Phoenix Copper Limited
ABN 67 127 446 271
Level 1, 135 Fullarton Road
Rose Park, SA 5067
Australia
Telephone +61 (0) 8 8364 3188
Facsimile +61 (0) 8 8364 4288
info@phoenixcopper.com.au
www.phoenixcopper.com.au

ASX Announcement 3 November 2014

HIGH GRADE MINERAL RESOURCE ESTIMATE FOR IRON BLOW DEPOSIT

- **Revised Iron Blow Mineral Resource contains higher grades across all metals[1], surpassing expectations**
- **Inferred Mineral Resource Estimate (reported in accordance with JORC Code, 2012[2]) completed for the Iron Blow deposit:**
  - **2.6Mt @ 2.4g/t Au, 130g/t Ag, 0.3% Cu, 0.9% Pb and 4.8% Zn (at a minimum gold equivalent cut-off grade of 0.7g/t)**
- **Mineral resource contains approximately 200,000 ounces of gold, 10 million ounces of silver, and 125,000 tonnes of zinc**
- **Resource model incorporates all available drillhole data, comprising 45 diamond drillholes**
- **Drillholes have not yet been surveyed with downhole electromagnetic geophysics capable of identifying additional massive sulphide zones**
- **Significant upside recognised at Iron Blow as the deposit remains open at depth**
- **Exploration and extensional diamond drill program to commence in November 2014**

Phoenix Copper Limited (**ASX:PNX**) is pleased to announce an updated Mineral Resource Estimate for the Iron Blow gold-silver-copper-lead-zinc deposit, which is located in the Pine Creek region of the Northern Territory (Table 1, Figures 1-3 and see also the section headed Background & Completion Update below).

Higher Grades Across all Metals

The new Inferred Mineral Resource Estimation was completed by independent mining consultancy AMC Consultants Pty Ltd (**AMC**), and is reported in accordance with JORC Code, 2012.

Table 1: *Iron Blow Inferred Mineral Resource Estimate as at 8th October 2014*

Depth	AuEq cut-off (g/t)	Tonnes	AuEq (g/t)	Au (g/t)	Ag (g/t)	Cu (%)	Pb (%)	Zn (%)	ZnEq %
> -90 mRL	0.7	2.2Mt	6.7	2.4	140	0.3	1.0	4.9	11.8
< -90 mRL	3.0	0.4Mt	5.6	2.7	71	0.4	0.4	4.1	10.0
Total Inferred Mineral Resource		2.6Mt	6.5	2.4	130	0.3	0.9	4.8	11.5
Total Contained Metal			**543,000 oz**	203,000 oz	10,700,000 oz	7,000 t	23,000 t	125,000 t	**300,000 t**

The statement of mineral resources, shown in Table 1 above, is taken directly from the independent consultant's report. An executive summary (Appendix A) of the report, and Table 1 for Reporting in accordance with the JORC Code, 2012 (Appendix B) by AMC also form part of this ASX release.

[1] Refer PNX ASX release 18th August 2014 for details of previous foreign resource estimate
[2] 2012 edition of the Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves

Notes:

In order to assess the potential value of the total suite of minerals of economic interest in the mineral inventory, formulae were developed to calculate metal equivalency for the gold and zinc (see below). These metals contribute the highest values to the model based on prices and recoveries used (Table 2). Metal prices used were consistent with spot values (rounding applied) at the time of the mineral resource estimate. Metal recoveries used were estimates based on current mining operations that process a similar style of deposit. Further metallurgical test work is required at Iron Blow to provide a better understanding of the metal recoveries.

AuEq g/t = [(Au grade g/t x (Au price oz/31.1034768) x Au recovery) + (Ag g/t x (Ag price oz/31.1034768) x Ag recovery) + (Cu grade % x (Cu price per t/100) x Cu recovery) + (Pb grade % x (Pb price per t/100) x Pb recovery) + (Zn grade % x (Zn price per t/100) x Zn recovery)] / (Au price per oz/31.1034768).

ZnEq % = [(Au grade g/t x (Au price oz/31.1034768) x Au recovery) + (Ag g/t x (Ag price oz/31.1034768) x Ag recovery) + (Cu grade % x (Cu price per t/100) x Cu recovery) + (Pb grade % x (Pb price per t/100) x Pb recovery) + (Zn grade % x (Zn price per t/100) x Zn recovery)] / (Zn price per t/100).

Table 2: *Metal price and recovery used in metal equivalency formula*

Element	Price	Unit price	Recovery
Cu	$7,000	USD / t	70%
Pb	$2,250	USD / t	70%
Zn	$2,350	USD / t	70%
Ag	$20	USD / troy oz	90%
Au	$1,300	USD / troy oz	90%

Geology

The Iron Blow polymetallic deposit is stratabound and hosted within the basal sediments of the Mount Bonnie Formation and Gerowie Tuff, and between regional structural faults that trend in a northeast/southwest direction. The mineralisation occurs within the western limb of the Yam Creek anticline in the Margaret Geosyncline. Mineralisation forms as massive sulphides and is disseminated within the sediments (Figure 1).

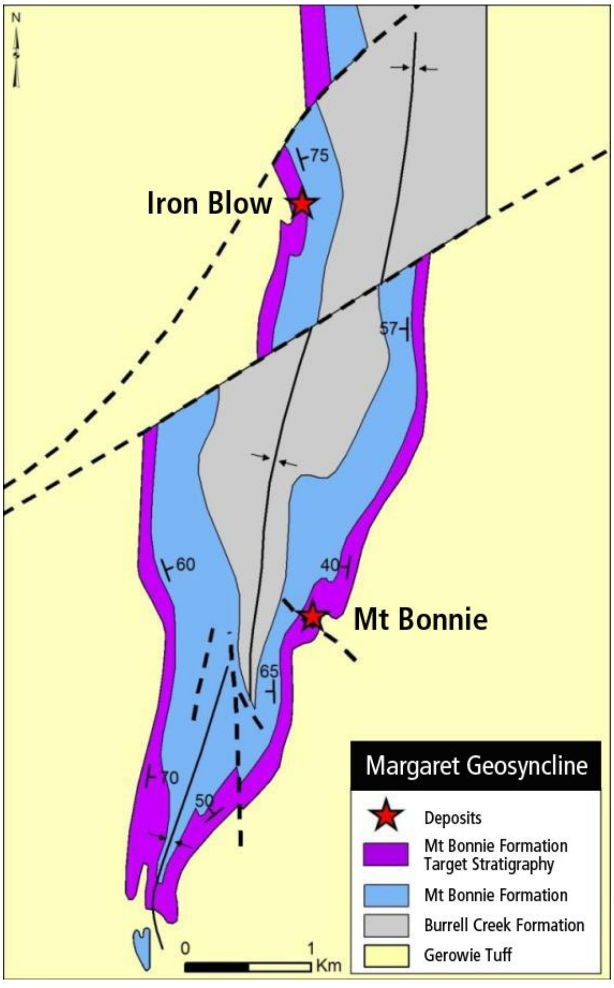


Figure 1: *Iron Blow and Mount Bonnie deposits*

Background & Completion Update

As announced on 18th August 2014, Phoenix Copper executed an agreement with Crocodile Gold Australia Pty Ltd, a subsidiary of Canadian listed Crocodile Gold Corp for the acquisition of 15 mining leases, including the Iron Blow and Mount Bonnie deposits, and a farm-in to earn up to 90% of a further 21 exploration licences and 4 mining leases, all in the Pine Creek region of the Northern Territory. Under this agreement the granted mining leases containing the Iron Blow deposit are included in a package of tenements that Phoenix Copper will acquire for $1.00 plus a royalty detailed in Phoenix Copper's release to ASX on 18th August 2014.

The acquisition is subject to a number of standard conditions precedent, which are to be satisfied or waived by 15th November 2014 (or the date extended by mutual agreement).

Two of those conditions precedent have been satisfied already, being the approval of the Foreign Investment Review Board, and the conversion of Mineral Claims MCNs 3161, 504, and 505 to valid Mining Leases. The remaining conditions precedent relate to several deeds of assignment which are currently being finalised by the respective parties.

A NI43-101 compliant foreign resource estimate (based on 6 drillholes) was completed on Iron Blow by Crocodile Gold Inc. in 2009. Phoenix Copper has now validated and included significant additional historic drill data comprising 45 diamond drill holes completed prior to August 2014 and AMC has prepared the Mineral Resource Estimation reported in accordance with JORC Code, 2012.

