

EKM.AU

Eleckra Mines Limited

A\$ 0.32

25 September 2007
 Gold, Uranium, PGE, Nickel-Copper, Chromium
 Australia (WA)
 Advanced Exploration
 Exchanges: ASX:EKM

EKM has established gold exploration prospects in the prospective Yilgarn Craton, WA - (Attila-Alaric 740koz Au). Focus 4Q07 is Thatcher Soak uranium prospect where it likely holds extensions to UNX's project (historic mineralisation 6kt U₃O₈); EKM drilling 5,500m (4Q07).

Capital Profile

Share price (A\$)	0.32
52 week range (A\$/share)	0.18 to 0.70
Number of shares (m)	62.1
Options and warrants (m)	6.5
Convertible notes (m)	0.0
Fully diluted (m)	68.6
Market capitalisation (undiluted) (A\$m)	19.9
Debt (A\$m) - Sep 07F	0.0
Enterprise value (A\$m)	19.9
Major shareholders: Asarco Exploration (8.0%); Mining Projects Group (7.5%) Perth Select Seafoods (6.5%), National Nom's (6.4%), R Davis (5%), R Harris (5%)	
Avg monthly volume (m)	0
Cash (A\$m) - Sep 07F	3.6
Price/Cash (x)	5.6
Price/Book (x)	2.3
Company options:	No

Production and Financial Forecasts

YEAR END: June	Jun-07a	Sep-07F	2006a	2007F	2008F
Exploration and evaluation (A\$m)	0.55	0.50	0.22	1.98	2.00
Corporate (A\$m)	0.29	0.27	0.14	0.95	1.08
Exploration/(Expl.+ Corporate) (%)	65	65	60	68	65
Funding duration at current burn (years)			16.2	1.5	0.4
Shares on issue (pr end) (m shares)	58.1	62.1	58.1	58.1	62.1
Drilling - RAB (m)	0	4,900	0	9,600	17,400
Drilling - Other/Diamond (m)	2,900	550	0	5,500	3,550
Land holding ('000 ha)*	200	200	200	200	200
Tenement costs (\$k per year)	-	-	-	-	-
Capital raisings (A\$m)	2.00	0.00	6.62	2.00	0.00
Funding from JV partners (A\$m)	0	0	0	0	0
Cash (A\$m)	4.3	3.6	5.9	4.3	1.3
Cash backing (Ac/share)	7.3	5.7	10.1	7.3	2.2
Net asset backing (Ac/share)	15.3	14.0	13.6	15.3	12.9

*Uranium prospective tenements only, both held and under application.

Investment Points

EKM's focus is gold and uranium in WA. Exploration budget '08 is A\$2m - 50% directed to uranium.

Strategic position (4,800km²) in under-explored Yamarna greenstone belt in Yilgarn Craton.

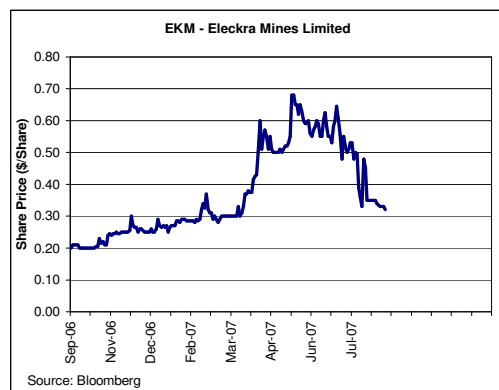
Yilgarn Craton hosts world-class gold ore bodies and produces over half of Australia's gold.

Thatcher Soak extension: EKM intercepts 4Q06 include: 3m at 0.024% U₃O₈; and 1 m at 0.036% U₃O₈.

Lake Rason and Lake Wells: radiometric anomalies - early stage uranium calcrite targets.

Yamarna (Attila-Alaric) gold resource 740koz Au near surface - potential upside along 13km strike and at depth.

