

ASX ANNOUNCEMENT

28 June 2013

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PRH



Phillips River

EXTENSION OF END DATE FOR ACQUISITION OF AFRANEX GOLD LTD

Phillips River Mining Limited (“**PRH**”) refers to the announcement previously made to the Australian Securities Exchange (“**ASX**”) on 27 March 2013 regarding the entry into a conditional merger implementation agreement to acquire all of the issued shares in Afranex Gold Ltd (“**Afranex**”) (“**Agreement**”).

The date for the satisfaction of the various conditions in the Agreement was 30 June 2013.

PRH advises that, due to the challenging market conditions, PRH and Afranex (together with the other parties to the Agreement) have today conditionally agreed to extend the end date of the Agreement to 31 January 2014. This change has been made to enable the parties to have sufficient time in the current market to satisfy the various conditions precedent to the Agreement summarised in the announcement on 27 March 2013, most notably the requirement for PRH to raise a minimum of \$4,000,000 at \$0.20 per share.

Details of Extension

- (a) PRH, Afranex and the other parties to the Agreement have conditionally agreed to extend the end date for satisfaction of the conditions precedent from 30 June 2013 to 31 January 2014.
- (b) PRH and Afranex have agreed, as part of this change to extend the date for the satisfaction of the due diligence condition from its original date of 22 April 2013 to 31 January 2014.
- (c) The only condition to the extension is a condition subsequent that Afranex negotiate extensions of the various Project Agreements (summarised in the announced on 27 March 2013) to 31 January 2014 by 31 July 2013.
- (d) Afranex has notified PRH that it has entered into extensions of the Project Agreements with each of Gold Crest Mines Inc, Renaissance Minerals Ltd (“**Renaissance**”) and Allan Kelly to extend those agreements out to 31 January 2014.
- (e) In consideration for Renaissance agreeing to grant the extension of the agreement between Afranex, Renaissance and Renaissance Alaska Pty Ltd, Afranex has agreed to meet the expenditure for the annual rentals for the mining claims and ongoing statutory expenditure and labour commitments on those mining claims from the permit year commencing 1 September 2013.

- (f) Afranex has notified PRH that it had previously received acceptances from all shareholders of North Fork Resources Pty Ltd (“**North Fork**”) to offers made to acquire their respective shares in North Fork. Afranex is currently in the process of negotiating extensions to those individual offers to 31 January 2014 in order to satisfy the condition subsequent referred to above.
- (g) Receipt of the confirmation from each individual shareholder of North Fork remains outstanding.
- (h) The remaining terms and conditions of the Agreement, and the various Project Agreements, summarised in the announcement from 27 March 2013 remain the same, save for the extension of the end date.

Shareholders will be informed on the developments relating to the acquisition of Afranex as they arise.

For further information contact:

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