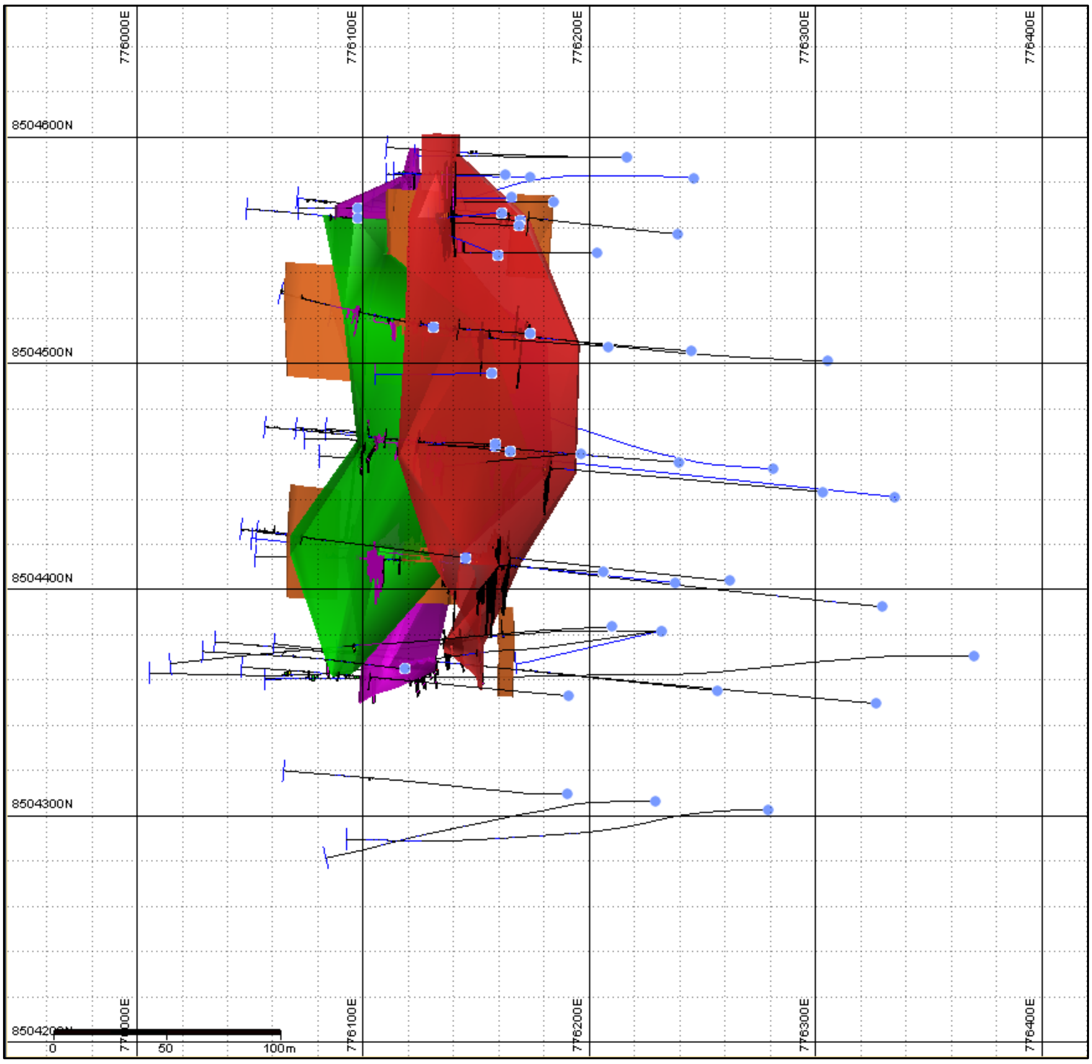


Figure 2*: Plan view of drill traces at Iron Blow deposit showing historical drilling. Mineralisation outlines are from AMC wireframes.*

CEO Comment

The CEO of Phoenix Copper, James Fox said: "*We are exceptionally pleased with the outcome of the resource estimate at Iron Blow. The deposit is clearly robust and of a high grade. Conservative peer metallurgical recoveries have been applied to generate combined metal equivalent grades, which are now very compelling at 6.5g/t gold equivalent or 11.5% zinc equivalent. Based on the existing data we anticipate that a significant amount of the resource is able to be mined by open pit methods. We look forward to commencing an initial diamond drill program shortly at Iron Blow and Mount Bonnie, and to continuing to grow this early-stage mineral resource through further high impact exploration.*"

Planned Activities

An initial exploration and extensional diamond drill program is planned to commence in November 2014 at the Iron Blow and Mount Bonnie deposits. The primary objectives of this initial drill program are to define new mineralised zones, undertake down hole electromagnetic surveys, obtain samples for metallurgical test work, and build confidence in grade continuity within the existing resource.

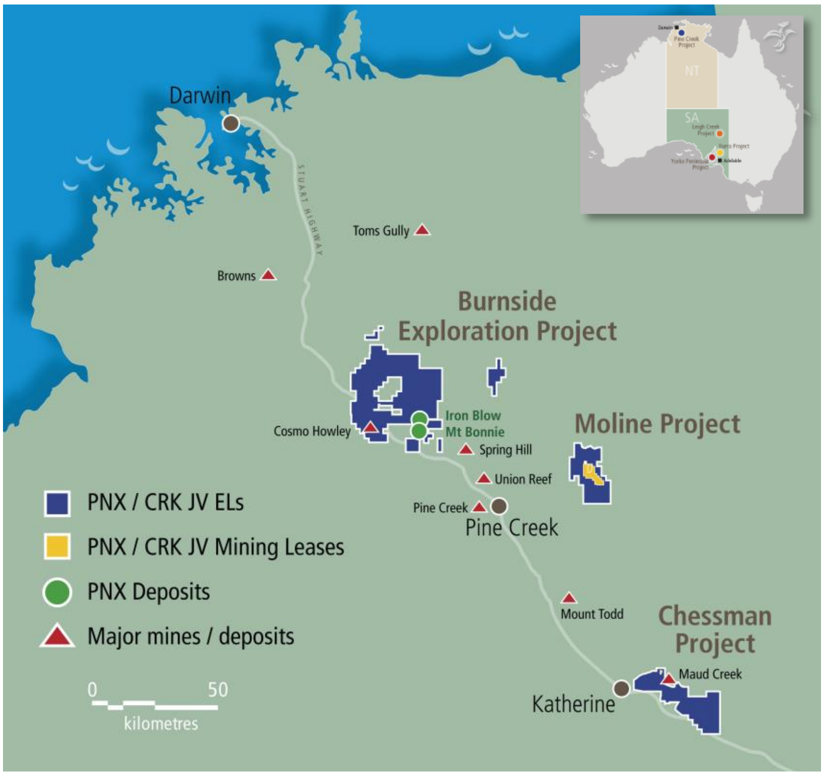


Figure 3: *Burnside, Moline and Chessman Exploration Projects*

<u>Competent Person's Statement</u>

The information in this report that relates to Mineral Resource estimates prepared by AMC Consultants Pty Ltd for the Iron Blow deposit and is based on information compiled by Mr A Proudman (CP (Geo)), a Competent Person who is a Fellow of the Australian Institute of Mining and Metallurgy and a full-time employee of AMC Consultants Pty Ltd at the time of undertaking the assessment. The estimates were based on exploration data provided by Phoenix Copper Limited which is responsible for its accuracy and completeness. Mr A Proudman has sufficient experience relevant to the style of mineralisation and the type of deposit under consideration and to the activity undertaken to qualify as a Competent Person as defined in the 2012 Edition of the "Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves". Mr A Proudman consents to the inclusion in this report of the matters based on his information in the form and context in which it appears.

James Fox
CEO
Telephone: +61 (0)8 8364 3188
Email: info@phoenixcopper.com.au
Website: www.phoenixcopper.com.au

Peter Taylor
Investor Relations
Telephone: +61 (0) 412 036 231
Email: peter@nwrcommunications.com.au

Appendix A
Executive summary

Phoenix Copper Limited (Phoenix) engaged AMC Consultants Pty Ltd (AMC) to develop a resource model for the Iron Blow polymetallic deposit (Iron Blow).

This modelling work incorporates all drillhole data available at 31 August 2014, which comprises 45 diamond drillholes (DDH).

The Iron Blow deposit is located within mineral leases MLN214, MLN341, MLN343 and MLN349, held by Crocodile Gold Australia Pty Ltd (CGA). They are approximately 12 km east of the Brocks Creek underground gold mine and north of the township of Pine Creek, Northern Territory. CGA has entered into a sale agreement with Phoenix to sell 100% of the Iron Blow deposit to Phoenix.

The Iron Blow polymetallic deposit is hosted within the Mount Bonnie Formation and Gerowie Tuff, between regional structural faults that trend northeast-southwest. The mineralisation occurs within the western limb of the Yam Creek anticline within the Margaret Geosyncline. The Iron Blow deposit is a strata-bound deposit within the basal sediments of the Mt Bonnie formation. Mineralisation forms as massive sulphides and is disseminated within the sediments.

