

MINING FLASHNOTE

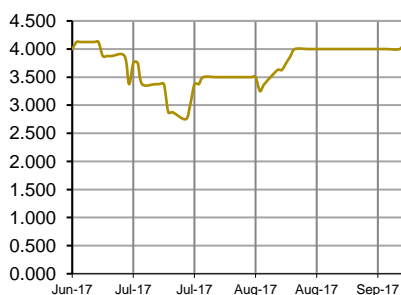
# Phoenix Global Mining (PGM AIM)

12 September 2017

### Stock Data

Share Price:	4.125p
Market Cap (M):	£9.5
EV (M):	£9.5

### Price Chart



### 52 Week Range

4.50p	4.125p
2.75p	

### 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

Banque Heritage SA	4.99%
ExGen Resources	4.92%
R & J Turner	4.82%
Turner R	4.82%

Source: Bloomberg

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## Phoenix Announces Update on Empire Mine

### Event

Phoenix Global Mining ("Phoenix") has announced an update regarding its activities at the Empire Copper Mine in Idaho, USA.

### Comment

The Company is making steady progress, with the 28 hole drilling programme now completed at the AP Pit oxide resource. The assay results for 14 drill holes have been received and all samples have been sent to the lab for assay. The results KX17-2 to 13 and KXd17-1 are listed overleaf. The revised JORC Compliant Resource statement remains on schedule to be completed in Q4 2017.

One of the key takeaways from the drilling results is that many of the intersections are extremely shallow, some being from surface, which suggests any mining operation will have a low strip ratio.

The company has included zinc, silver and gold assays in the press release. Historic metallurgical test work has shown that all these metals are recoverable at the Empire Mine, although the conventional heap leach-SX/EW plant currently planned for the copper extraction will not recover the gold and silver. This can be extracted with a different leaching technique, after the copper has been extracted, but it does have the potential to double the mine life. Zinc is far more interesting in the short term. The test work showed that some zinc is recovered using the proposed leaching technique for copper and could therefore be produced as a by-product at only a small additional cost.

The consultants for the Preliminary Feasibility Study have been selected, with the aim of completing the studies early in the Q2 2018. M3 Engineering & Technology Corp of Tucson Arizona ('M3') have been appointed as lead consultant. They have a wealth of experience in designing and commissioning copper solvent extraction and electrowinning (SX-EW) plants in the US and around the world. Alongside M3, Hard Rock Consulting Inc of Lakewood, Colorado have been appointed to lead the Reserves & Mining studies, Minerals Technology LLC of Tucson, Arizona will undertake the Metallurgical test work, and Cascade Earth Sciences of Pocatello, Idaho will complete the environmental and permitting studies.

A mining contractor has been appointed to open several of the old working portals (tunnel entrances) and to refurbish and make safe in order to carry out a systematic evaluation of the deeper sulphide resources below the AP Pit.

Table 1: Drill hole assay results received to-date

Hole Number	Intersection Metres			%		gms / tonne		Cu Equiv % **
	From	To	Intercept	Total Cu	Zn	Ag	Au	
<b>KX17-2*</b>	0.0	29.0	29.0	0.46		7.72	0.17	0.63
<b>KX17-3*</b> including	0.0	22.9	22.9	0.66	0.10	40.76	0.15	1.14
	16.8	21.3	4.6	2.06		92.88	0.17	2.95
	29.0	36.6	7.6	0.37	0.10	15.99	0.10	0.61
	41.2	62.5	21.3	0.86	1.22	13.03	0.14	1.60
	56.4	61.0	4.6	1.65	2.30	3.37	0.04	2.73
<b>KX17-4*</b>	0.0	16.8	16.8	0.07		7.92	0.60	0.51
	39.6	86.9	47.3	0.23	0.11	6.64	0.10	0.40
<b>KX17-6</b> including	13.7	65.5	51.8	0.42		9.16	0.24	0.65
	13.7	19.8	6.1	1.13		13.20	0.04	1.27
<b>KX17-7</b> including	0.0	35.1	35.1	0.29	0.70	12.56	0.70	1.15
	29.0	35.1	6.1	1.10	1.05	30.40	0.07	1.87
	77.7	85.4	7.7	0.07	1.12	2.06	1.02	1.23
<b>KX17-8</b>	10.7	18.3	7.6	0.40		12.34	0.04	0.53
	36.6	42.7	6.1	0.30	0.22	28.70	0.10	0.70
	89.9	93.0	3.1	1.16	0.20	38.40	0.35	1.79
<b>KX17-9</b> including including	0.0	70.1	70.1	0.34		5.85	0.38	0.63
	0.0	16.8	16.8	0.82		11.91	0.12	1.00
	39.6	48.8	9.2	0.55	0.12	10.28	1.06	1.35
<b>KX17-10</b> including	0.0	44.2	44.2	0.36	0.13	10.77	0.05	0.54
	9.1	12.2	3.1	1.02		25.30	0.05	1.26
<b>KX17-11</b> including	12.2	64.0	51.8	0.51	0.11	16.09	0.07	0.74
	12.2	29.0	16.8	1.02		33.99	0.03	1.33
<b>KX17-12</b>	24.4	32.0	7.6	0.60		17.84	0.09	0.81
	7.6	13.7	6.1	0.22		5.33	0.08	0.32
<b>KX17-13</b>	48.8	54.9	6.1	0.20		17.95	0.10	0.41
	24.4	64.0	39.6	0.30	0.36	8.20	0.08	0.58
<b>KXd17-1</b> including including	24.4	30.5	6.1	1.31	0.52	24.90	0.06	1.79
	57.9	64.0	6.1	0.52	0.63	16.05	0.18	1.05

\* As announced by the Company in the RNS dated 31 July 2017

\*\* Copper equivalent grade = value of contained Cu, Zn, Ag and Au expressed as Cu grade

Metal prices used (Sept 6, 2017)

Cu	6,868	\$/tonne	3.12	\$/lb
Zn	3,080	\$/tonne	1.40	\$/lb
Ag	0.58	\$/gm	18.00	\$/oz
Au	43.05	\$/gm	1,339	\$/oz

## Research Disclosures

### Peter Rose

Peter has 31 years' experience in equities as a resources analyst; he has been at Brandon Hill Capital for 10 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 12 September 2017

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

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