (and all attachments) is prepared for the exclusive use of clients of Euroz Securities Ltd (ACN 089 314 983) ("Euroz") only. Euroz is the holder of an Australian Financial Services Licence (AFSL 243302) issued by the Australian Securities and Investments Commission ("ASIC") and is a participant of the Australian Securities Exchange Group ("ASX Group").

The information contained herein is confidential and may be legally privileged. If you are not the intended recipient no confidentiality is lost nor privilege waived by your receipt of it. Please delete and destroy all copies, and contact Euroz on (+618) 9488 1400. You should not use, copy, disclose or distribute this information without the express written authority of Euroz.

Disclaimer & Disclosure

Euroz and its associates declare that they deal in securities as part of their securities business and consequently may have a relevant interest in the securities recommended herein (if any). This may include providing equity capital market services to their issuing company, hold a position in the securities, acting as principal or agent, or make a market therein and as such may effect transactions not consistent with the recommendation (if any) in this report.

Euroz declares that it may have acted as an underwriter, arranger, co-arranger or advisor in equity capital raisings, and will have received a fee for its services, for any company mentioned within this report during the last 12 months.

You should not act on any recommendation issued by Euroz without first consulting your investment advisor in order to ascertain whether the recommendation (if any) is appropriate, having regard to your investment objectives, financial situation and particular needs. Nothing in this report shall be construed as a solicitation to buy or sell a security, or to engage in or refrain from engaging in any transaction.

Euroz believes that the information and advice contained herein is correct at the time of compilation, however we make no representation or warranty that it is accurate, complete, reliable or up to date, nor do we accept any obligation to correct or update the opinions in it. The opinions expressed are subject to change without notice. No member of Euroz accepts any liability whatsoever for any direct, indirect, consequential or other loss arising from any use of this material.

We cannot guarantee that the integrity of this communication has been maintained, is free from errors, virus interception or interference.

Contact Details

Euroz Securities Limited +61 8 9488 1400

International Toll Free

(If calling to Euroz from the following Countries)

Germany	0800 1800 554
Switzerland	0800 835 385
Hong Kong	800 900 936
Malaysia	1800 805 002
Singapore	800 6161 759
New Zealand	0800 441 271
USA	18 772 804 390
United Kingdom	08 000 929 851

Research Analysts

Greg Chessell - Head of Research	+61 8 9488 1409
Gavin Allen - Industrials Analyst	+61 8 9488 1413
Jon Bishop - Resources Analyst	+61 8 9488 1481
Andrew Clayton - Resources Analyst	+61 8 9488 1427
Michael Skinner - Resources Analyst	+61 8 9488 1431
Julian Lake - Associate Analyst	+61 8 9488 1470

Institutional Sales

Andrew McKenzie - Executive Chairman	+61 8 9488 1407
Rob Black - Managing Director	+61 8 9488 1423
David Curnow - Executive Director	+61 8 9488 1422
Jay Hughes - Executive Director	+61 8 9488 1406
Russell Kane - Executive Director	+61 8 9488 1426
Ben Laird - Executive Director	+61 8 9488 1429
Simon Yeo - Executive Director	+61 8 9488 1404
Peter Schwarzbach - Executive Director	+61 8 9488 1492
Timothy Bunney - Institutional Adviser	+61 8 9488 1461
Tom Ruello - Institutional Adviser	+61 8 9488 1420

Private Client Advisers

Brian Bates - Head of Private Clients	+61 8 9346 0314
James Mackie - Executive Director	+61 8 9488 1416
Tony Kenny - Executive Director	+61 8 9346 0302
Tim Lyons - Executive Director	+61 8 9346 0324
Lucas Robinson - Executive Director	+61 8 9488 1424
Tim Weir - Executive Director	+61 8 9346 0303
Paul Berson - Associate Director	+61 8 9346 0314
Phil Grant - Associate Director	+61 8 9346 0306
Steve Grove - Associate Director	+61 8 9488 1410
Jamie Mann - Associate Director	+61 8 9346 0301
Giles McCaw - Associate Director	+61 8 9488 1462
Cameron Murray - Associate Director	+61 8 9488 1440
Ben Statham - Associate Director	+61 8 9488 1417
Ryan Stewart - Associate Director	+61 8 9488 1441
Michael Bartley - Investment Adviser	+61 8 9346 0352
Michael Bowden - Investment Adviser	+61 8 9346 0307
Paul Cooper - Investment Adviser	+61 8 9346 0316
Nick Dempster - Investment Adviser	+61 8 9346 0357
Richard Gardner - Investment Adviser	+61 8 9488 1444
Duncan Relf - Investment Adviser	+61 8 9346 0322
Brett Stapleton - Investment Adviser	+61 8 9488 1435
Steve Wood - Investment Adviser	+61 8 9346 0305
Nicholas Blakiston - Associate Adviser	+61 8 9488 1473
David Salmon - Associate Adviser	+61 8 9488 1419

Euroz Securities Limited

All information and advice is confidential and for the private information of the person to whom it is provided and is provided without any responsibility or liability on any account whatsoever on the part of Euroz Securities Limited or any member or employee thereof. Refer to full disclaimer at the end of this document.