The Iron Blow Inferred Mineral Resource as estimated by AMC at a variable gold-equivalent cut-off grade, as at the 8 October 2014 is presented in Table 1.

Table 1 Iron Blow Mineral Resource Estimate as at 8 October 2014

Depth	AuEq cut-off (g/t)	MTonnes	AuEq (g/t)	Au (g/t)	Ag (g/t)	Cu (%)	Pb (%)	Zn (%)	ZnEq%
> -90 mRL	0.7	2.2	6.7	2.4	140	0.3	1.0	4.9	11.8
< -90 mRL	3.0	0.4	5.6	2.7	71	0.4	0.4	4.1	10.0
Total Inferred Mineral Resource		2.6	6.5	2.4	130	0.3	0.9	4.8	11.5

Note:

gold-equivalent (AuEq) g/t = [(Au grade g/t x (Au price per Oz/31.1034768) x Au recovery) + (Ag g/t x (Ag price per Oz/31.1034768) x Ag recovery) + (Cu grade % x (Cu price per t/100) x Cu recovery) + (Pb grade % x (Pb price per t/100) x Pb recovery) + (Zn grade % x (Zn price per t/100) x Zn recovery)] / (Au price per Oz/31.1034768).

zinc-equivalent (ZnEq) % = [(Au grade g/t x (Au price per Oz/31.1034768) x Au recovery) + (Ag g/t x (Ag price per Oz/31.1034768) x Ag recovery) + (Cu grade % x (Cu price per t/100) x Cu recovery) + (Pb grade % x (Pb price per t/100) x Pb recovery) + (Zn grade % x (Zn price per t/100) x Zn recovery)] / (Zn price per t/100).

The following factors were used in determining the AuEq and the ZnEq:

Element	Unit Price	Unit	Recovery
Cu	$7,000	USD / t	70%
Pb	$2,250	USD / t	70%
Zn	$2,350	USD / t	70%
Ag	$20.00	USD / troy oz	90%
Au	$1,300	USD / troy oz	90%

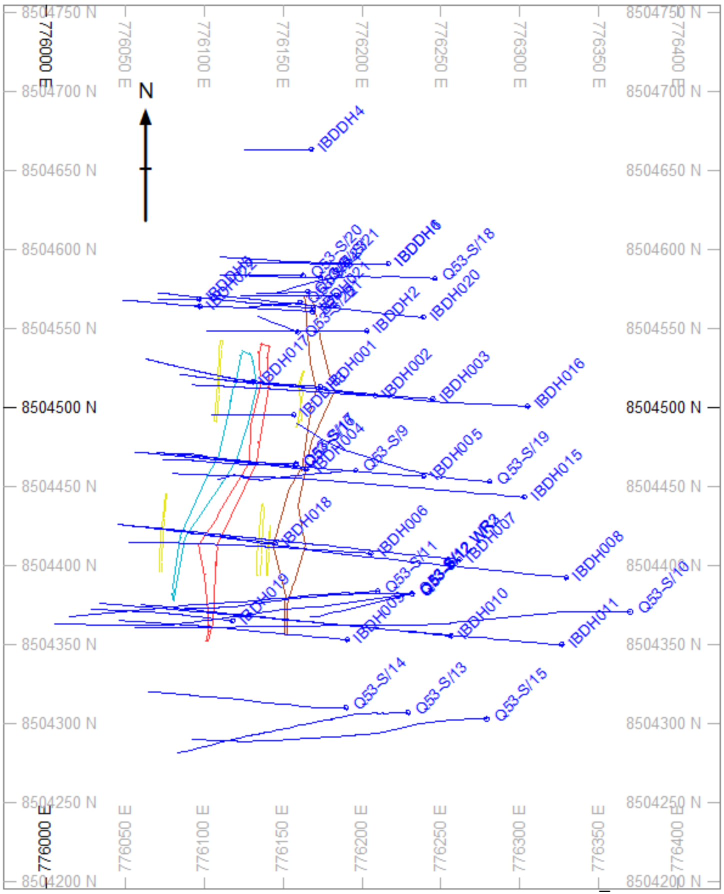
Note; total grades are subject to rounding

Drillhole data

The Iron Blow exploration database includes 45 drillholes for a total 10,747 m of drilling. A total of 3,104 drillhole assayed data intervals were available for AMC’s modelling of the resource. Assay data includes results for gold, silver, copper, lead and zinc.

A drillhole collar plan with drillhole traces and mineralization envelopes at -35 mRL is shown in Figure 1. The data cut-off date is 31 August 2014.

Figure 1 Iron Blow drillhole location plan at -35 mRL



Drilling data collection, analytical and collation processes

Drilling data was accumulated over a number of campaigns dating back as far as 1963 by the Commonwealth of Australia, Bureau of Mineral Resources, Geology and Geophysics (BMR), Geopeko Limited (Geopeko) in 1978 and GBS Gold Australia Corporation (GBS) prior to 2009. Thirteen of the holes were drilled in 2011 by Crocodile Gold Australia Pty Ltd (CGA). Limited information is available on sampling practices by BMR and Geopeko. Since 2000 analytical samples were taken from the drill core, generally at 1 m intervals. Core was reported to have been split in two for sampling and assaying, and core recovery was typically over 90%.

Geological logging was carried out for the entire length of each drillhole. Logged data, including historical data, was entered digitally into the Access database. The different generations of drilling were analysed at different laboratories, as listed in Table 2.

Table 2 Assay and preparation laboratories

Drilling	Laboratory	Elements assayed for	Number of assays in database
BMR	Analabs and United Uranium NL	Au, Ag, Cu, Pb, Zn, Sn	57
Geopeko	NTEL (as per database)	Cu, Pb, Zn, Ni, Co, Ag, Bi, Cd, Au	247
GBS	Northern Australian Laboratories, Pine Creek	Au, Ag, Cu, Pb, Zn, As	1,060
CGA	ALS Laboratories, Perth	Au, Ag, Cu, Pb, Zn, Fe, S, As, Ba, Bi, Cd, K, Mn, Sb, Se, Sn, V	1,740

GBS samples were crushed to 2-3 mm, split to less than 1 kg and milled to approximately 100 microns from which 50 g was taken for assay. CGA samples were crushed a nominal 85% passing 75 micron. GBS and CGA sample elemental determinations used ICP-AES, ICP-OES or ICP-MS (ME-OG62).

The CGA drilling has downhole surveys measured with a gyroscope or a downhole camera. Some downhole surveys at the collar have used a compass or were calculated. BMR drilling used acid for drillhole angles, and tropari for drillhole bearing.

QA/QC

The GBS QC results were not located for AMC's modelling. Therefore AMC has not been able to review that QC data. Duplicate fire assays by CGA on 406 samples show a strong correlation between the two sets of data in all but ten of the results.

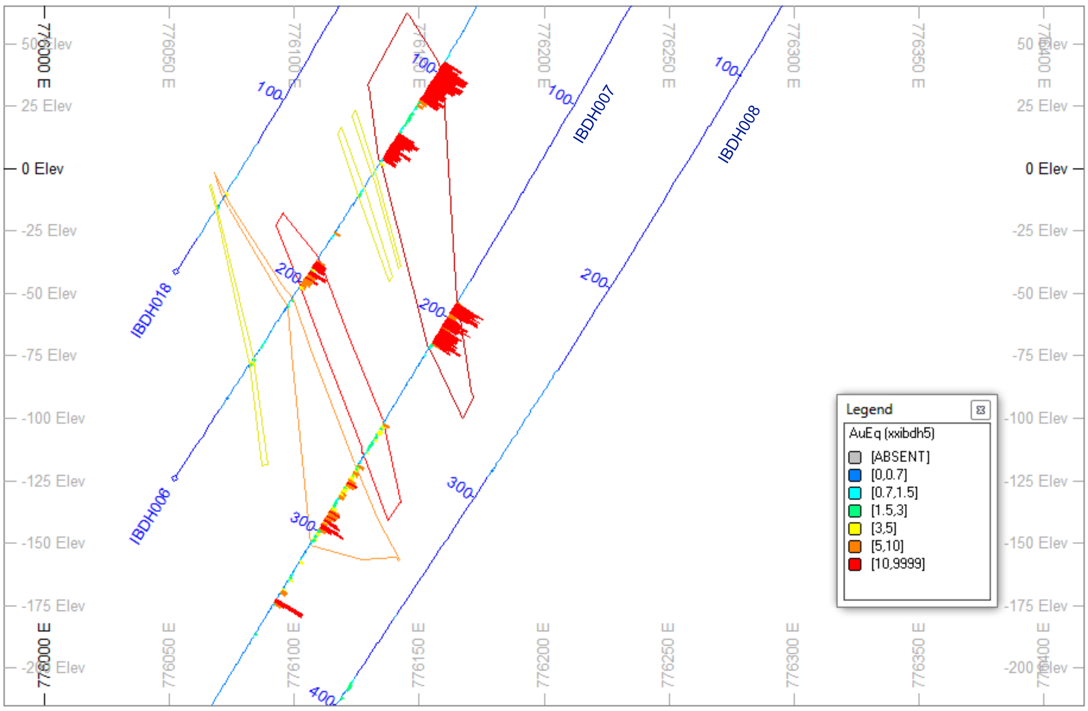
AMC recommends that QA/QC data is collected in future drilling campaigns, including submission of blanks and suitable certified standards, analysis of duplicates, inter-laboratory checks and twinning of earlier drilling with new drillholes. Efforts to acquire existing and historical information should continue.

