

MINING FLASHNOTE

Phoenix Global Mining (PGM AIM)

02 October 2018

Stock Data

Share Price:	35.00p
Market Cap (M):	£11.1
EV (M):	£9.3

Price Chart



52 Week Range

51.25p	35.00p
27.00p	

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
Management	11.5%
Morebath Fund	7.0%
ExGen Resources	4.2%

Source: Bloomberg & Phoenix Global

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2018 Empire Mine Channel Sampling Results

Event

Phoenix Global Mining ("Phoenix") has announced the results from the Company's ongoing channel sampling programme at the Empire Copper Mine in Idaho, USA (the 'Empire Mine').

Highlights

This highlights of the channel sampling were:

- CH18-01 7.6m @ 5.08% Cu equ
- CH18-09 24.4m @ 0.86% Cu equ, including 11.1m @ 1.21% Cu equ
- CH18-12 21.3m @ 0.73% Cu equ
- CH18-16 6.1 m @ 6.34% Cu equ including 1.5m @ 9.26% Cu equ
- CH18-21 21.3m @ 4.19% Cu equ, including 3.0m @ 6.7% Cu equ and 1.5m @ 10.78% Cu equ
- CH18-22 32.0m @ 2.19% Cu equ, including 15.2m @ 2.89% Cu equ and 1.5m @ 10.33% Cu equ
- CH18-23 9.1m @ 1.48% Cu equ

Comment

This is another excellent set of results. These channel samples are consistent with the near surface drilling results around the property and confirm that the ore continues to the surface. The samples were collected from outcroppings and road cuts oriented across the dip of the skarn, all within the proposed open pit, providing for channels that cut the true thickness of the mineralization in the same fashion as a drill hole oriented perpendicular to the mineralized zone. Additional channel samples will be collected as new road cuts and outcroppings of skarn present themselves.

The other key takeaway from these results are that they help plan the design of the pit. We assume that the pit will start in ore, with little or no need for a pre-strip, which keep the initial costs down.

There are currently five RC holes and 14 diamond drill holes awaiting assay results, as well as 25 surface channel samples from the new Redstar trend at the Empire. These results will be announced following the receipt of assay certificates and QA/QC sign-off. Additional drilling and further channel sampling is also planned over the next few months.

If results such as these continue to be generated, there will be continued pressure to change the proposed heap leach to a tanked or agitated leach, yielding significantly higher recoveries and allowing the precious metals to be recovered concurrently with the copper.

Research Disclosures

Peter Rose

Peter has 32 years' experience in equities as a resources analyst; he has been at Brandon Hill Capital for 11 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 02 October 2018

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

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