



ASX ANNOUNCEMENT, 27 FEBRUARY 2012

BURRA NORTH - DISSEMINATED SULPHIDES IN 3 CORE INTERCEPTS FOR A TOTAL OF 13 METRES

Phoenix Copper Limited (**Phoenix Copper, ASX: PNX**) is pleased to announce the results of diamond hole PCD0036 in the Burra North Project. This is the second in a program of seven holes, completed on Wednesday, 22 February 2012.

- Disseminated sulphides visible in three core intercepts, totalling 13 metres, see **Figure 1**;
- Drilled to 177.5m - terminated in disseminated sulphides;
- Intersected a package of rocks similar to those hosting mineralisation in the Monster Mine located 900m to the south-east, see **Figure 1**;
- Core samples have been prepared and sent to a commercial laboratory for gold and copper analysis.

PCD0036 was drilled to:

- **Identify the source of Induced Polarisation (IP) geophysical anomalies¹.**

PCD0036 was drilled toward the east and intersected rocks that **are the probable sources of three IP anomalies**. These **anomalies are associated with disseminated sulphides** in sheared carbonate - quartz veined marble breccia, on the contact between marble breccia to the west and dolomites to the east, see **Figure 1**.

- **Penetrate the mine sequence 900m north east along strike.**

PCD0036 intersected disseminated sulphides on the sheared contact of footwall marble breccia to the west and interpreted Skillogalee Dolomite unit NMS9, host to mineralisation in the Monster Mine, to the east, see **Figure 1**. **The shearing and faulting is interpreted to be the Kingston Fault.**

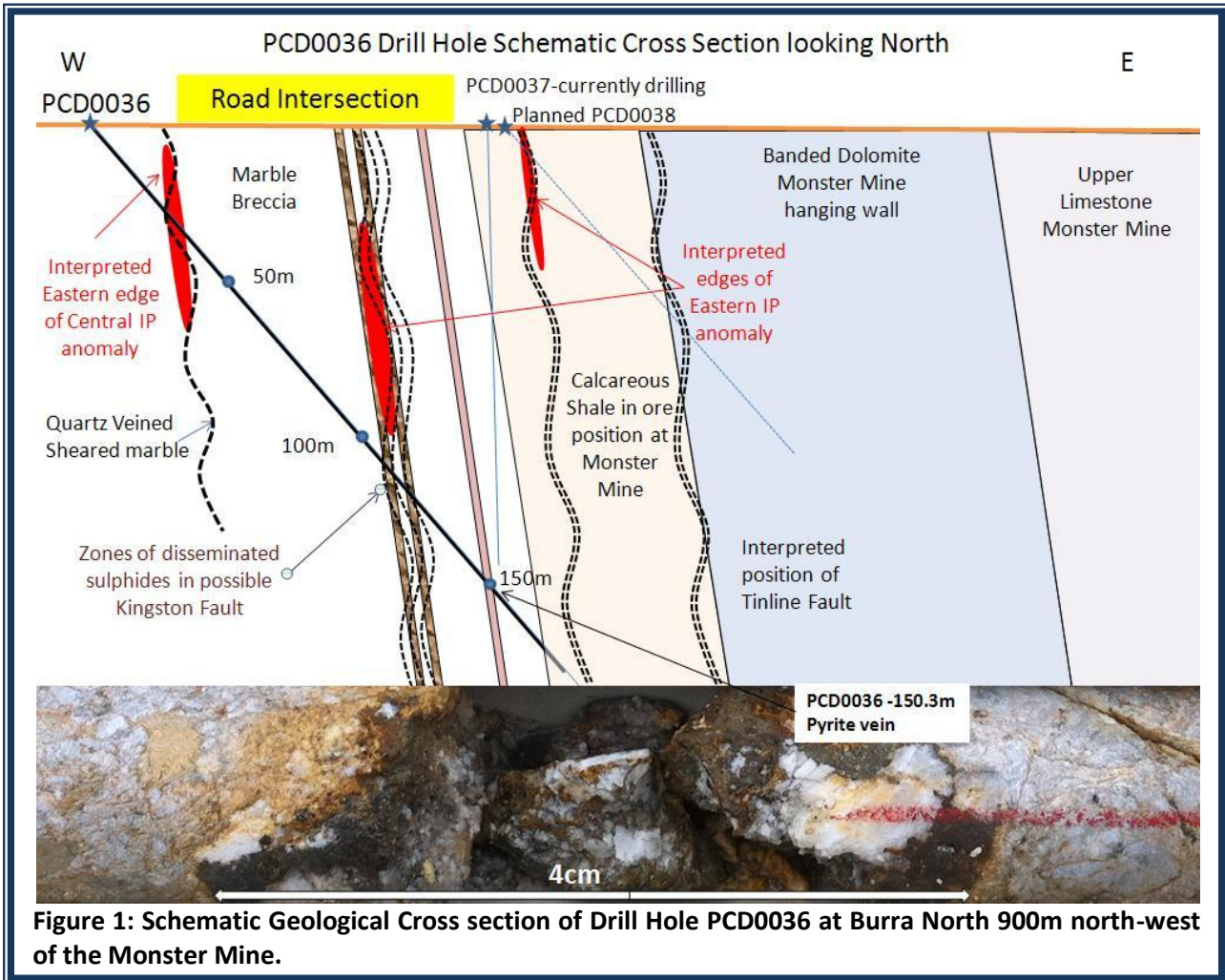
The Kingston and the Tinline Faults form the corridor, host to the Monster Mine secondary copper ore, which produced in excess of 81,000 tonnes of contained copper. PCD0036 indicates the corridor may extend up to 900 metres from the Monster Mine pit northern boundary. Further drilling will test for additional primary sulphide copper (lower sequence) and also secondary copper mineralisation (upper sequence).

Although PCD0036 was prematurely terminated in disseminated sulphides as penetration rates and sample recovery had diminished in sheared crumbly carbonate – quartz veined-marble breccia and dolomite, **the hole achieved all anticipated goals**.

Eighty-eight samples representing 67m of core have been sent to Phoenix Copper's Mountain of Light mine site for core cutting and sample preparation. Prepared samples will then be sent to a commercial laboratory for gold and copper analysis. Results are anticipated in 4-6 weeks.

¹Generated in the 1960s by the precursor to DMITRE's Geological Survey

Phoenix Copper is greatly encouraged by these results and has now designed and commenced drilling a follow-up hole - PCD0037, see **Figure 1**. This vertical hole is 118m east of PCD0036 and aims to test the upper part of the stratigraphic sequence intersected at the base of PCD0036 for the presence of secondary copper – the type of mineralisation previously extracted from the Monster Mine.



Competent Person's Statement

The information in this report that relates to Exploration Targets and Exploration Results is based on and accurately reflects information compiled by Mr Mark Manly. Mr Manly has sufficient experience relevant to the style of mineralisation and the type of deposits under consideration and to the activity which he is undertaking to qualify as a Competent Person as defined in the 2004 Edition of the "Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves". Mr Manly consents to the inclusion in this report of the matters based on his information in the form and content in which it appears.

Paul J Dowd, Managing Director

Telephone: +61 (0)8 8364 3188

Email: info@phoenixcopper.com.au

Website: www.phoenixcopper.com.au

For further information, please direct queries to pnx@insynces.com.au