Mineralisation domain interpretation

Mineralised domains were assessed using geological information within the database and core photographs. The general trend of lithologies and major structures were used by AMC in conjunction with grade intercepts to generate interpretations of the mineralised domains. The mineralisation domains demonstrate reasonable continuity based on the level of geological data and grade orientation.

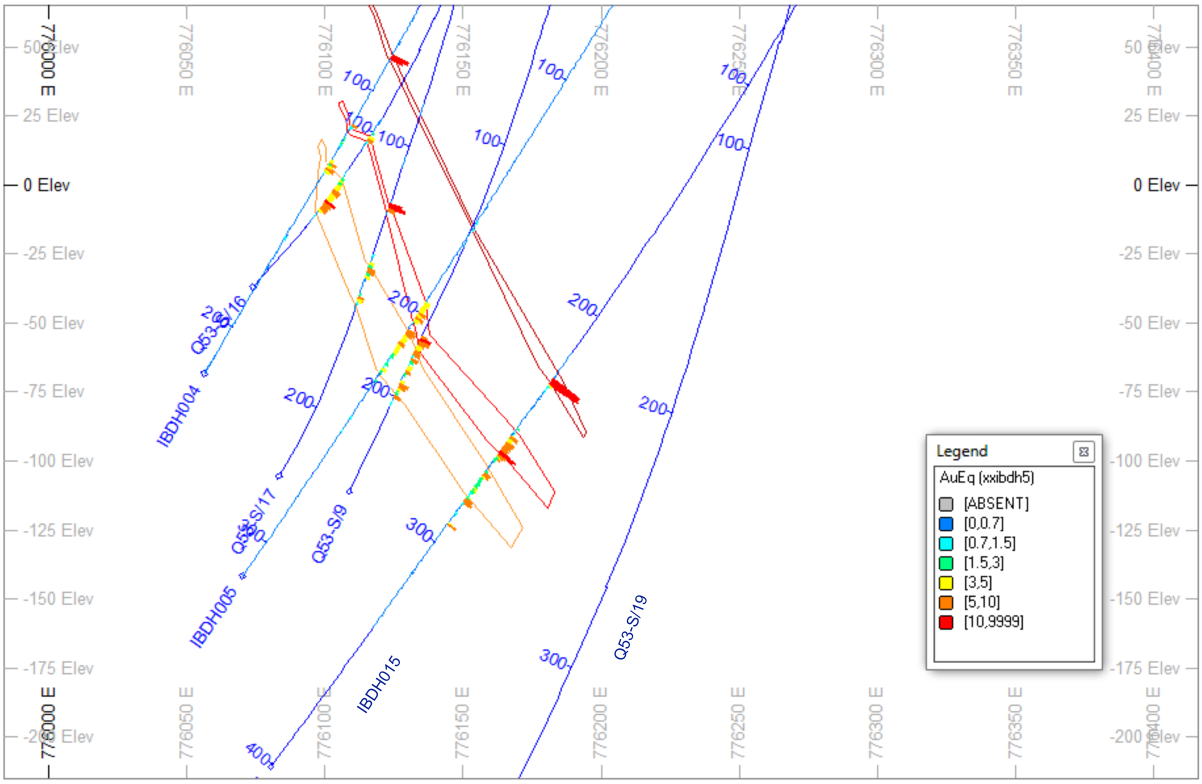
Typical cross and long sections are shown in Figure 2, Figure 3, and Figure 4.

Figure 2 Section 8504415N showing mineralisation domains



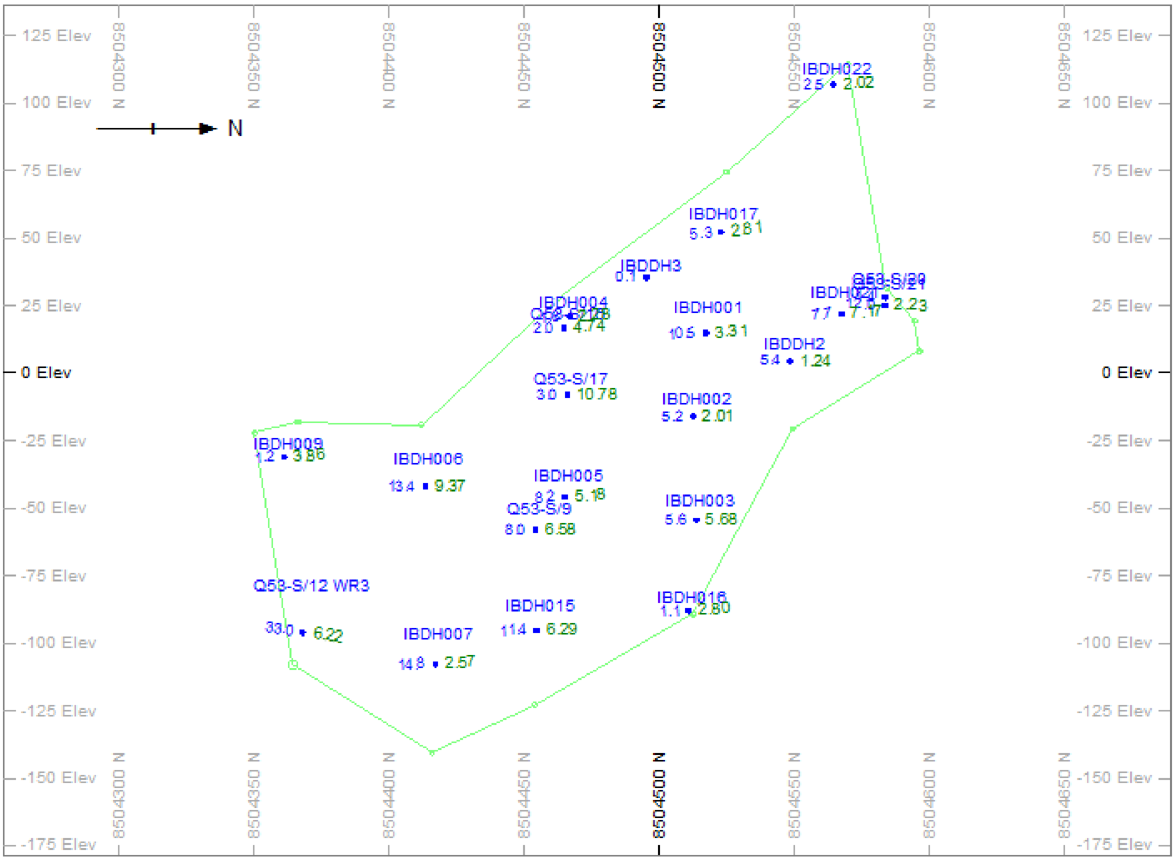
Note: Drillholes projected to plane of section

Figure 3 Section 8504460N showing mineralisation domains



Note: Drillholes projected to plane of section

Figure 4 Long section showing the central mineralisation domain and AuEq drillhole composites



