

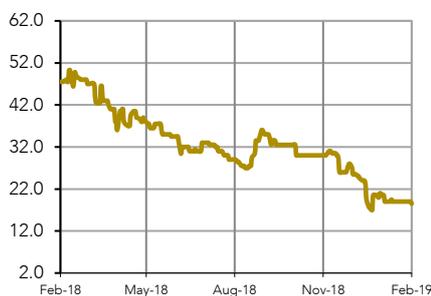
**MINING FLASHNOTE**

# Phoenix Global Mining (PGM AIM)

27 February 2019

**Stock Data**

Share Price:	18.50p
Market Cap (M):	£7.2
EV (M):	£5.3

**Price Chart**

**52 Week Range**

50.75p	18.50p	17.00p
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**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	12.4%
Morebath Fund	7.5%
ExGen Resources	4.0%

Source: Bloomberg & Phoenix Global Mining

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## Phoenix Increases Empire Mine Land Position by 3,880 Acres

### Event

Phoenix Global Mining ("Phoenix") has announced a threefold increase in its Empire Mine land holding, to the north and west of the Horseshoe Claim Block at Windy Devil and at Navarre Creek. 194 new claims have been staked covering extensions to known mineralisation.

### Highlights

This highlights of the land acquisitions are:

- The Company has increased its Empire Mine land position by 3,880 acres, and now has a total land package of 5,717 acres (from 7.43 to 23.14 square kilometres) by staking and filing 194 new unpatented claims in two blocks.
- The Windy Devil claim block, contiguous with the Horseshoe Block mineral trends and includes more than 30 historical prospects, shafts, and adits. The 2018 Horseshoe sampling results reported grades as high as 9.19% copper, 580 g/t silver, 2.02 g/t gold, and 20% lead in surface rock chips.
- The Navarre Creek Block covers an area of secondary alteration thought to be epithermal in nature and includes over 2.5-km of highly brecciated, west-trending jasperoid intersecting of argillically and silicically altered Eocene Challis volcanics. The altered volcanic rocks are similar to the mineralised rocks in northern Nevada such as those found in the Carlin Trend.

