

## MINING FLASHNOTE

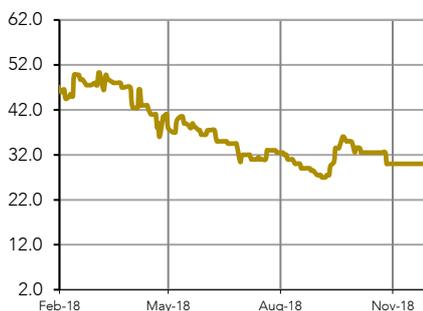
# Phoenix Global Mining (PGM AIM)

03 December 2018

### Stock Data

Share Price:	31.00p
Market Cap (M):	£9.9
EV (M):	£8.0

### Price Chart



### 52 Week Range

51.25p	31.00p	27.00p
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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	11.50%
Morebath Fund	7.0%
ExGen Resources	4.2%

Source: Bloomberg & Phoenix Global Mining

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## The Latest Empire Mine Exploration Confirms a “District Style Opportunity”

### Event

Phoenix Global Mining (“Phoenix”) has announced further results from the Company’s ongoing surface sampling and drilling programmes at the Empire Copper Project in Idaho, USA. The mineralisation within the recently expanded property footprint suggests a vast mineralised system with the copper mineralisation south of a fault and a silver/lead horizon to the north where the RedStar discovery is located.

### Highlights

This highlights of the programme were:

#### Step-out Oxide Copper Intercepts

- KX18-23 6.1m @ 0.74% Cu equ from surface, and 1.5m @ 1.34% Cu equ from 45.7m

#### Infill Oxide Copper Intercepts

- KXD18-20 10.4 m @ 1.74% Cu equ from 32.0m
- KXD18-22 5.9m @ 4.71% Cu equ, from 33.99m, including 1.37m @ 16.06% Cu equ from 33.99m and 49.54m @ 1.11% Cu equ from 80.34m

#### Lead-silver Intercepts

- KX18-55 9.1m @ 9.92% Pb and 360g/t silver from 16.77m, including 1.5m @ 13.30% Pb and 497g/t silver from 18.82m
- KX18-57 15.2m @ 2.83% Pb and 159g/t silver from 24.39m, including 1.5m @ 20% Pb and 1,111g/t silver from 27.44m

### Comment

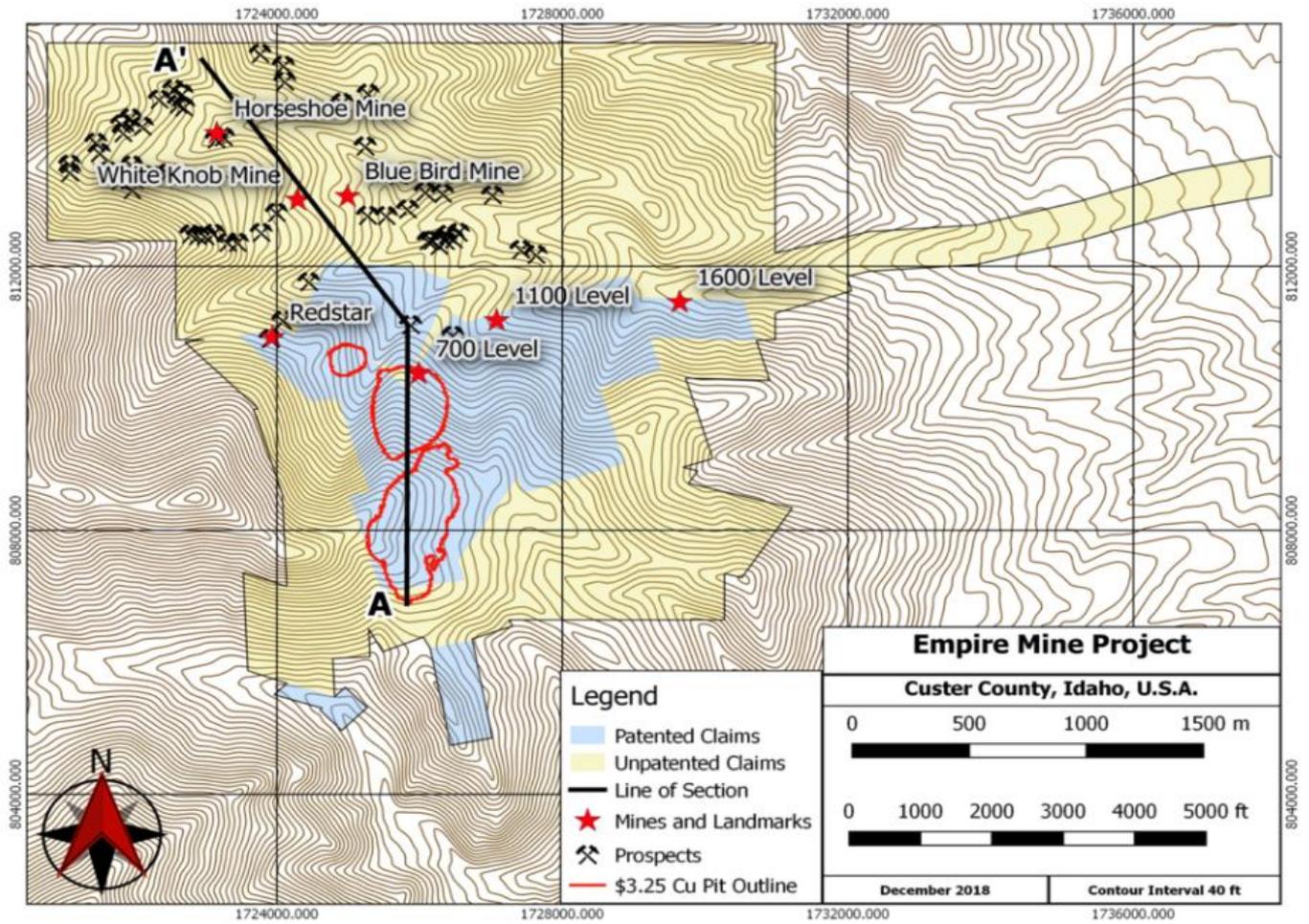
This is another excellent set of results, both extending the scope of the Empire open pit and BHC expects that the infill results will move material from the inferred category to indicated, further de-risking the property.