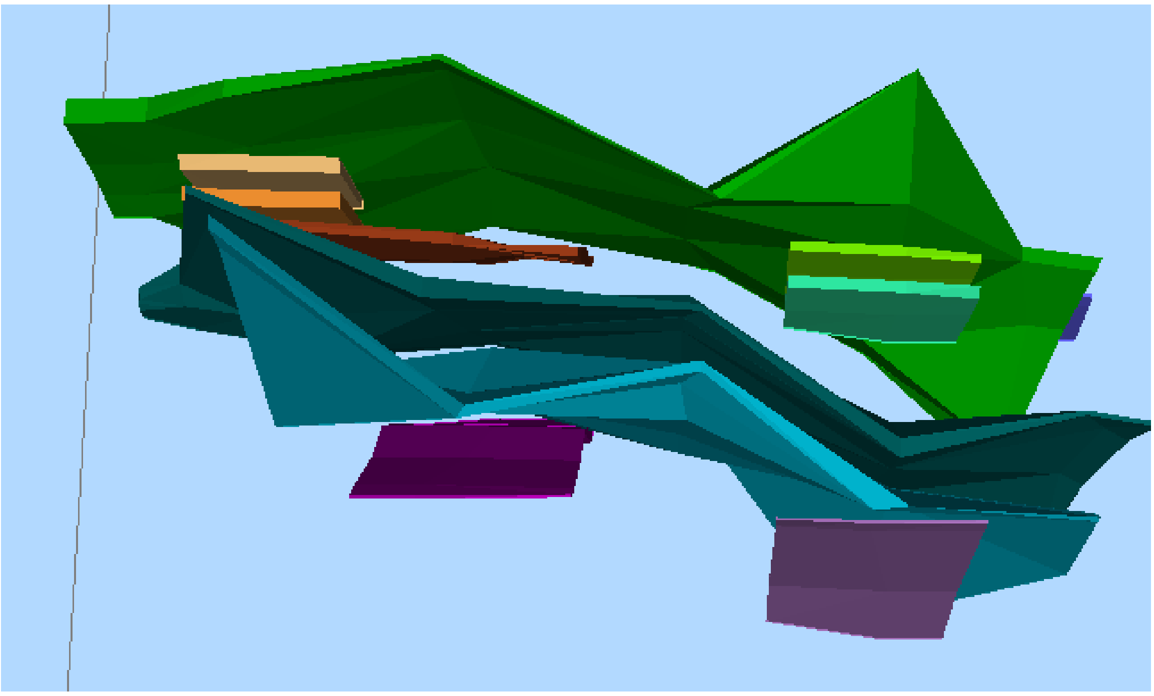
Note: Length of drillhole intercept in metres (blue, LHS), Composite AuEq grade for intercept (green, RHS)

Top of fresh rock is at approximately 85 mRL, 40 m below surface. The mineralisation interpretation does not extend into the zone of complete oxidation. The volume of mineralised material above the top of fresh rock is not considered sufficient to report separately.

Structural controls at Iron Blow were identified during the initial interpretation by AMC and in particular a steeply north dipping cross-cutting structure which forms the southern extent of known mineralisation.

The cut-off grade used was a gold-equivalent grade (AuEq) that takes into account the presence and recoveries of gold, silver, copper, lead and zinc. Mineralised domains were interpreted using the naturally occurring drop off in grade from mineralisation into waste. An isometric view of the 3D model of the mineralisation domains is shown in Figure 5.

Figure 5 3D representation of the interpretation of the mineralisation domains (oblique view from above looking east; view approximately 280 m wide)



The mineralisation remains open at depth (down-dip) and laterally along strike in the north. The displacement of mineralisation to the south is underexplored.

AMC recommends:

- Relogging existing core for geological consistency and structural interpretation.
- Further drilling to strengthen the structural interpretation.

Drillhole data assessment

The raw drillhole assay, collar, lithology, survey and weathering files were desurveyed in Datamine by AMC to produce a combined file with each sample located appropriately in 3D space. Data was composited to 1 m intervals.

The highest grades are seen in the massive sulphides and breccias. There is little difference in grade distributions between the sedimentary and metamorphic rock types.

The correlation matrix shown in Table 3 shows a good correlation between zinc, lead and silver mineralisation. Copper has no strong associations. Gold shows some association with silver.

Table 3 Correlation matrix

Element	Au_ppm	Ag_ppm	Cu_ppm	Pb_ppm
Ag_ppm	0.47	-	-	-
Cu_ppm	0.21	0.3	-	-
Pb_ppm	0.31	0.86	0.25	-
Zn_ppm	0.31	0.72	0.44	0.69

Grade distributions indicate there are no anomalous high-grades in the datasets. Therefore, not top-cuts were applied to the data.

Estimation

AMC constructed a volume model with cells 2 m x 20 m x 10 m based on the drillhole spacing over the entire deposit. Subcelling was utilised to ensure domain boundaries were honoured accurately. Grades were estimated for gold, silver, copper, lead, zinc using Ordinary Kriging (OK) methods.

The search parameters were determined separately for each element in each of the main mineralised domains and for the combined minor domains to represent the main alignment of the mineralised trends for each element. Where it was difficult to generate independent variography, grade correlation between elements were used to aid in selecting where to source the variogram model.

Validation of the estimates was undertaken to provide a global understanding of the performance of the estimation process. This involved visual validation and the analysis of statistical characteristics by AMC. The distribution of grade cells and mean grades of the estimates correspond closely to the distribution and mean grades of the drillhole assays.

Bulk density data

Bulk density values in the model were estimated using the inverse distance squared (ID2) estimation method inside the mineralised domains to determine the bulk density for each parent cell in the cell model. The bulk density for the mineralised envelopes is estimated at 3.63 t/m^3.

Mineral Resource Estimate

The entire Iron Blow Mineral Resource is classified as an Inferred Mineral Resource. This classification reflects the limited confidence in the geological and structural interpretation, which relates directly to the inconsistency in the geological logging data, as well as the limited QA/QC data.

AMC classified the resource estimate in accordance with the 2012 edition of the Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves (JORC Code[1], 2012).

The geometry of the Mineral Resource suggests extraction is likely from a combination of open-pit and underground mining. To assess the reasonable prospects of economic extraction a Whittle pit optimisation was undertaken which generated a pit shell to approximately -90 mRL.

Gold and zinc provide the most value to the resource and equivalent grades were calculated for these using the commodity prices provided and applying metallurgical recoveries considered by AMC to be reasonable for this type of deposit, as shown in the notes underneath Table 1.

1 Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves, The JORC Code 2012 Edition, Effective December 2012, Prepared by the Joint Ore Reserves Committee of the Australasian Institute of Mining and Metallurgy, Australian Institute of Geoscientists, and Minerals Council of Australia (JORC)

Considerations

AMC identified a number of issues with the Iron Blow data. The key issues for consideration with future exploration are as follow:

- The mineralisation interpretation was based on limited geological interpretation due to the inconsistency in logging data. Existing core should be relogged for consistency, and a structural model developed.
- There are drillhole intervals within the mineralised zones that have not been analysed. Logging geologists assumed that these intervals were not visually identified to contain mineralisation. These intervals need to be assayed as at this time they were assumed to have zero grade.
- Further drilling and assaying should be to industry standard including the submission of certified reference material standards, blanks duplicates and repeat assays.
- Validation of BMR and Geopeko drilling results is required, it is suggested this be by drillhole twinning.
- There is limited QA/QC data available for all drilling, and therefore the original QA/QC data should be sourced where possible.

All of these factors have contributed to AMC's assessment of confidence in the mineralisation interpretation and modelling and therefore its classification of the Mineral Resource.

Appendix B
Table 1 for reporting in accordance with the JORC Code

Section 1 Sampling Techniques and Data

Criteria	JORC Code Explanation	Commentary
Sampling Techniques	• Nature and quality of sampling (e.g. cut channels, random chips, or specific specialised industry standard measurement tools appropriate to the minerals under investigation, such as downhole gamma sondes, or handheld XRF instruments, etc.). These examples should not be taken as limiting the broad meaning of sampling. • Include reference to measures taken to ensure sample representivity and the appropriate calibration of any measurement tools or systems used. • Aspects of the determination of mineralisation that are Material to the Public Report. • In cases where 'industry standard' work has been done this would be relatively simple (e.g. 'reverse circulation drilling was used to obtain 1 m samples from which 3 kg was pulverised to produce a 30 g charge for fire assay'). In other cases more explanation may be required, such as where there is coarse gold that has inherent sampling problems. Unusual commodities or mineralisation types (e.g. submarine nodules) may warrant disclosure of detailed information.	• The deposit was sampled by diamond drill core (DDH) holes. • Drilling and sampling was carried out in 1963 (BMR), 1978 (Geopeko), prior to 2009 (GBS) and 2011 (CGA). • HQ DDH is sampled by splitting the drill core. Sampling practices for of early drilling is not recorded. • All samples were sent NAL laboratory, Analabs, ALS or NTEL for analyses. This included ICP-AES, ICP-OES and ICP-MS methods. • GBS samples are jaw crushed to -10 mm and roll crushed to 2-3 mm split to 1kg and milled to -100 µm. • CGA samples are dried, crushed and pulverised in their entirety to a nominal 85% passing 75 µm. • There are intervals potentially within mineralised zones that have not been sampled. These gaps should be rectified in future work. • 406 CGA sample intervals were retested for Au by fire assay using a 30 g charge.
Drilling Techniques	• Drill type (e.g. core, reverse circulation, open hole hammer, rotary air blast, auger, Bangka, sonic, etc.) and details (e.g. core diameter, triple or standard tube, depth of diamond tails, face-sampling bit or other type, whether core is oriented and if so, by what method, etc.).	• GBS and CGA DDH drillholes are HQ diameter DDH holes, BMR DDH are NX, AX and BX, Geopeko DDH are NQ and BQ. There are two RC precollars and two wedged drillholes. • All holes are drilled at approximately 60° to 70° dip in a direction so as to hit the mineralisation as orthogonally as possible.