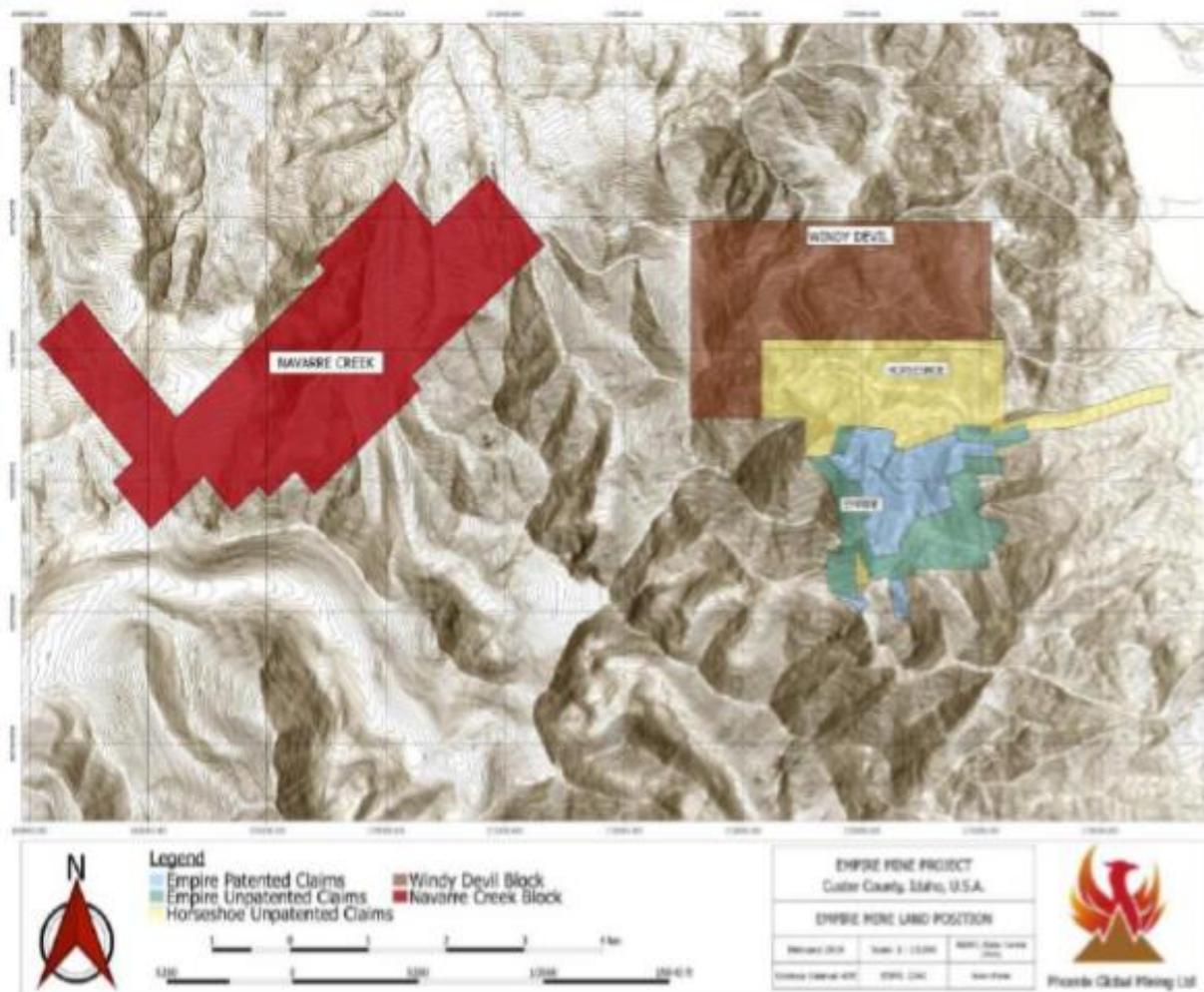
### Comment

Phoenix has increased its land package around the Empire Mine by approximately 6 square miles. The Windy Devil claim is directly to the north of the Horseshoe Block and the Empire, Horseshoe and Windy Devil claims form one contiguous package. Surface sampling on the Horseshoe block during the summer of 2018 was very encouraging with high grade rock chip samples and the extension of the orebody is seen to extend into the Windy Devil claim block, where there are more than 30 historical shafts, adits and prospects to be investigated and sampled. There are also a number of folds, both known and inferred that extend from the Horseshoe Claim onto the Windy Devil claim, and with the old Horseshoe Mine and White Knob Mine both located towards the north-west of the Horseshoe Claims, it makes perfect sense to ensure that any potential mining activities in these areas are unconstrained by accessibility.

The Navarre Creek Block to the west was also recognised during the 2018 field season as a highly prospective target area based on the classic hot springs style alteration evident on the surface. The presence of a 2.5-kilometre long, highly brecciated jasperoid occurrence within the claim block suggests favourable structural geology for gold mineralisation similar to the Carlin Trend in Nevada.

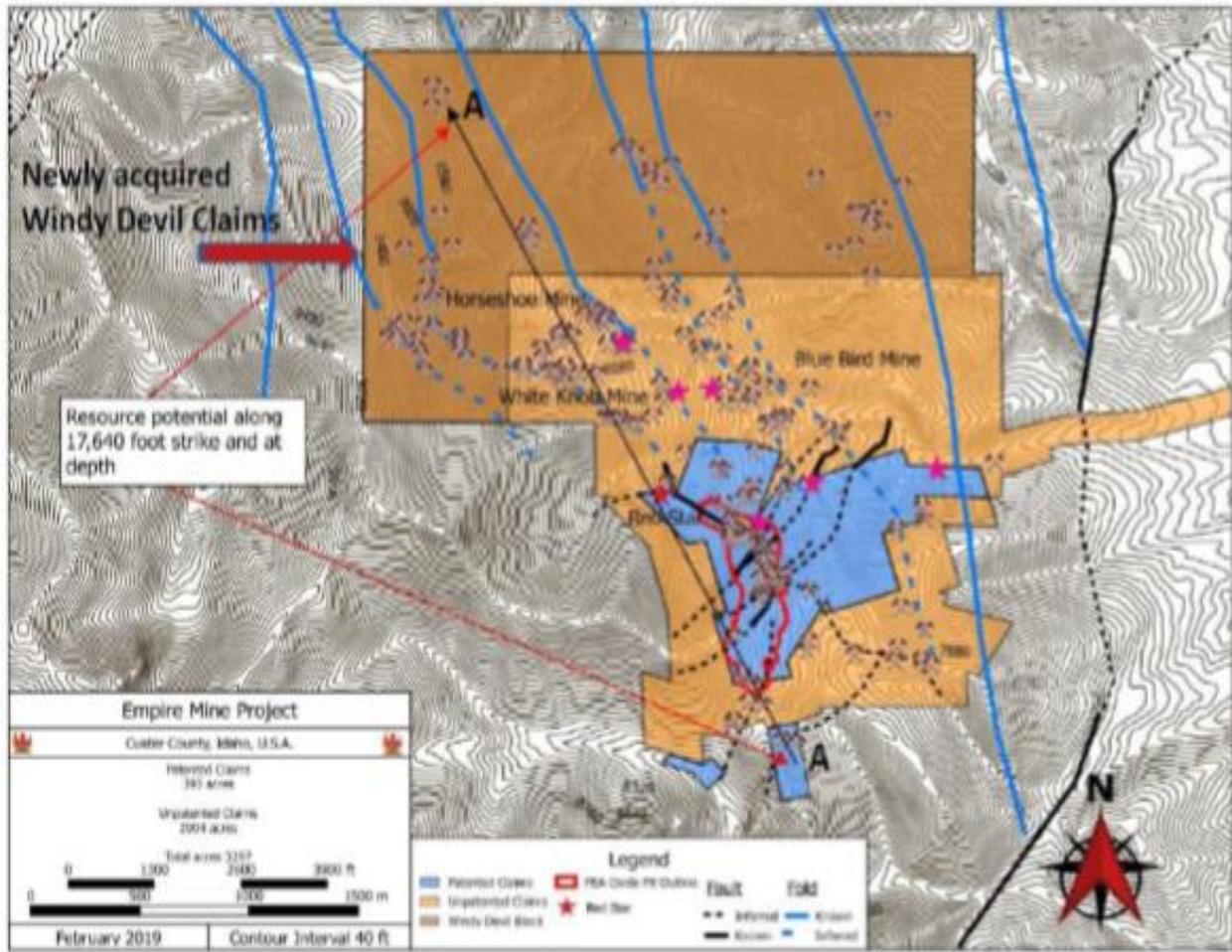
Phoenix has decided to drop the Gordon Lake Option in had acquired from ExGen Resources Inc. in February 2018. Pursuant to the terms of the option, the Company was required to spend a further \$250,000 by February 2019. Given the potential of the Empire Mine and particularly in view of the Company’s increased acreage, the Company decided to allow the option to lapse. The Company’s 2018 accounts are expected to include a write-off of the option, which has a carried value of \$155,000.

Figure 1: Map Showing Location of New Claims in Relation to the Empire Claims



Source: Phoenix Global Mining

Figure 2: Windy Devil Claim, Showing Historic Mining and Folds



Source: Phoenix Global Mining

## 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 disclosure as of 27 February 2019

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

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