However, the very high grade silver-lead intercepts at RedStar are very promising but present an interesting problem. The proposed extraction technology for the copper ore in the Empire pit will not work for lead, which will need a flotation plant. The ore also includes economic zinc grades, but they are far less spectacular than the lead silver grades and not included above.

The current thinking is that there is a fault between the Empire pit and the RedStar mine, which has lifted the Empire block to the south. Therefore the copper horizon to the north of the fault is lower down, beneath the lead silver horizon.

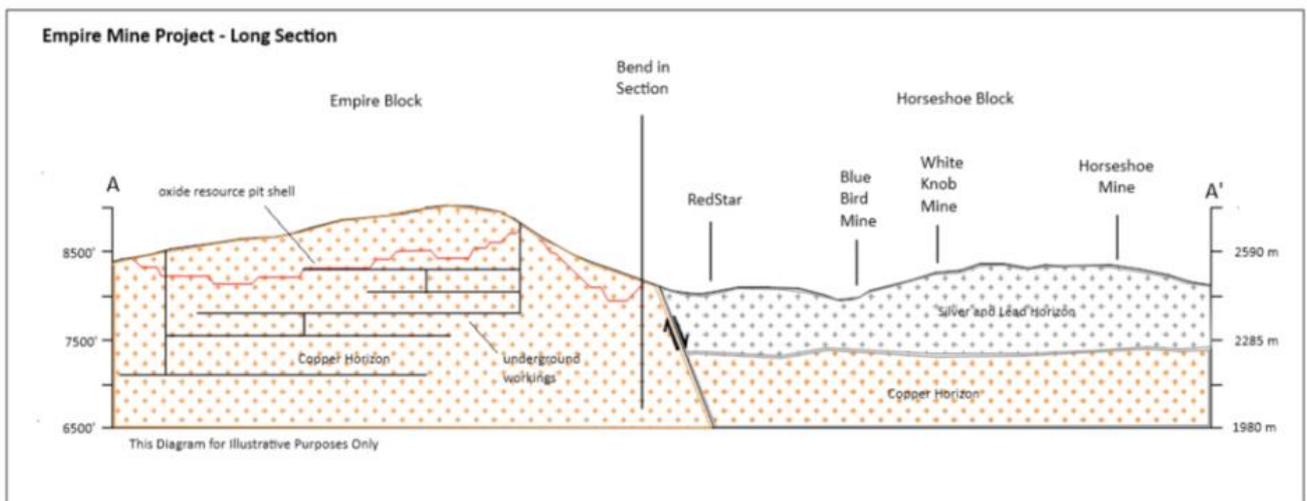
Any ore to the north of the fault is expected to be sulphides and it is believed that the copper horizon here could be relatively shallow. This could result in proving up a copper sulphide resource with much shallower holes than previously envisaged. Should the lead silver mineralisation prove to be significant in tonnage, then Phoenix could be looking at the early introduction of a flotation recovery plant.

Exhibit 1: Empire Mine, RedStar Zone



Source: Phoenix Global Mining

Exhibit 2: Horseshoe Block Map and Cross Section



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 03 December 2018

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

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