

14 July 2021

**Phoenix Copper Limited  
("Phoenix" or the "Company")**

**Empire Mine Deep Sulphide drilling programme**

**First hole encounters intense sulphide mineralisation over a 12.6 metres intercept at a depth of 173 metres from the hole collar**

Phoenix Copper Ltd (AIM: PXC, OTCQX: PXCLF), the AIM quoted USA focused base and precious metals emerging producer and exploration company, is pleased to announce that sulphide-rich mineralisation has been intercepted below the Empire copper oxide open pit deposit in the Deep Sulphide core drilling programme. The Empire Mine was historically mined until the early 1940s at head grades of up to 8% copper.

**Highlights**

- First drill hole completed of the 4,500-metre 2021 Deep Sulphide drilling programme, which is expected to comprise approximately 20 holes
- Hole KXD21-02 intercepted 12.6 metres of sulphide-rich mineralisation below the Empire copper oxide open pit deposit
  - Concentrations of up to 25% sulphide minerals from a depth of 173 metres over 7.9 metres
  - Increased concentrations of up to 75% sulphide minerals from a depth of 181 metres over 4.7 metres
  - Mineralisation comprises copper bearing sulphide ores, including chalcopyrite, chalcocite and bornite, as well as other metallic sulphides, including galena, argentiferous galena, sphalerite and molybdenite visually identified
  - Further drilling required to define true thickness
- Drilling intercept located below and east of historic 1100-level underground workings
- Samples currently being logged and prepared for shipping to assay laboratories

**Ryan McDermott, Chief Executive Officer, commented:** "We are excited to announce that we have intercepted 12.6 metres of intense sulphide mineralisation in HQ-core hole KXD21-02, part of the planned 4,500-metre, 2021 Deep Sulphide drilling programme for the Empire Mine in Idaho. Our geologists have visually identified a mix of sulphides that include, but are not limited to, chalcopyrite, chalcocite, galena, argentiferous galena, bornite, sphalerite, and molybdenite occurring in hole number KXD21-02 at

concentrations up to 25% sulphide minerals from a depth of 173 metres over 7.9 metres. The mineralisation then becomes more intense at 181 metres over a 4.7 metre interval and increases to approximately 75% total sulphides.

“This 12.6 metre intercept sits just below and to the east of the historical 1100-level underground workings. The true thickness of the intercept has not been defined by the single drillhole but will become more defined with additional drilling.

“Samples of the core are currently being logged and prepared for shipping to ALS Laboratories in Nevada, USA. It is worth mentioning that core hole KXD21-01, the first hole of the 2021 Deep Sulphide programme, encountered an underground working at approximately 68 metres and will be completed in due course when the required equipment arrives.

“These are exceptional results from the first drill hole, suggesting potentially elevated grades of copper, as well as the presence of gold, silver, zinc, lead and perhaps molybdenum by-products. It reinforces our geological model that the deeper Empire underground deposit represents a major ore system, which we are only just beginning to evaluate and understand.

“We look forward to receiving the assays from KXD21-02, as well as the assays from all of the 2021 drilling, and sharing those results with shareholders as they become available. Photos of the core can be viewed on the Company’s website at <https://phoenixcopperlimited.com>.”

## **2021 Drilling Programmes**

The 2021 drilling plan includes 4,500 metres of diamond core in the Deep Sulphide target, 2,300 metres of reverse-circulation drilling at the Navarre Creek gold zone, 3,000 metres of diamond core at the high grade silver-lead Red Star and Horseshoe/White Knob targets, and 3,000 metres of dual-rotary drilling for hydrological characterisation as part of the development of the Empire Mine open pit deposit.

The deep sulphide underground Empire Mine was historically mined until the early 1940s at head grades of up to 8% copper. The Mine closed when the workforce was conscripted into military service. The Empire Mine oxide open pit deposit is the weathered surface expression of the underground orebody, and contains a Measured and Indicated resource of 87,543 tonnes of copper, 43,871 tonnes of zinc, 238,406 ounces of gold, and 7.6 million ounces of silver, with an in-situ value of some \$1.4 billion at current metal prices. A Plan of Operations for the open pit Mine was submitted to the regulatory authorities in June 2021 for review and final permitting. Initial production of copper and zinc from the open pit Mine is targeted for late 2022.

