

MINING FLASHNOTE

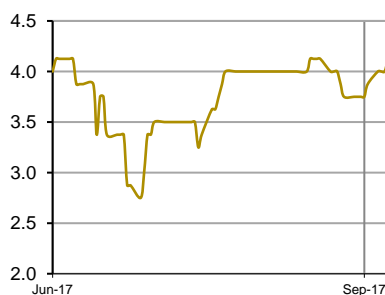
Phoenix Global Mining (PGM AIM)

05 October 2017

Stock Data

Share Price:	4.125p
Market Cap (M):	£9.5
EV (M):	£8.7

Price Chart



52 Week Range

4.50p	4.125p
2.75p	

Company Summary

Phoenix Global Mining is aiming to restart the Empire Copper Mine as a heap leach SX/EW mine in Idaho, USA. Following a successful restart, funds will be directed to exploration to extend mine life and develop a sulphide mine

MAIN SHAREHOLDERS HOLDING

Banque Heritage SA	4.99%
Exgen Resources	4.92%
R&J Turner	4.82%

Source: Bloomberg

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Phoenix Releases Further Excellent Drill Results at the Empire Mine

Event

Phoenix Global Mining ("Phoenix") has announced further drill results from its recently completed 28 drill hole reverse circulation ('RC') and diamond drill programme at the Empire Copper Mine in Idaho, USA (the 'Empire Mine').

Comment

The second batch of drill results from the initial 28 hole drill programme that was completed in September 2017 have been received. The new results are for holes 13 to 17. Whilst we are restricting our comments to the new holes, there is a definite trend across all the results released so far that, as one would expect, the mineralisation is shallow, and in many cases starts from the surface, which we expect to have positive ramifications for the strip ratio.

However, the latest 5 drill holes have shown an average intercept grade of 0.92% copper whereas the initial 12 holes had an average grade of 0.41% copper. This is a significant increase and boosted as several of the holes had intercepts grading better than 2% copper. This is a simple comparison as it avoids widths, which are key for mining. But, we note that of the high grade intercepts released today, there is 9.2m grading 2.28% copper and another of 32m at 1.43% copper. We have also ignored the precious metal credits as these will probably only be extracted once the copper heap leach has been concluded. The other 5 holes in the initial programme reported no significant intersections, but were drilled in areas of the proposed pit where ore grades were not anticipated.

The final batch of 6 holes is now awaited with the results due to be released in the coming weeks.

Currently, the first of two diamond drill holes targeting the higher grade and deeper sulphide mineralisation is in progress with a target depth of 315m. The results from these two holes are expected by the end of November.

Phoenix remains on track to release a new JORC Resource on the oxide resource in the AP Pit by the end of November. This may be seen as the first step in completing the preliminary feasibility, which includes updating the mineable reserves, a detailed mine plan and costings, updated metallurgical work, initial plant design and costings, infrastructure design and costings, the environmental base line study and projected financial analysis.

Table 1: Drill hole assay results received to-date

	Hole Number	Intersection Metres			%		g / tonne		%
		From	To	Interval	T Cu	Zn	Ag	Au	Cu Equiv
13	KXd17-3	18.3	25.9	7.6	0.76	0.11	28.20	0.17	1.15
		38.1	70.1	32.0	1.43	0.01	46.28	1.36	2.68
	including	38.1	50.3	12.2	1.30	0.01	69.00	1.99	3.14
	including	53.3	62.5	9.2	2.28		44.78	1.95	3.88
	including	62.5	70.1	7.6	1.09		37.36	0.41	1.66
14	KX17-15	61.0	62.5	1.5	0.60		36.2	0.30	1.1
15	KX17-16	16.8	25.9	9.1	0.47	0.06	19.45	0.03	0.68
		44.2	50.3	6.1	2.10	0.15	132.03	0.11	3.35
16	KX17-17	0.0	6.1	6.1	1.06	0.48	50.48	0.87	2.25
		10.7	22.9	12.2	0.37	0.10	13.94	0.93	1.12
	including	12.2	15.3	3.1	0.83	0.15	40.35	1.12	1.94
17	KX17-18	0.0	6.1	6.1	0.58	0.11	12.37	0.32	0.94
		including	3.1	4.6	1.6	1.25	0.15	20.40	0.67

KX17 Reverse Circulation Holes (RC)

KXd17 Diamond Drill Holes (PQ & HQ size)

Source: Phoenix Global Mining Ltd

Research Disclosures

Peter Rose

Peter has 31 years' experience in equities as a resources analyst; he has been at Brandon Hill Capital for 10 years, after having spent 11 years with Deutsche Bank in Australia. Prior to this he spent 2 years with Prudential Bache and 6 years with James Capel. Peter's industry experience includes 16 years as a metallurgist, 3 years with De Beers in South Africa and 9 years in the uranium industry, six of which were spent at the Ranger Uranium mine. Peter holds a BSc degree in Applied Mineral Science from Leeds University UK and a Bachelor of Commerce from the University of South Africa. Peter is also a member of the Institute of Materials, Mining & Metallurgy and a chartered engineer.

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Research Disclaimers

Research disclosure as of 05 October 2017

<u>Company Name</u>	<u>Disclosure</u>
Phoenix Global Mining (PGM AIM)	1, 2, 7, 8, 9

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