

## ASX ANNOUNCEMENT, 1<sup>st</sup> May 2012

### UP TO 7.92% COPPER IN SULPHIDES AT BURRA NORTH

#### Highlights

- Excellent Copper Assay Results recently returned in near-surface Diamond Core from PCD0038 at Burra North:

**22.5m at 1.17% Copper from 94.9m including**  
**4.6m at 3.39% Copper from 102.6m including**  
**0.6m at 7.92% Copper from 102.6m (see Figure 1)**

- Intercepts are contained wholly within the northern extension of the Monster Mine sequence of mineralised host rocks and structures which include the interpreted Kingston Fault.
- Planned follow up reverse circulation (RC) drilling program of up to 1,000m to determine the extent of mineralisation surrounding PCD0038.



Figure 1: Chalcopyrite veins in brecciated limestone at 103m in PCD0038 (NQ drill Core 70mm diameter)

#### Burra North - Copper

Phoenix Copper Limited (**Phoenix Copper, ASX: PNX**) is pleased to announce receipt of analytical results for diamond drill hole PCD0038 at Burra North. These results confirm visual identification of disseminated copper sulphides which were reported 26<sup>th</sup> March 2012. PCD0038 was completed to 120.95m on 22<sup>nd</sup> March 2012.

PNX's maiden drill program at Burra North contained five diamond holes, PCD0035 - PCD0039, and was completed for a total of 694.6m on 5<sup>th</sup> April 2012. This highly prospective area is located within the Adelaide Geosyncline, 800m to the north-west of the historic Monster Mine on the outskirts of Burra - see **Figure 2**. The focus of the exploration program was to identify repetitions of the Monster Mine copper lode beyond the Reserve where mining is currently prohibited. The Monster Mine produced approximately 81,000t of copper from 2.7 million tonnes of predominantly oxide ore over two mining phases during the periods 1845-1871 and 1971-1981 and was the major contributor to the South

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Australian economy during its initial colonial inception. At today's copper prices the value of the copper mined and processed would be in excess of A\$650M.

Despite mining operations spanning approximately 150 years, the Burra North area remains a largely unexplored copper field that, until recent work by Phoenix Copper, had not been subjected to regional scale exploration utilising modern technology and techniques and had remained undrilled.

The excellent assay results from PCD0038 highlight the prospectivity for copper deposits in and around the Burra region, and provide a focal point for further exploration throughout the Adelaide Geosyncline.