## **Environmental, Social, and Corporate Governance**

Phoenix is committed to meeting and exceeding the environmental standards required by law as a core value of the Company. The baseline environmental data collected to date will be used for furthering the permitting process, but as importantly, will be used as the building blocks for the Company's future Environmental, Social, and Corporate Governance ("ESG") platform.

### Qualified Person

The information in this announcement has been reviewed by Roger Turner A.C.S.M., M.Sc., M.I.M.M.M., C.Eng., Chief Technical Officer and Director of the Company. Mr Turner is a graduate mining engineer from the Camborne School of Mines with an MSc in Economic Geology from Leicester University with more than 40 years' experience in mine development, construction and operation and is a qualified person under the AIM Rules. Mr Turner consents to the inclusion of the information in the form and context in which they appear.

### Market Abuse Regulation (MAR) Disclosure

The information contained within this announcement is deemed by the Company to constitute inside information as stipulated under the Market Abuse Regulations (EU) No. 596/2014 ('MAR') which has been incorporated into UK law by the European Union (Withdrawal) Act 2018. Upon the publication of this announcement via Regulatory Information Service ('RIS'), this inside is now considered to be in the public domain.

### Contacts

For further information please visit <https://phoenixcopperlimited.com> or contact:

Phoenix Copper Limited	Ryan McDermott Dennis Thomas Richard Wilkins	Tel: +1 208 954 7039 Tel: +44 7827 290 849 Tel: +44 7590 216 657
SP Angel (Nominated Adviser)	David Hignell / Caroline Rowe	Tel: +44 20 3470 0470
Brandon Hill Capital (Joint Broker)	Jonathan Evans / Oliver Stansfield	Tel: +44 20 3463 5000

WH Ireland (Joint Broker)	Harry Ansell / Adam Pollock / Katy Mitchell	Tel: +44 207 2201666
Panmure Gordon (UK) Limited (Joint Broker)	John Prior / Hugh Rich / Ailsa Macmaster	Tel: +44 20 7886 2500
EAS Advisors (US Corporate Adviser)	Matt Bonner / Rogier de la Rambelje	Tel: +1 (646) 495-2225
Blytheweigh (Financial PR)	Tim Blythe / Megan Ray	Tel: +44 20 7138 3204

## Notes

Phoenix Copper Limited is a USA focused, base and precious metals emerging producer and exploration company, initially targeting copper and zinc production from an open pit mine from late 2022.

Phoenix's primary operations are focused near Mackay, Idaho in the Alder Creek mining district, at the Empire Mine property, which historically produced copper at grades of up to 8%, as well as gold, silver, zinc and tungsten, from an underground mine.

Since 2017, Phoenix has carried out extensive drill programmes which have defined a NI 43-101 compliant PEA (preliminary economic assessment) for an open pit heap leach solvent extraction and electrowinning ("SX-EW") mine, which was updated in October 2020. The contained metal in all NI 43-101 compliant categories of resources, measured, indicated and inferred, stand at 355,523 ounces of gold, 129,641 tonnes of copper, 10,133,772 ounces of silver and 58,440 tonnes of zinc. Phoenix updated its economic model in February 2021 to include the processing of all contained metals through a two phased approach.

In addition to Empire, the district includes the historic Horseshoe, White Knob and Blue Bird Mines, past producers of copper, gold, silver, zinc, lead and tungsten from underground mines. A new discovery at Red Star, 330 metres north west of the Empire Mine proposed open pit, has revealed high grade silver / lead sulphide ore and from three shallow exploration drill holes a NI 43-101 compliant maiden resource of 1.6 million silver equivalent ounces was reported. Additionally, the district includes Navarre Creek, a volcanic hosted, Carlin-type gold discovery which hosts a 6.1 km gold strike length within a 9.8 km<sup>2</sup> area.

At Empire, it is estimated that less than 1% of the potential ore system has been explored to date and, accordingly, there is significant opportunity to increase the resource through phased exploration. The stated aim of the Company is to fund this phased exploration through free cashflow generated by its initial

mine. A Plan of Operations in respect of the initial open pit mine was filed with the Idaho authorities in June 2021.

More details on the Company, its assets and its objectives can be found on PXC's website at <https://phoenixcopperlimited.com>.