Criteria	JORC Code Explanation	Commentary
Drill Sample Recovery	• Method of recording and assessing core and chip sample recoveries and results assessed. • Measures taken to maximise sample recovery and ensure representative nature of the samples. • Whether a relationship exists between sample recovery and grade and whether sample bias may have occurred due to preferential loss/gain of fine/coarse material.	• Over 90% core recovery was reported in mineralised zones in the GBS data. • Core photos suggest good recoveries in the CGA drillholes. • Core was split lengthways for sampling, generally of one metre sample length.
Logging	• Whether core and chip samples have been geologically and geotechnically logged to a level of detail to support appropriate Mineral Resource estimation, mining studies and metallurgical studies. • Whether logging is qualitative or quantitative in nature. Core (or costean, channel, etc.) photography. • The total length and percentage of the relevant intersections logged.	• Geological logging is completed for all holes across the orebody using descriptive logs historically and logging sheets. • The level of logging is variable with inconsistencies in very similar lithologies between adjacent drillholes. • Logged data is both qualitative and quantitative depending on field being logged. • Descriptive logs of historical data were coded and incorporated into the Access database.

Criteria	JORC Code Explanation	Commentary
Sub-Sampling Techniques and Sample Preparation	• If core, whether cut or sawn and whether quarter, half or all core taken. • If non-core, whether riffled, tube sampled, rotary split, etc. and whether sampled wet or dry. • For all sample types, the nature, quality and appropriateness of the sample preparation technique. • Quality control procedures adopted for all sub-sampling stages to maximise representivity of samples. • Measures taken to ensure that the sampling is representative of the in situ material collected, including for instance results for field duplicate/second-half sampling. • Whether sample sizes are appropriate to the grain size of the material being sampled.	• Historic records of BMR and Geopeko sub-sample techniques and sample preparation are incomplete. • GBS and CGA core was cut in half lengthwise, generally on one metre intervals or at geological contacts. • The full interval was submitted to the laboratory for analysis • GBS sample preparation at the NAL laboratories involves jaw and roll crushed to 2-3 mm. Each sample was split to less than 1 kg which is milled to approximately 100 microns from which 50 g is taken for assay. • CGA samples are dried, crushed and pulverised in their entirety by ALS in Brisbane to a nominal 85% passing 75 micron • Duplicate analysis was completed on 406 Au fire assays and identified no issues with sampling representatively. • Fire assay are on a 30 g charge. • There is limited QA/QC data available upon which to determine the appropriateness of the techniques. The 406 Au fire assays repeats suggest the grid and sample size is sufficient. There is more validation required.
Quality of Assay Data and Laboratory Tests	• The nature, quality and appropriateness of the assaying and laboratory procedures used and whether the technique is considered partial or total. • For geophysical tools, spectrometers, handheld XRF instruments, etc., the parameters used in determining the analysis including instrument make and model, reading times, calibrations factors applied and their derivation, etc. • Nature of quality control procedures adopted (e.g. standards, blanks, duplicates, external laboratory checks) and whether acceptable levels of accuracy (i.e. lack of bias) and precision have been established.	• NAL and ALS perform multi-element analyses under the code ME-MS61 and ME-OG62 respectively, which are multi-acid digest and ICPAES and ICPMS finish. • Standards were reported to have been used by GBS; however records of these were not made available at that time due to GBS being place in administration. • CGA's QC data was limited. Although the 406 fire assay repeats suggests a high level of accuracy in these gold grades. • More QA/QC is required with further drilling. Existing QA/QC data needs to be sourced.

Criteria	JORC Code Explanation	Commentary
Verification of Sampling and Assaying	• The verification of significant intersections by either independent or alternative company personnel. • The use of twinned holes. • Documentation of primary data, data entry procedures, data verification, data storage (physical and electronic) protocols. • Discuss any adjustment to assay data.	• No drillhole twins exist in the various passes of drilling. • Primary data were captured on paper in the field and then re-entered into spreadsheet format by the supervising geologist, to then be loaded into the company's database. • Au assays by acid digest were overprinted with fire assay results in the database • Other that correction in the database to reflect original data, no other adjustment was made to any assay data.
Location of Data Points	• Accuracy and quality of surveys used to locate drillholes (collar and downhole surveys), trenches, mine workings and other locations used in Mineral Resource estimation. • Specification of the grid system used. • Quality and adequacy of topographic control.	• MGA94 Zone 52 grid coordinate system is used. • All holes comprising the resource had their surface locations surveyed for Northing, Easting and RL, except the BMR holes. • Coordinate transformation was applied to the data to rotate downhole surveys from True North to MGA94-52 approximately two thirds of one degree. • Downhole surveys collected by gyroscope or downhole camera, for CGA and GBS, a single shot camera for Geopeko and acid etching for BMR.
Data Spacing and Distribution	• Data spacing for reporting of Exploration Results. • Whether the data spacing and distribution is sufficient to establish the degree of geological and grade continuity appropriate for the Mineral Resource and Ore Reserve estimation procedure(s) and classifications applied. • Whether sample compositing has been applied.	• Iron Blow drillhole locations are at a nominal 50 m (Y) by 40 m (X) spacing. • Data spacing and distribution are not sufficient to establish a high degree of confidence in geological and grade continuity. • Compositing to 1 m was applied to exploration data.
Orientation of Data in Relation to Geological Structure	• Whether the orientation of sampling achieves unbiased sampling of possible structures and the extent to which this is known, considering the deposit type. • If the relationship between the drilling orientation and the orientation of key mineralised structures is considered to have introduced a sampling bias, this should be assessed and reported if material.	• All holes were orientated towards an azimuth so as to be able intersect the mineralisation in a manner perpendicular to strike and across the dip of the mineralisation. This is generally towards 270°. • All holes were drilled at a dip of 60° to 70° to define the geology of the deposit.
Sample Security	• The measures taken to ensure sample security.	• All CGA samples were under company supervision, or consigned to the freight provider, from the rig to the laboratory. • Historical sample security is unknown.

Criteria	JORC Code Explanation	Commentary
Audits or Reviews	• The results of any audits or reviews of sampling techniques and data.	• None undertaken.
Mineral Tenement and Land Tenure Status	• Type, reference name/number, location and ownership including agreements or material issues with third parties such as joint ventures, partnerships, overriding royalties, native title interests, historical sites, wilderness or national park and environmental settings. • The security of the tenure held at the time of reporting along with any known impediments to obtaining a licence to operate in the area.	• All work being reported is from mineral leases MLN214, MLN341, MLN343 and MLN34. Crocodile Gold Australia Pty Ltd has entered into a sale agreement with Phoenix to sell 100% of the Iron Blow deposit to Phoenix. • The tenements are in good standing with no known impositions.
Exploration Done by Other Parties	• Acknowledgment and appraisal of exploration by other parties.	• The tenements have had historic exploration conducted over it by companies including BMR, Geopeko, Northern Gold, GBS and CGA. • Since the BMR in 1963 the tenements have always been recognised for their gold and base metals exploration potential.
Geology	• Deposit type, geological setting and style of mineralisation.	• The Iron Blow deposit occurs within the Mt Bonnie Formation and Gerowie Tuff on the Margaret Geosyncline in the central north of the Northern Territory. The deposit is a strata bound massive sulphide within fine grained basal mudstones, siltstones, greywackes and shales.

<table>
<tr><th>Criteria</th><th>JORC Code Explanation</th><th>Commentary</th></tr>
<tr>
<td>Drillhole Information</td>
<td>

A summary of all information material to the understanding of the exploration results including a tabulation of the following information for all Material drillholes:

— Easting and northing of the drillhole collar
— Elevation or RL (Reduced Level – elevation above sea level in metres) of the drillhole collar
— Dip and azimuth of the hole
— Downhole length and interception depth
— Hole length

If the exclusion of this information is justified on the basis that the information is not Material and this exclusion does not detract from the understanding of the report, the Competent Person should clearly explain why this is the case.