Drilling Thatcher Soak (uranium, 5,500m) 4Q07.



Company Comment

Overview: EKM listed on the ASX July '06. The company's highest priority is the Yamarna greenstone belt where its most advanced project is the Attila-Alaric gold deposit (740koz resource). The area also hosts prospective uranium targets (~2,000km²), including extensions to the Thatcher Soak drainage channel. Regional grassroots potential exists for nickel, PGE, copper and chromium. EKM also has an early stage gold project at Darkan, along strike from Boddington (28moz Au).

Yamarna project (WA): (4800km², uranium and gold) EKM has defined gold resources along the Yamarna shear zone - a regional scale mineralised trend considered prospective for multi-million ounce discovery. EKM's resources occur in several deposits (**Attila-Alaric**, 740koz Au) along a 13 km strike length and within granted mining leases. There are gaps in drill coverage with over 50% of the strike length untested. The deposit is open at depth (currently defined to 60m to 80m depth) which is the focus of current drill testing - best intercepts at depth 2Q07: 7m @ 3.72g/t, from 111m (040); 8m @ 2.63g/t from 90m (043). The anticipated resource conversion is ~50% with EKM suggesting it needs to achieve resources of 1moz - 1.5moz Au before commencing a prefeasibility study - 1H09 target date. There are multiple regional targets with 2Q07 results including discovery of a new mineralised zone at **Khan North (Renegade)** - best intercepts 2m @ 10.3g/t Au from 19m, 3m @ 3.87g/t Au from 44m (053). Regional drilling 3Q07 (5500m) results awaited and further drilling is expected 4Q07.

Thatcher Soak tenements: EKM holds sections of the Thatcher Soak calcrite uranium prospect and northern and southern extensions to the palaeochannel that hosts the Thatcher Soak historic deposit (6kt U₃O₈ historic mineralisation). Thatcher Soak was drilled in the '70's by BP, and the deposit has now been defined by Uranex (ASX: UNX) along a 7.7km strike. UNX is currently completing a major drill program with a JORC resource expected 4Q07. Some of the historic holes drilled by BP Minerals and other explorers within Eleckra's tenements near the UNX border contain wide spaced economic grade ore intercepts (see chart) adjacent to where UNX defined high grade peak eU₃O₈ values. EKM's historic uranium mineralised intercepts occur up to 1.8km from the UNX boundary and there is potential for a 3km mineralised channel extension to the north (Khan North). 3Q07 Uranex defined a new, second deeper mineralised calcrite layer between 9m - 15m depth. Overall, the historic BP work and current UNX work suggest potential for uranium mineralisation to extend onto EKM's ground, particularly near the UNX boundary. EKM plans to drill 5,500m 4Q07; 5,500m 1H08.

Investment Comment: EKM has established gold exploration projects in the prospective Yilgarn Craton, WA. Well defined exploration targets at Attila and in the Yamarna region give EKM leverage to a rising gold price. There is potential for early success at EKM's Thatcher Soak uranium tenements (adjacent to UNX). EKM is planning a significant drill program 4Q07 (5,500m) with infill and extension drilling around historic economic grade uranium intercepts. EKM's market capitalisation is ~A\$20m (cash of A\$3.6m) suggesting good upside potential with positive results at Thatcher Soak 4Q07.

Reserves and Resources/Mineralised Material

Code for reporting mineral resources - Australian: (JORC)

Uranium	Classification	Project	Ore	U ₃ O ₈	Cut Off	U ₃ O ₈	U ₃ O ₈	U ₃ O ₈	Eq
U ₃ O ₈		Equity	Mt	%	ppm	Kt	Mlb	Mlb	
Reserves						0.0	0.0	0.0	
Resources						0.0	0.0	0.0	
Mineralised Material (est., non compliant with JORC)						0.0	0.0	0.0	

