

# It's raining copper in the DRC's Katanga Province

El Nino Ventures Inc. ('ELN', TSXV: ELN) has a copper exploration project in the Democratic Republic of Congo and two zinc-lead-silver (copper) exploration and development projects in the Bathurst Mining Camp, New Brunswick. The Copperbelt in the Democratic Republic of Congo (DRC) hosts several world class deposits and its exploration potential is considered one of the best in the world. Mining companies such as Phelps Dodge and First Quantum Minerals have established operations there and ore is world class. Several small companies are also actively considering copper and other minerals in the DRC. The Katanga province of the DRC hosts more than 10% of the world's copper and many of its best deposits in the world. In 2013, Congo produced, according to government figures published in 'Jeune Afrique' some 920,000 ton of copper, which amounts to 300,000 tons more than the previous year.



This is the highest level reached since ten years thanks to improved regional security and stability over the past ten years. More than a decade after the implementation of the new Mining Code (2002), the RDC is starting to reap the benefits, which will be shared by those companies already engaged in the Congolese mining sector. To date, the DRC has become the continental leader in copper production, dethroning Zambia on the African scene. At the important Indaba summit in Cape Town, in February 2014, the participants from all over the world predicted bright prospects for African mines, especially copper. This means that the DRC could break over one million tons of copper in 2014. In the 1970's, the Katanga province of the RDC, under the leadership of the state owned 'General quarries and mines' (Gécamines) alone produced 500,000 tons of

copper per year while the country itself may hold as much as 10% of the world's total copper reserves. Copper prices have been rising, and predictably, Chinese demand is largely responsible. Recent and reassuring figures on Chinese manufacturing have pushed the price of copper for September delivery up 1.6% to \$ 3.25/lb. This is the highest level since January 2013.

Copper is an ideal metal for investment because it has a variety of uses in a variety of sectors. By itself, the building sector accounts for 32% of global copper use. It has many properties such as electrical conductivity (insulated or non-insulated cables for all types of voltages). Its thermal properties are used in plumbing, heating level where it advantageously replaces plastic parts that can melt in fire, emitting toxic fumes. In pipes, copper facilitates the flow of hot or cold water, where it proves to be a material of choice given its bactericidal and fungicidal qualities. It is also found in air conditioning and natural gas transmission. In this area, the use of copper also promotes energy savings and the all important 'sustainability'.

Copper is also used, of course, in electronic equipment; in the semiconductor industry copper is needed for the manufacture of electronic chips. In the telecommunications sector, although the use of optical fibers is increasingly widespread, copper still remains widely used; it is also widely used in the manufacture of parts for mobile phones. In personal computers, copper is used to make connections, as well as integrated and printed circuits and microchips. There are a host of other applications from electroplating operations due to its high corrosion resistance to agriculture, where it serves as a food supplement for animals.

It can also be used as part of the water purification and for transportation from automotive to shipbuilding and aerospace. It is also used in medicine because copper facilitates the transfer of proteins into the blood system. The World Health

Organization cites copper as necessary to help treat a number of diseases such as cancer or Wilson's disease.

ELN's copper projects and operations are based on resources with an average grade of more than 4% copper. In May 2014, ELN entered into an Option Agreement with MMG Limited to acquire 100% of ELN's 70% interest in Infinity Resources, the joint venture company that owns Kasala. The Kasala project is one of the few greenfield copper discovery in the last 10 years in the central African Copper belt; it features a mineralized strike length of 2500 meters and high grade mineralization. Last May, ELN entered into an Option Agreement with MMG, which grants the latter company the right to acquire ELN's 70% interest in the Kasala copper project for a total consideration of USD\$ 6 million.

ELN counterbalances its activity in the Congo with zinc projects in New Brunswick, Canada: the Murray Brook Project and the Bathurst Option-JV Project. They are located in a stable and mining-friendly jurisdiction. ELN's zinc projects want to take advantage of the projected supply deficit in 2014-2015. Zinc is essential in galvanizing steel for corrosion resistance. However, over three quarters of zinc production is used in the construction, infrastructure and transportation industries.