

## MINING FLASHNOTE

# Phoenix Global Mining (PGM AIM)

04 September 2018

### Stock Data

Share Price:	27.50p
Market Cap (M):	£8.7
EV (M):	£7.45

### Price Chart



### 52 Week Range

51.25p	27.50p
27.50p	

### 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	11.50%
Morebath Fund	7.05%
ExGen Resources	4.18%

Source: Bloomberg

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## Phoenix Announces 2018 Empire Mine Drilling Programme Identifies Two Significant Mineralised Extensions

### Event

Phoenix Global Mining ("Phoenix") has announce an operational update from the Company's 2018 drilling programme at the Empire Copper Mine in Idaho, USA (the 'Empire Mine'). Phoenix also announced the appointment of Ryan McDemott as Chief Operating Officer of Phoenix.

### Highlights

This highlights of the step out drilling were:

- KX18-34 4.6m @ 1.53% copper from 47.2m, 3.0m @ 2.85% copper from 70.1m and 13.7m @ 0.64% copper from 47.2m
- KX18-33 12.2m @ 0.95% copper from 18.3m including 3.0m @ 2.05% copper
- KX18-16 15.2m @ 0.42% copper from 45.7m
- KX18-8 6.1m @ 1.09% copper from 22.9m

### Comment

Whilst we have only highlighted the results from the step-out drilling to the east and west of the proposed pit design in the PEA, infill drilling within the proposed pit, designed to upgrade the inferred resources has also been highly successful with intercepts of good length and grade.

It is also very encouraging that many copper grades being reported are above the current resource grade of 0.52% copper. We also understand that some of the holes drilled were taken beyond the design depth as they remained in ore. Surprisingly, hole XKD18-02 does not make the highlights but it did intercept 68m grading 0.57% coper from surface. This is an excellent hole, a very long intercept and 10% above resource grade!

The step-out holes, especially to the east are very encouraging, giving both grade and wide intercepts. Since these holes are really exploration, we would only expect them to generate inferred resources, albeit at a much higher grade than the current inferred resources.

On the back of this RNS, and the fact that the current drilling programme is only 58% complete, the big question is, can Phoenix double the size of the resource? It currently stands at 19.38Mt grading 0.47% copper and contains 90.5kt of copper. (This figure includes the inferred resource, which grades 0.41% copper.) The infill drilling is finding much better grades than 0.41% copper. Therefore, when the inferred ore gets moved to the indicated or measured categories, it will come in at a much better grade and should lift the overall grade of the orebody. Plus there will be an increase in the tonnage. A substantial increase in contained copper must surely follow.

## 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 04 September 2018

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

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