Gold Resources		Mt	Au g/t	koz	Eq koz
Yamarna - Attila-Alaric	Inf., Ind. & Meas.	12.6	1.8	740	740

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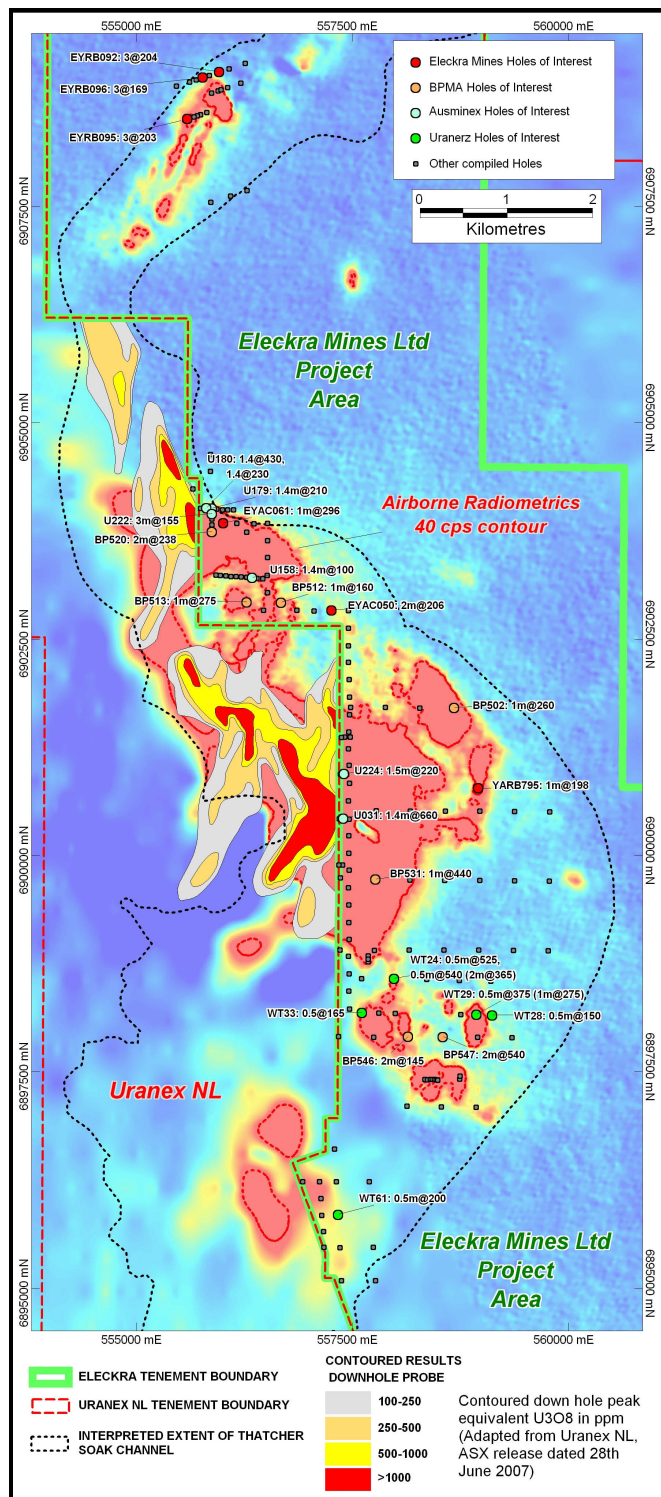
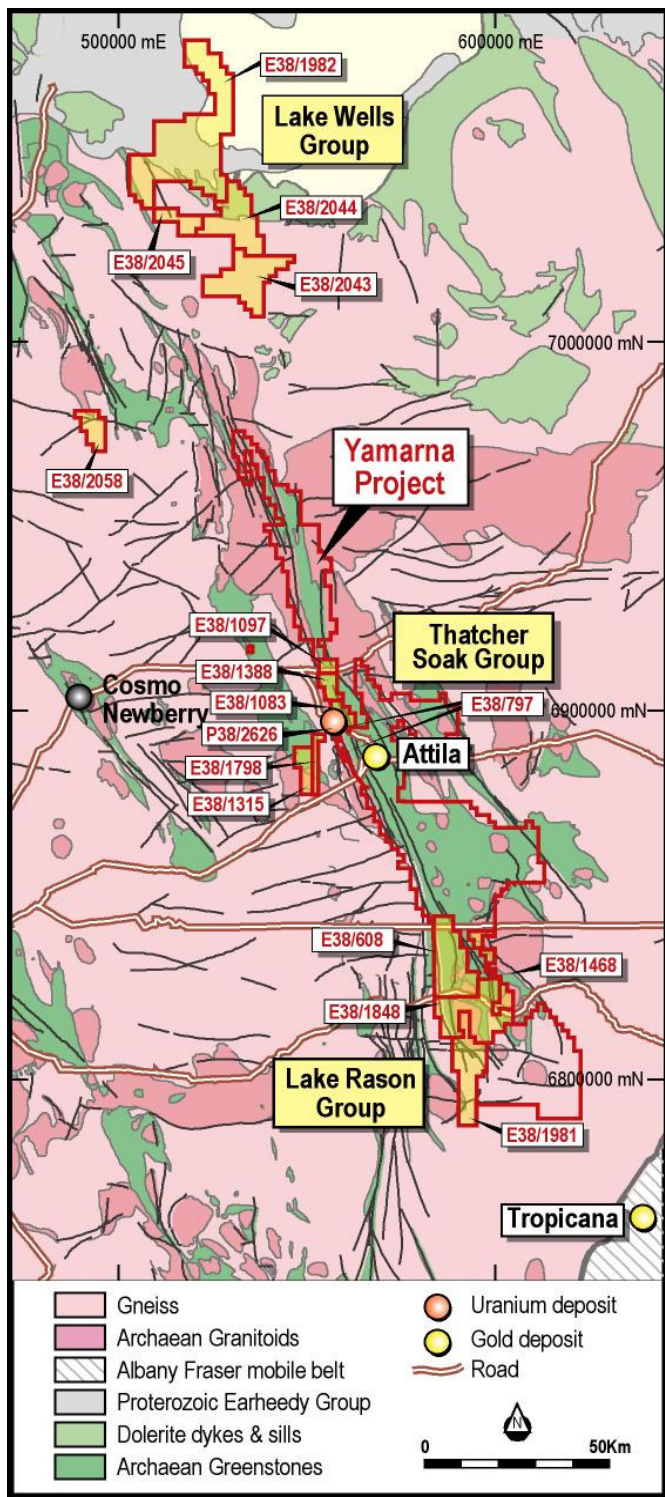
Analyst: John Wilson
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Key Projects

Project	Ownership/Option	Metal	JV Partner	Target Type	Process Route	Project Status	Location
Yamarna: Thatcher Soak	100%	U	none	Calcrete	Alk. Leach	Mid Expl.	Aus (WA)
Yamarna - Attila	100%	Au	none	ox/sulp	na	Adv. Expl.	Aus (WA)
Yamarna - Gold regional	100%	Au	none	ox/sulp	na	Adv. Expl.	Aus (WA)
Lake Rason + Lake Wells	100%	U	none	Calcrete	Alk. Leach	Early Expl.	Aus (WA)
Darkan	100%	Au, Cu	none	Calcrete	na	Early Expl.	Aus (WA)

Yamarna uranium project tenements in the Yilgarn Craton, WA. EKM's uranium prospective portfolio covers an area of approximately 2,000 km²

Thatcher Soak uranium channel: showing the boundary between EKM and UNX. EKM tenements have historic drill holes - with reported economic grade uranium intercepts up to 1.8km inside EKM's ground plus a potential 3km channel extension in the north (Khan North).



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