</td>
<td>
<table>
<tr><th>BHID</th><th>Easting (m)</th><th>Northing (m)</th><th>RL (m)</th><th>Depth (m)</th><th>Dip</th><th>Azimuth</th></tr>
<tr><td>B1</td><td>776,184.19</td><td>8,504,571.21</td><td>112</td><td>135.57</td><td>-70</td><td>269.9</td></tr>
<tr><td>B2</td><td>776,168.91</td><td>8,504,560.78</td><td>115</td><td>142.6</td><td>-65</td><td>272.9</td></tr>
<tr><td>IBDDH1</td><td>776,216.83</td><td>8,504,591.25</td><td>112.6</td><td>132.4</td><td>-49</td><td>269.9</td></tr>
<tr><td>IBDDH2</td><td>776,203.23</td><td>8,504,548.77</td><td>111.65</td><td>157.91</td><td>-55</td><td>269.9</td></tr>
<tr><td>IBDDH3</td><td>776,156.82</td><td>8,504,495.45</td><td>110.69</td><td>91.6</td><td>-60</td><td>269.9</td></tr>
<tr><td>IBDDH4</td><td>776,168.06</td><td>8,504,663.41</td><td>114.52</td><td>76.34</td><td>-60</td><td>269.9</td></tr>
<tr><td>IBDDH5</td><td>776,097.36</td><td>8,504,568.45</td><td>115.72</td><td>70.69</td><td>-70</td><td>269.9</td></tr>
<tr><td>IBDDH6</td><td>776,216.83</td><td>8,504,591.28</td><td>112.6</td><td>183.39</td><td>-60</td><td>269.9</td></tr>
<tr><td>IBDH001</td><td>776,173.80</td><td>8,504,513.12</td><td>122.2</td><td>182.4</td><td>-61.9</td><td>274.1</td></tr>
<tr><td>IBDH002</td><td>776,208.45</td><td>8,504,507.45</td><td>123.18</td><td>230.4</td><td>-60.9</td><td>274.1</td></tr>
<tr><td>IBDH003</td><td>776,245.12</td><td>8,504,505.50</td><td>125</td><td>275.4</td><td>-62.2</td><td>274.1</td></tr>
<tr><td>IBDH004</td><td>776,165.05</td><td>8,504,460.95</td><td>122</td><td>219.4</td><td>-62.0</td><td>276.1</td></tr>
<tr><td>IBDH005</td><td>776,239.50</td><td>8,504,456.35</td><td>123.7</td><td>315.4</td><td>-59.5</td><td>274.1</td></tr>
<tr><td>IBDH006</td><td>776,205.95</td><td>8,504,407.75</td><td>125.7</td><td>293.4</td><td>-61.4</td><td>274.1</td></tr>
<tr><td>IBDH007</td><td>776,261.92</td><td>8,504,403.84</td><td>113.05</td><td>422.3</td><td>-60.8</td><td>275.4</td></tr>
<tr><td>IBDH008</td><td>776,329.62</td><td>8,504,392.43</td><td>122.93</td><td>482.4</td><td>-59.8</td><td>275.4</td></tr>
<tr><td>IBDH009</td><td>776,190.97</td><td>8,504,353.05</td><td>123.977</td><td>281.8</td><td>-61.2</td><td>275.0</td></tr>
<tr><td>IBDH010</td><td>776,256.75</td><td>8,504,355.32</td><td>109.766</td><td>391.7</td><td>-60.7</td><td>275.0</td></tr>
<tr><td>IBDH011</td><td>776,326.89</td><td>8,504,349.72</td><td>109.31</td><td>482.8</td><td>-60.9</td><td>275.0</td></tr>
<tr><td>IBDH015</td><td>776,303.12</td><td>8,504,443.31</td><td>122.853</td><td>401.8</td><td>-60.2</td><td>274.5</td></tr>
<tr><td>IBDH016</td><td>776,305.17</td><td>8,504,500.93</td><td>112.485</td><td>350.5</td><td>-60.4</td><td>272.7</td></tr>
<tr><td>IBDH017</td><td>776,131.26</td><td>8,504,516.22</td><td>113.101</td><td>137.5</td><td>-60.8</td><td>280.0</td></tr>
<tr><td>IBDH018</td><td>776,145.20</td><td>8,504,414.09</td><td>114.118</td><td>181.3</td><td>-60.9</td><td>277.5</td></tr>
<tr><td>IBDH019</td><td>776,118.26</td><td>8,504,364.95</td><td>114.139</td><td>151</td><td>-60.1</td><td>276.7</td></tr>
<tr><td>IBDH020</td><td>776,239.29</td><td>8,504,557.17</td><td>112.149</td><td>260.1</td><td>-60.3</td><td>274.1</td></tr>
</table>
</td>
</tr>
</table>

Criteria	JORC Code Explanation	Commentary
Drillhole Information Cont.d		

BHID	Easting (m)	Northing (m)	RL (m)	Depth (m)	Dip	Azimuth
IBDH021	776,169.33	8,504,563.05	113.831	194.7	-60.5	274.1
IBDH022	776,097.63	8,504,563.97	121.302	101.8	-60	274.1
Q53-S/9	776,196.24	8,504,460.26	110	238.5	-72	264.9
Q53-S/10	776,369.98	8,504,370.66	110	501.15	-71.5	269.9
Q53-S/11	776,210.11	8,504,383.69	110	296.33	-61.5	266.9
Q53-S/12	776,232.10	8,504,381.90	110	340.63	-69.5	269.9
Q53-S/12 WR2	776,232.10	8,504,381.90	110	168	-66.7	256.9
Q53-S/12 WR3	776,232.10	8,504,381.90	110	381.83	-66	261.9
Q53-S/13	776,229.24	8,504,306.72	109.7	329.83	-70.5	268.4
Q53-S/14	776,190.02	8,504,309.89	110	250.53	-71.3	269.4
Q53-S/15	776,279.19	8,504,302.63	109.5	420.58	-76.5	269.9
Q53-S/16	776,158.27	8,504,463.35	110	171.14	-71	270.9
Q53-S/17	776,158.55	8,504,464.34	110	229.05	-75	272.4
Q53-S/18	776,246.38	8,504,581.90	107	272	-75.7	272.9
Q53-S/19	776,281.17	8,504,453.34	109.5	370.18	-74	273.9
Q53-S/20	776,163.05	8,504,583.66	113	120.5	-64	269.9
Q53-S/21	776,173.99	8,504,582.05	112.01	111.3	-57	271.9
Q53-S/22	776,159.71	8,504,547.79	110.14	67	-66	291.9
Q53-S/23	776,165.59	8,504,573.30	111.8	70	-63	268.9
Q53-S/24	776,161.10	8,504,566.59	111.62	62.5	-59	264.9

Data Aggregation Methods	• In reporting Exploration Results, weighting averaging techniques, maximum and/or minimum grade truncations (e.g. cutting of high-grades) and cut-off grades are usually Material and should be stated. • Where aggregate intercepts incorporate short lengths of high-grade results and longer lengths of low-grade results, the procedure used for such aggregation should be stated and some typical examples of such aggregations should be shown in detail. • The assumptions used for any reporting of metal equivalent values should be clearly stated.	• No high-grade cuts were necessary. • No aggregating was applied. • Equivalents for Au and Zn are based on the following parameters: Element / Price / Unit price / Recovery Cu / $7,000 / USD / t / 70% Pb / $2,250 / USD / t / 70% Zn / $2,350 / USD / t / 70% Ag / $20.00 / USD / troy oz / 90% Au / $1,300 / USD / troy oz / 90%
Relationship Between Mineralisation Widths and Intercept Lengths	• These relationships are particularly important in the reporting of Exploration Results. • If the geometry of the mineralisation with respect to the drillhole angle is known, its nature should be reported. • If it is not known and only the downhole lengths are reported, there should be a clear statement to this effect (e.g. 'downhole length, true width not known').	• All holes were orientated towards an azimuth so as to be able intersect the mineralisation in a perpendicular manner, this is approximately 270° magnetic.
Diagrams	• Appropriate maps and sections (with scales) and tabulations of intercepts should be included for any significant discovery being reported. These should include, but not be limited to a plan view of drillhole collar locations and appropriate sectional views.	• See executive summary and main body of report.
Balanced Reporting	• Where comprehensive reporting of all Exploration Results is not practicable, representative reporting of both low and high-grades and/or widths should be practiced to avoid misleading reporting of Exploration Results.	• N/a
Other Substantive Exploration Data	• Other exploration data, if meaningful and material, should be reported including (but not limited to): geological observations; geophysical survey results; geochemical survey results; bulk samples – size and method of treatment; metallurgical test results; bulk density, groundwater, geotechnical and rock characteristics; potential deleterious or contaminating substances.	• Nothing material to report.

