



## PHOENIX REAFFIRMS SHAREHOLDERS TO TAKE NO ACTION REGARDING TAKEOVER OFFER FROM ZIJIN

Phoenix Gold Limited (ASX: PXG) ("Phoenix" or the "Company") notes this morning's announcement from Zijin Mining Group Co., Ltd ("Zijin") and reaffirms its advice to shareholders to **TAKE NO ACTION** in relation to the proposed unsolicited and conditional takeover bid from Zijin.

On 22 June 2015, Zijin announced its intention to make an all cash, off-market takeover offer to acquire all of the ordinary shares that it does not already own in Phoenix at a price of \$0.10 per share (the "Offer"). As announced at the time, Phoenix engaged in discussions with Zijin and its advisors in an effort to secure a transaction that was in the best interest of Phoenix shareholders, however, Zijin was unwilling to improve the price under its Offer and the Company's Directors formed the considered view that they could not recommend the Offer in its current form.

Since Zijin's approach, the Directors of Phoenix have engaged with a number of parties to consider alternative, value maximising, proposals for Phoenix and its assets. While there is no guarantee that this engagement will result in a Superior Proposal, these discussions – as well as ongoing dialogue with Zijin (as noted by Zijin in its announcement today) – are progressing, and Phoenix's Board strongly recommends that shareholders **TAKE NO ACTION** until the potential for a Superior Proposal to emerge has been fully explored.

Today's announcement from Zijin discloses its Offer conditions in full. These reiterate the conditional nature of the Offer, including that Zijin must acquire a relevant interest in at least 50.1% of Phoenix shares. A formal Offer in the form of a Bidder's Statement has not been presented to Phoenix and as such is not capable of acceptance at this point by Phoenix shareholders.

Once received, the Directors of Phoenix will consider Zijin's Bidder's Statement carefully and will respond with the Company's Target Statement, which will include an Independent Expert's Report as to whether the Offer is fair and reasonable, and will provide the Directors' formal recommendation to Phoenix Shareholders.

**ENDS**

*For further information please contact*

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