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ASX Announcement

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EXTENSIVE MASSIVE SULPHIDE ZONES INTERSECTED AT IRON BLOW

- **First hole drilled by Phoenix Copper at Iron Blow intersected two thick zones of massive sulphides**
 - an upper 49.6m zone from 156.5m to 206.1m downhole; and
 - an underlying second zone of 38.6m from 220.1m downhole
- **From 258.7m to 354m sulphides are still present but disseminated in nature**
- **Downhole EM survey to follow to potentially identify additional massive sulphide zones**
- **Core is being logged, cut and sent for assay with results expected shortly**

Phoenix Copper Limited (**ASX:PNX**) is pleased to report that the first diamond drill hole at Iron Blow, IBDH023 has been completed and visual results are very encouraging.

Excellent First Hole

IBDH023 was drilled to a depth of 365.8m and was targeting the central zone of mineralisation at the Iron Blow resource. The hole intersected typical Mount Bonnie Formation siltstones and mudstones with a thick upper zone of massive sulphides of approximately 49.6 metres from 156.5m to 206.1m downhole (Figure 1). This is underlain by a unit of silicious siltstone containing disseminated sulphides with quartz veins, pyrite and a small amount of arsenopyrite.

A second lower zone of massive sulphides of approximately 38.6 metres was intersected between 220.1m and 258.7m downhole. Below this zone, quartz veined and brecciated siltstones and mudstones with appreciable amounts of disseminated and stringer sulphides were intersected.

The massive sulphide intercepts comprise pyrrhotite, sphalerite, arsenopyrite, galena and chalcopryrite and are visually consistent with core from diamond drill hole IBDH007 where exceptional grades were previously recorded:

- IBDH007 – 20.3m @ 5.89g/t Au, 481.6g/t Ag, 13.92% Zn, 3.10% Pb and 0.61% Cu from 193m¹

The true thickness of the massive sulphides is estimated to be approximately 65% of the downhole thickness, this will be confirmed by structural interpretation.

Downhole surveys show that the hole remained on or very close to the planned path and tested the massive sulphides at the planned pierce point.

Samples are being prepared for assay and results will be released when available.

¹ Refer ASX release 18 August 2014

Ongoing Work

A second hole, IBDH024, has commenced with the aim of testing the section 50m to the north of IBDH023 and will be drilled to a depth of approximately 375m (Table 1). This hole is designed to test for any extensions of the mineralisation intersected in IBDH015 and, like hole IBDH023, will also test the system to a sufficient depth to enable downhole EM to probe for possible extensions beyond the known depths of mineralisation (Figure 3).



Figure 1: Iron Blow drill hole IBDH23 showing interval of massive sulphides from 182.8m (top left) to 190.7m (bottom right). This is from an interval of massive sulphides from 156.5m to 206.1m downhole. The brassy coloured sulphides are massive pyrrhotite with darker zinc sulphide (sphalerite). Bands of yellow chalcopyrite are clearly visible.

A further two holes were planned as part of this drill program at Mount Bonnie (Figure 3) to test the strike extent of the known mineralisation. Due to the onset of the wet season in the Northern Territory, Phoenix Copper and its drilling contractor have made the decision to delay this work until 2015. The surface and downhole EM surveys will also be conducted in the new year.

An Inferred Mineral Resource Estimate (reported in accordance with 2012 edition of the Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves) was recently completed for the Iron Blow deposit (Table 2).

Managing Director Comment

Managing Director of Phoenix Copper, James Fox said, "It is very pleasing to see in our first hole extensive downhole massive sulphide mineralisation in thicker zones than defined by previous drilling. We look forward to seeing the assay results shortly. Structural interpretation, re-logging of the existing core and surface and downhole EM surveys will all assist in targetting new areas of mineralisation at Iron

Blow. QEMSCAN test work has also commenced which will allow us to construct and customise a flotation program, to maximise payable metals into marketable products.”

