The information contained within this announcement is deemed by the Group to constitute inside information as stipulated under the Market Abuse Regulations (EU) No. 596/2014 ("MAR").

Phoenix Global Mining Ltd / Ticker: PGM / Sector: Mining

20 September 2017

Phoenix Global Mining (PGM) (the "Company" or "Phoenix")
Interim Results

Phoenix Global Mining Ltd (AIM:PGM), the AIM quoted, US-focused copper exploration and development company, is pleased to announce its financial results for the six months ended 30 June 2017.

Highlights

- Listed on AIM in June 2017 raising £4.6 million
- Focused on fast-tracking the historic Empire Copper Mine in Idaho into production
- Completed the acquisition of 80% of Konnex Resources, owner of the Empire Mine
- Defined development strategy to commence open pit mining of the oxide resource in less than three years – Preliminary Feasibility Study underway
- Significant expansion and discovery potential available via the deeper, higher grade sulphide resource – grades of up to 11.4% copper returned
- Resource increase due by the end of 2017 to build upon current resource of 12.8Mt grading 0.53% Cu for 68,200t contained copper
- Well financed to implement a fast paced development programme - cash position of £2.7 million as at 18 September 2017

Chairman's Statement

It gives me immense pleasure to present our first set of financial results as a quoted company on AIM. The past six months have undoubtedly been pivotal for Phoenix, culminating in the Company's listing on AIM on 29 June 2017, which resulted in us significantly strengthening both our shareholder base and our balance sheet, and crucially finalising our acquisition of an 80% interest in the highly prospective Empire Copper Mine in Idaho, US (the 'Empire Mine' or the 'Mine'). We are now firmly focussed on fast-tracking the Mine into production so that we can build our Company into a revenue generative mining play that is value accretive for our shareholders.

We took the decision to list on AIM having identified strong interest from investors in London who recognised the value of our offering and crucially our project, the Empire Mine. Located in the politically-stable jurisdiction of Idaho, which was recently ranked No. 12 globally in the Fraser Institute Annual Survey of Mining Companies, the Mine is a highly prospective, low risk development opportunity, which boasts strong economic and production fundamentals and significant discovery opportunity.

The Empire Mine is a previously producing asset, which produced a total of 694,000t with a recovered grade of 3.64% copper ('Cu'), plus gold, silver and tungsten, from 1901-1942. It has been estimated that over US$7 million has been spent on exploration since the mine closed down. The results of this work are available to us and have been used in our initial evaluation of the property and by SRK in the preparation of their resource estimate and Competent Persons Report for our IPO. In spite of the attractive production heritage, it is estimated that only 5% of the mineralised system has been tested to-date. Accordingly, we believe there is significant discovery potential.

There are two primary resource types at the Mine: the shallow oxide resource, which has been the primary focus of historic exploration activity in an area known as the AP Pit, and the previously mined deeper sulphide resource which we believe offers significant upside potential. Accordingly, we have devised a two-pronged development plan to maximise value and best position the Company for growth.

Phase 1 is focused on advancing the more established oxide resource, centred around the AP Pit. Having already established a JORC resource of 12.8Mt grading 0.53% Cu for 68,200t contained copper, we believe this part of the project offers near term development potential. It is therefore our strategy to fast-track this portion of the Mine into production, with mining targeted to commence by 2020 at a rate of 7,000t per annum of copper cathode from an open pit heap leach solvent extraction and electrowinning operation. It is our expectation that revenues generated from this will be able to support the continued development and exploration of the wider project area to extend the life of mine and continue to build value, as well as to continue the assessment of the potentially larger, deeper, sulphide resource.

With the oxide resource still open along strike, we commenced a 28-hole (2,200 metre) drilling programme within less than a week of listing – highlighting our fast-paced development approach – in order to further prove up the oxide resource potential. I am delighted to report that we have concluded this drill programme. Assay results from 14 of the 28 holes have so far been received which confirm the robustness of the oxide deposit. Accordingly, we are confident that we will be in a position to increase the oxide resource by the year end.