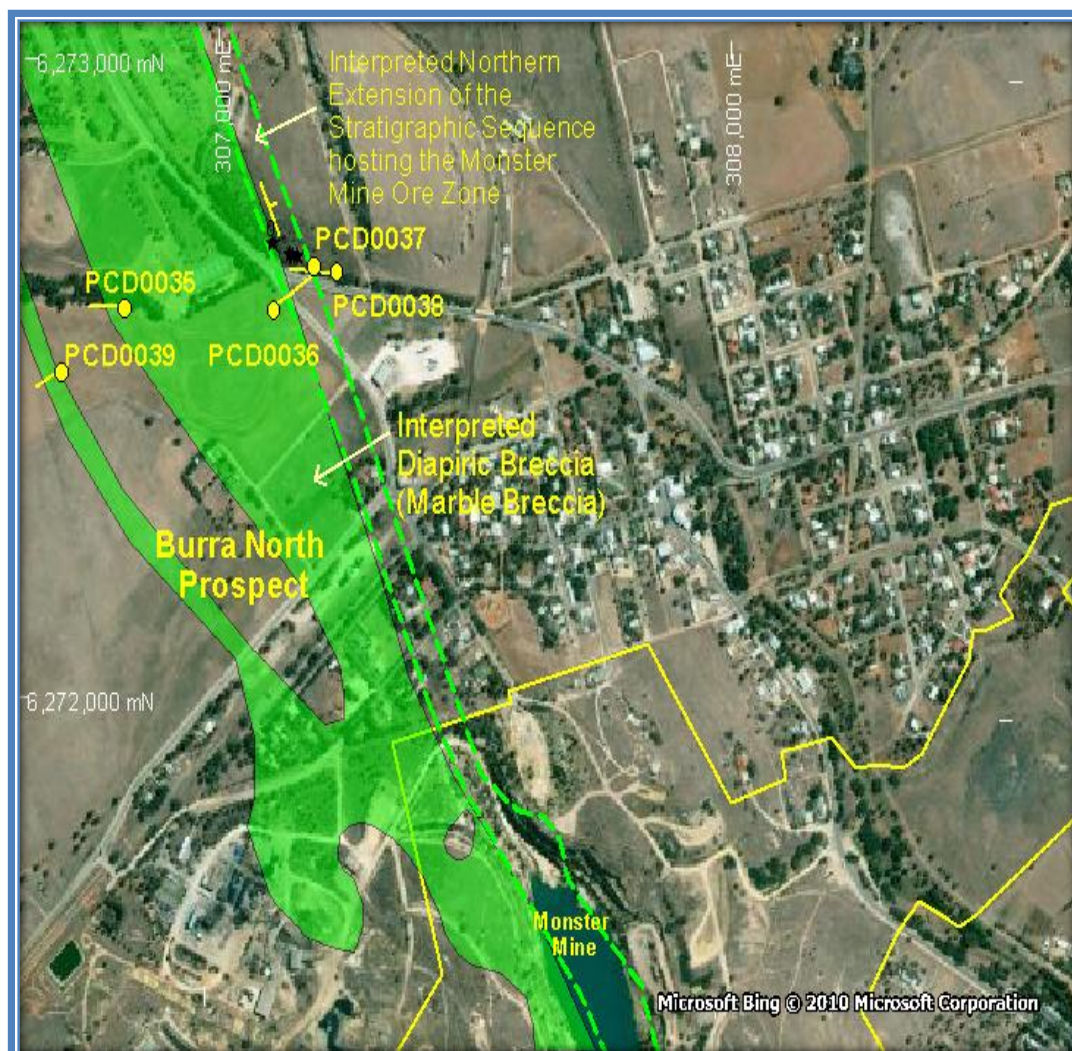


Figure 2: Diamond drill hole location Burra North

Table 1: List of Assays from PCD0035-PCD0039 with results greater than 0.4%Cu

Hole ID	AGD N	AGD E	RL	Azimuth GDA94/Z54	Dip	Depth	From (m)	Width (m)	Grade	
PCD0035	6272670	306745	475	268	-60	205.50		No assay >	0.4%Cu	
PCD0036	6272620	307108	476	061	-60	177.45		No assay >	0.4%Cu	
PCD0037	6272685	307204	477	0	-90	46		No assay >	0.4%Cu	
PCD0038	6272681	307232	477	264	-60	121	94.9	22.45	1.17% Cu	
							including	102.6	4.60	3.39% Cu
							including	102.6	0.60	7.92% Cu
							and	105.7	0.60	4.73% Cu
including	109.9	0.80	1.48% Cu							
PCD0039	6272500	306700	477	250	-60	144.70		Assays	Pending	