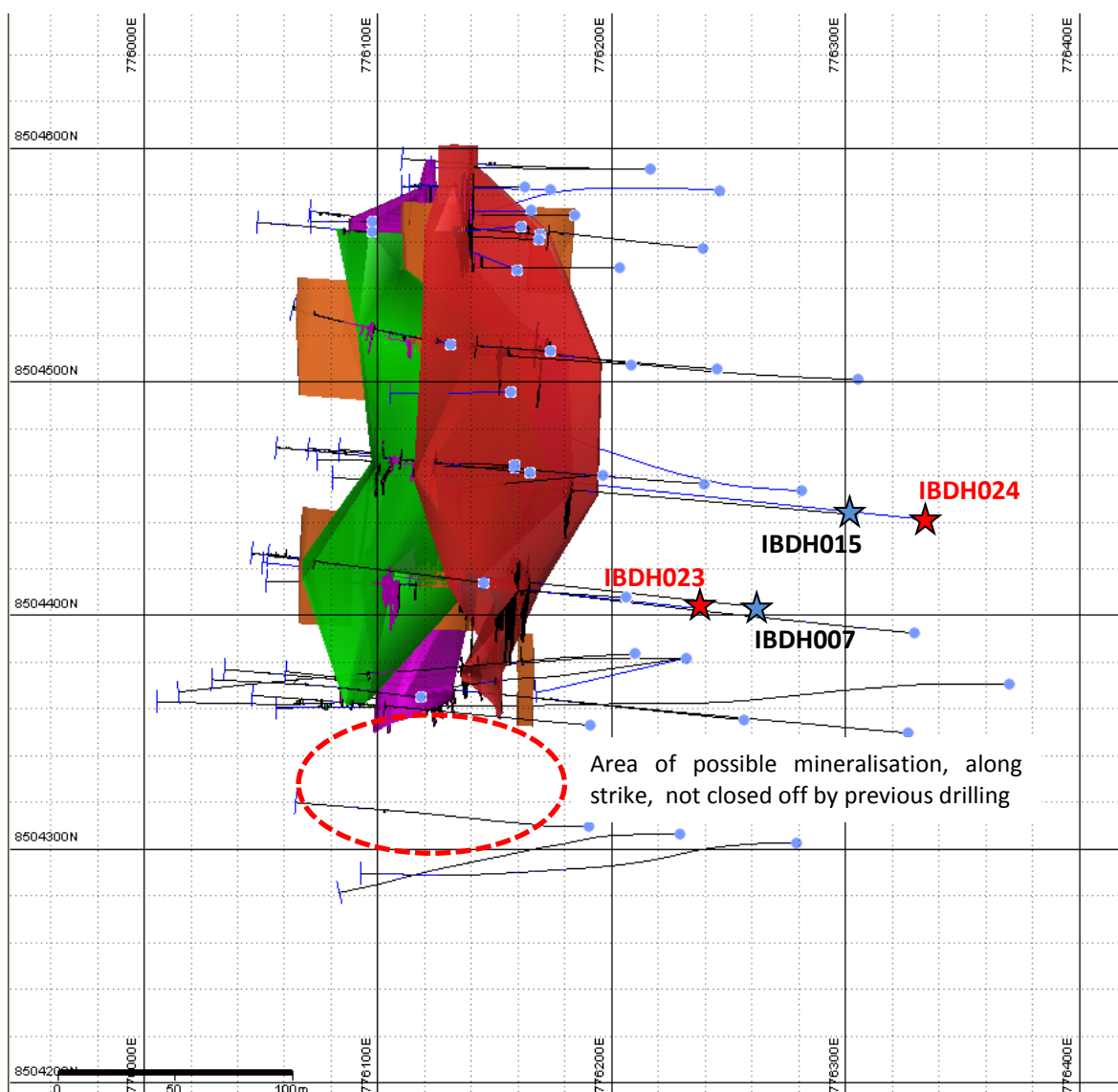


Figure 2: Drill plan of Iron Blow deposit showing proposed holes highlighted by red stars. Colour-coded mineralisation outlines have been taken from AMC Consultants Pty Ltd’s resource model.

Prospect	Hole ID	MGA East	MGA North	Dip	MGA Azimuth	Depth
Iron Blow	IBDH023	776238	8504403	-60	276	365.8m
Iron Blow	IBDH024	776335	8504441	-60	276	375m*

Table 1: Drill hole details for Iron Blow. * hole in progress, exact end of hole depth may vary ± 8 m.

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

Table 2: Iron Blow Inferred Mineral Resource Estimate as at 8th October 2014. See ASX release 3 November 2014, 'High Grade Mineral Resource Estimate for Iron Blow Deposit', where further details are provided. Note there has been no material change in the Mineral Resource Estimate since it was first reported.

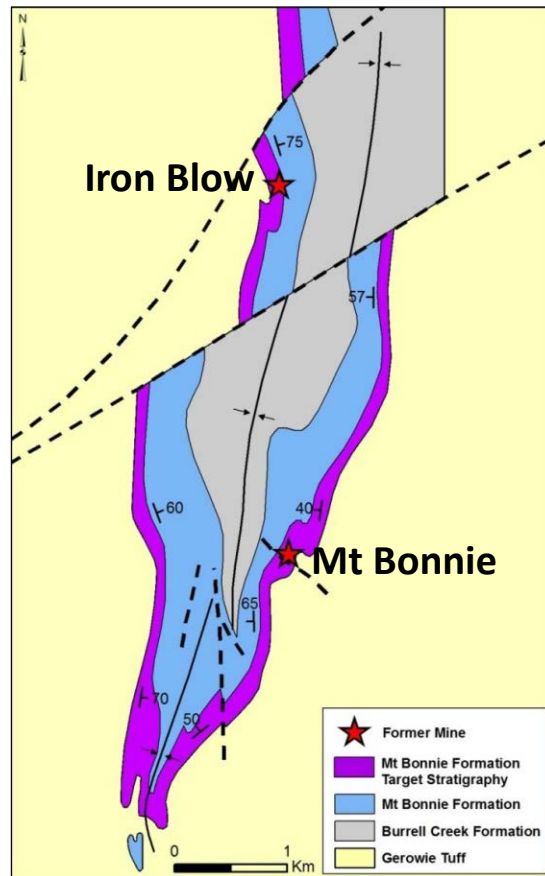


Figure 3: Iron Blow and Mount Bonnie deposits at the Hayes Creek Project

Competent Person's Statement

The information in this report that relates to Exploration Results is based on information compiled by Mr Graham Ascough, a Competent Person who is a Member of the Australasian Institute of Mining and Metallurgy (AusIMM) and a Director of the Company. Mr Ascough has sufficient experience relevant to the style of mineralisation and the type of deposits under consideration and to the activity being 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 Ascough consents to the inclusion in this report of the matters based on his information in the form and context in which it appears.

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