Further Work	• The nature and scale of planned further work (e.g. tests for lateral extensions or depth extensions or large-scale step-out drilling). • Diagrams clearly highlighting the areas of possible extensions, including the main geological interpretations and future drilling areas, provided this information is not commercially sensitive.	• A review of logging, sampling, assaying, and QA/QC processes and methods should be conducted prior to undertaking any further data collection. • Further infill drill testing of Mineral Resource should be completed to confirm geometry and continuity of the mineralised zones, and structural control. • Historic drilling should be assessed with twinned DDH holes.
Database Integrity	• Measures taken to ensure that data has not been corrupted by, for example, transcription or keying errors, between its initial collection and its use for Mineral Resource estimation purposes. • Data validation procedures used.	• Drillhole coordinates were plotted on plan maps to identify errors. Drill sections were produced to match collar dips and azimuths. • Datamine data validation macros were used to validate drill database tables.
Site Visits	• Comment on any site visits undertaken by the Competent Person and the outcome of those visits. • If no site visits have been undertaken indicate why this is the case.	• A site visit has not been undertaken by the competent person. The drilling programmes had been completed by the time AMC was commissioned to undertake its scope of work, and it was felt that there was therefore limited value undertaking a site visit. • Photographs of the Iron Blow pit mined by Henry and Walker in 1984 were sighted. • Photographic imagery of the diamond drillcore was available.
Geological Interpretation	• Confidence in (or conversely, the uncertainty of) the geological interpretation of the mineral deposit. • Nature of the data used and of any assumptions made. • The effect, if any, of alternative interpretations on Mineral Resource estimation. • The use of geology in guiding and controlling Mineral Resource estimation. • The factors affecting continuity both of grade and geology.	• There is considerable uncertainty in the geological (structural, lithological, and mineralisation) interpretation, which requires remedying through the relogging of existing drillholes, assessment of the structural data and the collection of substantially more drilling data using industry best practice methods including orientated data. • The orientation of the known geological trends, and the continuity in grade observed were used to generate the interpretation of mineralisation.
Dimensions	• The extent and variability of the Mineral Resource expressed as length (along strike or otherwise), plan width, and depth below surface to the upper and lower limits of the Mineral Resource.	• The Iron Blow deposit covers a strike length of 350 m and a plan width of up to 130 m (including alternating barren zones between three main mineralised lodes and nine smaller lodes) and a depth of up to 280 m. • The mineralisation occurs within 10 m of surface and below the existing pit.

Estimation and Modelling Techniques	• The nature and appropriateness of the estimation technique(s) applied and key assumptions, including treatment of extreme grade values, domaining, interpolation parameters and maximum distance of extrapolation from data points. If a computer assisted estimation method was chosen include a description of computer software & parameters. • The availability of check estimates, previous estimates and/or mine production records and whether the Mineral Resource estimate takes appropriate account of such data. • The assumptions made regarding recovery of by-products. • Estimation of deleterious elements or other non-grade variables of economic significance (e.g. sulfur for AMD characterisation). • In the case of block model interpolation, the block size in relation to the average sample spacing and the search employed. • Any assumptions behind modelling of selective mining units. • Any assumptions about correlation between variables. • Description of how the geological interpretation was used to control the resource estimates. • Discussion of basis for using or not using grade cutting or capping. • The process of validation, the checking process used, the comparison of model data to drillhole data, and use of reconciliation data if available.	• The estimation technique is Ordinary Kriging (OK) using Datamine Studio 3. • This method is considered appropriate for a relatively consistent mineralisation. • The cell model block size is 2 x 20 x 10 m, with subcelling which is considered suitable for steeply dipping and relatively narrow mineralised lodes. • No high-grade cutting was applied. • Cell model estimates were compared statistically and visually to the drillhole assay data.
Moisture	• Whether the tonnages are estimated on a dry basis or with natural moisture, and the method of determination of the moisture content.	• Tonnage estimated is assumed with natural moisture. Available information does not specify samples were dried.
Cut-off Parameters	• The basis of the adopted cut-off grade(s) or quality parameters applied.	• Interpretation was based on a nominal 0.7 g/t AuEq to -90 mRL and 3 g/t AuEq below this, based on open cut and underground mining scenarios, respectively, to a depth determined by a Whittle pit optimisation.

Mining Factors or Assumptions	• Assumptions made regarding possible mining methods, minimum mining dimensions and internal (or, if applicable, external) mining dilution. It is always necessary as part of the process of determining reasonable prospects for eventual economic extraction to consider potential mining methods, but the assumptions made regarding mining methods and parameters when estimating Mineral Resources may not always be rigorous. Where this is the case, this should be reported with an explanation of the basis of the mining assumptions made.	• It has been assumed that the mineralisation will be amenable to open-pit mining and underground mining due to the shallow nature of the lodes near surface, the near orientation of the lodes, the relatively sharp grade boundaries of the lodes, the high average grade, and the robustness of the tonnage grade curve with increased cut off grades. • A Whittle pit optimisation based on $30/t open cut, $120/t underground and $1,300 Au/oz generates a pit shell to -90 mRL.
Metallurgical Factors or Assumptions	• The basis for assumptions or predictions regarding metallurgical amenability. It is always necessary as part of the process of determining reasonable prospects for eventual economic extraction to consider potential metallurgical methods, but the assumptions regarding metallurgical treatment processes and parameters made when reporting Mineral Resources may not always be rigorous. Where this is the case, this should be reported with an explanation of the basis of the metallurgical assumptions made.	• A small amount of metallurgical test was completed. However, more is required, and is planned. • Recoveries for Au and Ag are assumed as 90%. CGA's nearby Cosmo Howley operation reports recoveries around 90%. • Recoveries for Cu, Pb and Zn are assumed to be 70%. This recovery is based on recoveries for similar geological styles of mineralisation and is considered typical for this type of deposit. • This Mineral Resource is considered prospective for exploitation due to its size, shallowness and grade.
Environmental Factors or Assumptions	• Assumptions made regarding possible waste and process residue disposal options. It is always necessary as part of the process of determining reasonable prospects for eventual economic extraction to consider the potential environmental impacts of the mining and processing operation. While at this stage the determination of potential environmental impacts, particularly for a greenfields project, may not always be well advanced, the status of early consideration of these potential environmental impacts should be reported. Where these aspects have not been considered this should be reported with an explanation of the environmental assumptions made.	• No consideration given to this issue. However, there has been mining activity previously at the site.

Bulk Density	• Whether assumed or determined. If assumed, the basis for the assumptions. If determined, the method used, whether wet or dry, the frequency of the measurements, the nature, size and representativeness of the samples. • The bulk density for bulk material must have been measured by methods that adequately account for void spaces (vughs, porosity, etc.), moisture and differences between rock and alteration zones within the deposit. • Discuss assumptions for bulk density estimates used in the evaluation process of the different materials.	• Density measurements, using a standard Archimedes' principle water-displacement method are performed on core samples collected. • 349 bulk density measurements were recorded. • Bulk density was modelled within the lodes using inverse distance squared (ID2) method.
Classification	• The basis for the classification of the Mineral Resources into varying confidence categories. • Whether appropriate account has been taken of all relevant factors (i.e. relative confidence in tonnage/grade estimations, reliability of input data, confidence in continuity of geology and metal values, quality, quantity and distribution of the data). • Whether the result appropriately reflects the Competent Person's view of the deposit.	• The Iron Blow Mineral Resource is classified as Inferred. • The Competent Person is satisfied that the classification appropriately reflects what is currently known about the geology and mineralisation, considering the available local results and regional setting.
Audits or Reviews	• The results of any audits or reviews of Mineral Resource estimates.	• None completed to date.

Discussion of Relative Accuracy/ Confidence	• Where appropriate a statement of the relative accuracy and confidence level in the Mineral Resource estimate using an approach or procedure deemed appropriate by the Competent Person. For example, the application of statistical or geostatistical procedures to quantify the relative accuracy of the resource within stated confidence limits, or, if such an approach is not deemed appropriate, a qualitative discussion of the factors that could affect the relative accuracy and confidence of the estimate. • The statement should specify whether it relates to global or local estimates, and, if local, state the relevant tonnages, which should be relevant to technical and economic evaluation. Documentation should include assumptions made and the procedures used. • These statements of relative accuracy and confidence of the estimate should be compared with production data, where available.	• Further drilling should be directed to supply additional data in the zones of low data to increase confidence in these areas. • Relogging of existing drillholes should be performed to increase the consistency in logging and confidence in lithological understanding. • This additional data will increase the quantum of data and support existing data to enable a detailed geological and structural study to be undertaken to increase understanding of the characterisation within the mineralised lodes. • All future data should be collected using industry best practice methods. • QA/QC practices should be implemented as sufficient density to increase the confidence in assay data collected. • Twinned DDH holes should be drill to be compared with and increase the confidence in historic drill data.