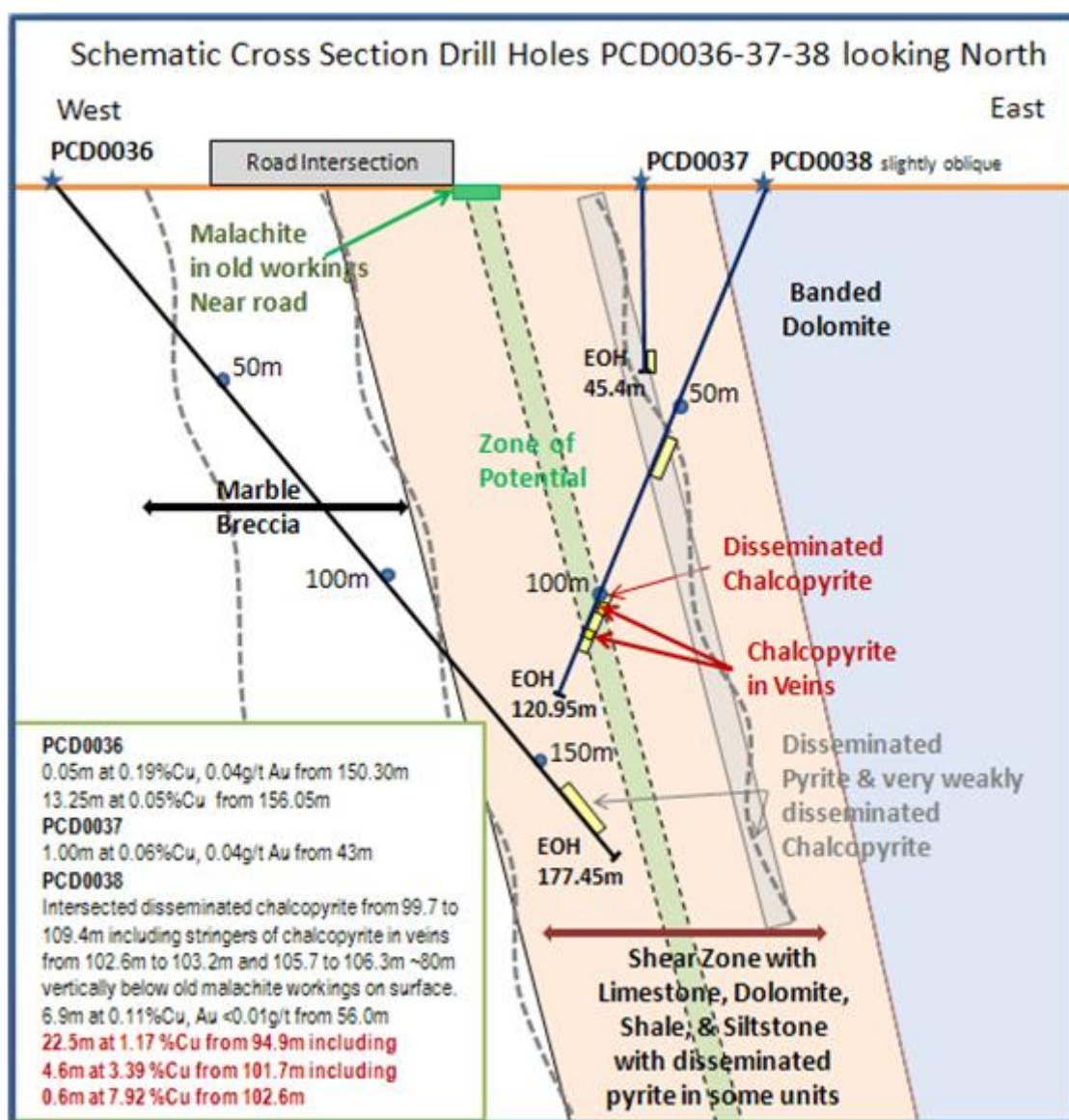
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Phoenix Copper believes that the significant intersection of copper mineralisation in PCD0038 is an indication that the mineralising system responsible for the ore deposition in the Monster Mine extends from the pit edge for at least 900m to the northwest, **see Figure 2**.

This shallow, (vertical depth to the start of mineralisation is approximately 80m), sulphide rich Burra North intersection is close to known mineralisation in the Monster Mine and within the Kingston and Tinline faults, indicating continuity with the Monster Mine sequence. If an economic discovery were to follow in this area, it would be in close proximity to infrastructure at Burra.

Spectacular grades (even higher than 7.92% Cu) were evident historically in the secondary copper ore of the Monster Mine. Such grades may also be present in oxide material nearer the surface around PCD0038, and will be targeted in future drilling, **see Figure 3**.

In light of these exciting results, PNX's board of directors has approved, subject to the required approvals and notifications being in place, a follow up program of 8 reverse circulation (RC) holes for up to a total of 1,000m of drilling in the area immediately surrounding PCD0038. The drilling will test the potential extension of these significant intercepts to the North and South as well as at depth, and it is anticipated that this exciting new phase of drilling will commence prior to the end of this quarter.



**Figure 3:** Drill hole schematic Burra North

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## Competent Person 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.*

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