

**MINING FLASHNOTE**

# Phoenix Global Mining (PGM AIM)

30 October 2018

**Stock Data**

Share Price:	32.50p
Market Cap (M):	£10.3
EV (M):	£8.5

**Price Chart**

**52 Week Range**

51.25p	<b>32.50p</b>	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	11.5%
Morebath Fund	7.0%
ExGen Resources	4.2%

Source: Bloomberg & Phoenix Global Mining

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## The Empire Mine Vicinity Represents 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 ‘Empire Mine’). The mineralisation within the recently expanded property footprint suggests a vast mineralised system following mapping, sampling and drilling.

### Highlights

This highlights of the programme were:

Step-out Oxide Copper Intercepts

- KX18-51 1.5m @ 1.75% Cu equ from 73m
- KXD18-18 18.9m @ 2.14% Cu equ from 41.8m, including 8.1m @ 3.86% Cu equ from 47.2m and 1.5m @ 5.91% Cu equ from 52.3m
- KXD-18 1.6m @ 2.65% Cu equ from 52.8m

Infill Oxide Copper Intercepts

- KXD18-16 19m @ 1.79% Cu equ from 18.9m including 6.4m @ 2.52% Cu equ from 30.5m
- KXD18-18 4.4m @ 1.70% Cu equ, from 6.2m

Sulphide Copper Intercepts

- KX18-52 4.6m @ 3.88% Cu equ, from 103.6m including 1.5m @ 7.16% Cu equ from 103.6m

### Comment

This is another excellent set of results, taking the total completed drilling to 8,604m. There are also numerous rock chip and channel sampling results to complement the drilling results. What is becoming increasingly apparent is that the whole area contains significantly more mineralisation than was originally thought, with the Red Star discovery merging into the Empire pit. The press release mentions the Horseshoe Mine which is approximately 3.5km north west of the southern end of the Empire Mine. The map shows that between Red Star and Horseshoe there are the old White Knob and Blue Bird mines which are underlain by a set of adits. To BHC this strongly suggests that the system is probably mineralised along the entire 3.5km strike length.

Historically work has focused on the shallow copper oxide resource, which the current drilling continues to expand. However, the result of this focus is that only around 5% of the deposits potential has been investigated. Also of interest is that the sulphide ores commence at a depth of around 70m and some of the oxide holes have been extended into the sulphides as the planned bottom of the holes where in ore.

There are currently 11 RC holes and 7 diamond drill holes awaiting assay results. A new resource figure is anticipated early in the new year. If results such as these continue to be generated, there will be continued pressure to change the proposed heap leach to a tanked or agitated leach, yielding significantly higher recoveries and allowing the precious metals to be recovered concurrently with the copper.

## 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 30 October 2018

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

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