

Phoenix Copper Limited / Ticker: PXC / Sector: Mining

25 November 2021

**Phoenix Copper Limited  
(‘Phoenix’ or the ‘Company’)**

**Empire Mine Deep Sulphide Drilling Continues to Intercept High-Grade Polymetallics**

Phoenix Copper Ltd (AIM: PXC, OTCQX: PXCLF, OTCQX ADR: PXCLY), the AIM quoted USA focused base and precious metals emerging producer and exploration company, is pleased to announce further analytical results from the Company’s 2021 Deep Sulphide core drilling programme, below the known open pit oxide resource, at the Empire Mine in Idaho, USA (‘Empire’).

**Programme Highlights**

- **Assay results from Holes KXD21-04, KXD21-05, and KXD21-06 intercept high-grade mineralisation across a suite of metals**
  - Significant intercepts of 2.9 g/tonne (“g/t”) gold, 187 g/t silver, 1.45% copper, 4.93% zinc, and 8,030 ppm (0.80%) tungsten intercepted in the drill holes summarised below:
- **Hole KXD21-04**
  - At 64.5 metres (‘m’) depth 1.0 m of 134 g/t silver, 2.94% lead, 4.59% zinc
  - At 97.2 m depth 1.5 m of 0.80% tungsten
  - At 115.8 m depth 1.5 m of 0.44 g/t gold, 68.7 g/t silver, 1.45% copper, 1.37% zinc
- **Hole KXD21-05**
  - At 60.5 m depth 0.7 m of 0.42 g/t gold and 187 g/t silver
- **Hole KXD21-06**
  - At 152.2 m depth 2.1 m of 4.93% zinc
  - At 166.4 m depth 1.5 m of 2.9 g/t gold
  - At 191.4 m depth 0.6 m of 0.88 g/t gold and 1.17% copper
- **Anomalous molybdenum and tungsten mineralisation also intercepted**
- **A total of 979 m of the current 4,500 m deep sulphide programme have been completed to date (excluding 68 m long KXD21-01, which was abandoned due to interference with historical underground workings)**

**Ryan McDermott, Chief Executive Officer, said,** *“We are very pleased to announce that drilling from a further four core holes intercepted high-grade gold, silver, copper, lead and zinc, as well as tungsten as high as 0.80% (8,030 ppm). These four core holes, KXD21-03 through KXD21-06, targeted the sulphide zone below Empire’s open pit oxide resource. The Phoenix team is encouraged by these results which provide further evidence of a metal-rich system below the open pit oxide resource. If we exclude the meterage from the first hole, which was lost in an old working, we are 979-metres into a 4,500-*

metre exploration program. These intercepts are supporting our geological team's exploration model. We continue to compile the data, to refine our interpretations, and to improve our drill hole target selection process.

"We are pleased with the elevated gold and silver values, as well as the high lead and zinc numbers from the latest drilling. We are also pleased to note that the US Geological Survey has recently added zinc to its list of minerals critical to US national security and the economy, a list that already includes tungsten and cobalt. The next round of drilling in the deep sulphide system is scheduled for this winter. While we wait for a core drilling rig outfitted with all the necessary winter capabilities, which we anticipate arriving during December, our geologists are using the results from hole KXD21-02 (reported in September 2021), along with this recent data, to best select the next drilling sites. Photos of the latest core holes core can be viewed on the Company website at <https://phoenixcopperlimited.com> .

"In addition to the elevated gold, silver, copper, lead, and zinc values, tungsten is present in anomalous concentrations as high as 8,030 ppm (0.80%) and molybdenum as high as 1,275 ppm (0.13%). These values support the conclusions of Nigel Maund in his 2019 Empire Mine report "A Report on a Field Visit Made to the Empire Cu – Au – Ag – (Zn) Project, Idaho, USA", wherein evidence is presented for an underlying molybdenum/tungsten porphyry at Empire. The Maund report can be viewed on the Company's website at <https://phoenixcopperlimited.com/documents/maund-report-april-2019.pdf>.

"The Company continues to await the ground magnetic survey results for the Horseshoe-White Knob extension area to the north of the Red Star silver-lead deposit, as well as the Navarre Creek gold project. We look forward to reporting those results as soon as they become available."

**Table 1 – Empire Drilling Results 24 November 2021**

Drill Hole Number	Intersection Metres			g/tonne		%	%	%	Mo	W
	From	To	Interval	Au	Ag	Cu	Pb	Zn	ppm	ppm
KXD21-04	64.5	65.5	1.0	0.04	<b>134</b>	0.05	<b>2.94</b>	<b>4.59</b>	572	110
KXD21-04	67.2	67.8	0.5	0.02	<b>52.5</b>	0.06	<b>1.92</b>	<b>1.17</b>	31	70
KXD21-04	97.2	98.8	1.5	0.1	26.3	0.37	0.32	0.33	727	<b>8030</b>
KXD21-04	115.8	117.3	1.5	<b>0.44</b>	<b>68.7</b>	<b>1.45</b>	0.53	<b>1.37</b>	166	570
KXD21-04	133.2	136.2	3.0	0.08	<b>78.6</b>	0.08	0.72	<b>1.91</b>	57	330
KXD21-05	60.5	61.1	0.7	<b>0.42</b>	<b>187</b>	0.01	0.17	0.87	24	<10
KXD21-05	71.5	74.4	2.9	0.02	<b>31.4</b>	0.01	<b>2.36</b>	0.59	49	<10
KXD21-05	103.3	105.5	2.2	<b>0.82</b>	<b>41.4</b>	<b>0.83</b>	0.58	0.53	183	120
KXD21-06	123.9	125.4	1.5	0.05	9.2	0.26	0.02	0.07	16	<b>2360</b>
KXD21-06	140.9	142.3	1.4	0.16	19.6	<b>1.01</b>	0.01	0.24	180	90
KXD21-06	152.2	154.3	2.1	0.03	8.2	0.31	0.12	<b>4.93</b>	18	90
KXD21-06	166.4	167.9	1.5	<b>2.9</b>	2.4	0.05	0.01	0.03	21	100
KXD21-06	191.4	192.0	0.6	<b>0.88</b>	9.6	<b>1.17</b>	0.01	0.05	1275	10

**Table 2 – Empire Drilling Results 1 September 2021**

Drill Hole Number	Intersection Metres			g/tonne		%	%	%	Mo	W
	From	To	Interval	Au	Ag	Cu	Pb	Zn	ppm	ppm
<b>KXD21-02</b>	85.6	87.7	2	0.78	<b>64.09</b>	<b>0.98</b>	0.05	0.21	171	93
including	86.9	87.7	0.8	<b>1.1</b>	<b>80.7</b>	<b>1.44</b>	0.11	0.33	214	190
<b>KXD21-02</b>	98.1	98.6	0.5	0.01	<b>258</b>	0.29	0.01	0.11	27	<b>1710</b>
<b>KXD21-02</b>	111.5	111.9	0.4	0.21	<b>72.4</b>	0.51	<b>1.14</b>	0.38	119	<b>1600</b>
<b>KXD21-02</b>	142.6	147.6	5	0.3	19.3	<b>0.77</b>	<b>0.21</b>	<b>0.53</b>	40	<b>127</b>
including	145.2	146.9	1.7	0.72	33.8	<b>1.1</b>	0.6	<b>1.08</b>	58	290
<b>KXD21-02</b>	173.4	175	1.5	<0.01	0.6	0.03	0	0	14	<10
	175	176.5	1.5	<0.01	0.8	0.03	0.01	0.02	28	<10
	176.5	178	1.5	<0.01	0.5	0.02	0.01	0.02	33	10
	178	179.4	1.4	0.13	8.7	<b>0.64</b>	0.02	0.06	83	30
	179.4	180.1	0.8	0.03	1.6	0.05	0.01	0.03	109	20
	180.1	181.7	1.5	0.01	2.4	0.16	0.03	0.05	105	50
	181.7	183.5	1.8	0.14	5.2	<b>1.11</b>	0	0.01	10	150
	183.5	184.4	0.9	0.56	15.6	0.85	0.03	0.1	22	190
	184.4	185.9	1.5	0.5	4.1	0.17	0.03	0.06	233	190
<b>KXD21-02</b>	185.9	187.9	2	0.38	34.38	<b>2.28</b>	0.01	0.14	66	35
including	187.5	187.9	0.5	<b>1.31</b>	<b>120</b>	<b>8.38</b>	0.01	0.48	10	20
<b>KXD21-02</b>	203	204.5	1.5	0.05	3	0.11	0.01	0.02	<b>1365</b>	10

## Notes:

Hole KXD21-01 was abandoned at a depth of 68 m due to interference with historical underground workings.

Hole KXD21-03 did not contain assay values considered significant for this reporting.

Due to the limited amount of drilling in the area, the orientation and true thickness of mineralization are not yet understood.

## 2021 Drilling Programmes

The 2021 drilling plan includes 4,500 m of diamond core in the Deep Sulphide (979 m completed to date), 3,000 m of dual-rotary drilling for hydrological characterisation (2,600 m completed to date), 2,300 m of reverse-circulation drilling at Navarre Creek, and 3,000 m of diamond core at Red Star and the Horseshoe-Whiteknob target.

## Qualified Person

The foregoing technical information contained in this news release has been reviewed and verified by Zachary J. Black, SME-RM, General Manager. Mr. Black is a resource geologist with more than 17 years of domestic and international experience in the mining and construction industries. Mr. Black has a degree in Geological Engineering from the University of Nevada, Reno and is a registered member of the Society for Mining, Metallurgy, and Exploration, Inc. He is a Qualified Person under the AIM Rules. Mr. Black consents to the inclusion of the information in the form and context in which they appear.

## 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 ongoing Environmental, Social, and Corporate Governance ("ESG") platform, overseen by the Company's ESG & Sustainability Committee.

## 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 which has been incorporated into UK law by the European Union (Withdrawal) Act 2018. Upon the publication of this announcement via Regulatory Information Service, this inside information 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	Tel: +1 208 954 7039
	Dennis Thomas	Tel: +44 7827 290 849
	Richard Wilkins	Tel: +44 7590 216 657
SP Angel Corporate Finance LLP (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 80% owned 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 resulted in the publication of a NI 43-101 PEA in October 2020 for an open pit heap leach solvent extraction and electrowinning ("SX-EW") mine, which was updated in October 2020. The contained metals in all NI 43-101 compliant categories of resources, measured, indicated, and inferred, stand at 129,641 tonnes of copper, 355,523 ounces of gold, 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 northwest of the Empire Mine proposed open pit, has revealed high grade silver / lead sulphide ore and from three shallow exploration drill holes. A maiden resource of 103,000 tonnes containing 173.4 g/tonne silver, 0.85 g/tonne gold and 3.85% lead (1.6 million ounces silver equivalent) was reported in an NI 43-101 technical report published in May 2019. Additionally, the district includes the Navarre Creek Project, a volcanic hosted, precious metals target in a 14.48 km<sup>2</sup> area. The Company's total land package at Empire comprises 8,034 acres (32.51 sq kms).

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 relevant regulatory authorities in June 2021.

Phoenix also has two wholly owned cobalt properties on the Idaho Cobalt Belt to the north of Empire. An Earn-In Agreement has been signed with Electra Battery Materials (formerly First Cobalt Corporation), Toronto, in respect of one of those properties.

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