This increased resource will be the basis of the Preliminary Feasibility Study ('PFS') currently being undertaken to determine the potential to mine the oxide resource via simple open pit development. With a number of consultants recently appointed to undertake studies for the PFS, I am pleased to report that we remain on track to complete the PFS in Q2 2018. We will then look to further refine our production model via a bankable feasibility study, targeted for Q2 2019, before beginning mine construction during 2019.

Whilst the commencement of production is a primary focus, we are equally committed to proving up the potential of the deeper sulphide ore, which sits below the oxide resource. Limited exploration has been conducted on this zone to date, but intercepts have returned high copper grades of up to 11.4% Cu. Accordingly, we believe there is significant discovery potential and opportunity to add further value. The exploration of this zone will therefore form "Phase 2" of our development plan.

There is an extensive system of underground adits (tunnels) totalling 11.5 miles which were developed when the mine was in production. In August 2017 we appointed a mining contractor to open the deeper old workings to allow access to the heart of the main sulphide deposit for mapping, sampling and drilling to accelerate the sulphide exploration programme. The timing of this programme will depend on the work required to make these adits safe which will be determined once the portals (entrances) have been rebuilt.

Alongside copper recovery, there is also excellent potential for the commercial recovery of gold, silver and tungsten. Historical intercepts have returned gold and silver grades of 5.72g/t gold (inc. 1.5m at 26.4g/t) and 9m at 126.6g/t silver, whilst individual grab samples have highlighted the tungsten potential, with grades as high as 4.3%$W0_3$. As a result, in addition to examining the copper potential we hope to prove up our understanding of these metal credits, and potentially create a mine with multiple revenue streams. We look forward to sharing the progress of our multi-faceted development programme with shareholders as the work programmes proceed.

Marcus Edwards-Jones
Chairman

Financial Overview

The Company listed on AIM on 29 June 2017, raising gross proceeds of £4.6 million. Simultaneously the Company completed the acquisition of 80% of Konnex Resources Inc, the British Columbia registered company which owns the mining rights to the Empire Mine in Idaho, USA. Konnex has since been redomesticated into Idaho and is now an Idaho registered company.

The Phoenix Group reports a loss for the six months ended 30 June 2017 of £564,559. This loss is after charging £65,989 in share based payments relating to options and warrants granted during the period, as well as £234,140 of IPO costs. Net assets totalled £5.2 million, including £2.5 million relating to the Empire Mine. These interim financial results are unaudited but have been prepared using accounting policies consistent with International Financial Reporting Standards.

The Company currently has 229,755,522 shares in issue, including 115,000,000 shares issued at 4.0 pence per share at IPO. The Company also has 10,243,075 warrants in issue, 3,270,942 exercisable at 6.0 pence per share, 1,810,570 exercisable at 2.1 pence per share, and 5,161,563 exercisable at 4.0 pence per share, as well as 12,000,000 options exercisable at 4.5 pence per share.

Richard Wilkins
Chief Financial Officer

Outlook

The copper price is currently testing and exceeding the US$3.00/lb level, and the medium to long term outlook is expected to push prices even higher thanks to developments in the electric vehicle and "green energy" markets. I therefore believe this is a most opportune time to be developing a copper mine. With strong investor interest, as evidenced through our successful placing as part of our AIM listing, a highly skilled and experienced management team with proven success in identifying, developing and operating mining assets, and a highly prospective copper asset that has already been identified as having significant production potential, we believe we are well placed for growth.

We firmly believe in the potential of the Empire Mine and our focus and commitment is now on making this potential a reality. We are implementing a work programme to bring the oxide resource into production, whilst evaluating and proving up the higher-grade underlying sulphide potential. With an estimated 5% of the potential ore system having been explored to date the potential for adding to the current resources is believed to be considerable.

Most importantly, our development programme is already well underway. The initial drilling programme, designed to upgrade the Empire Mine oxide resources, is now completed and final drill hole assay results are expected within the next few weeks. The results received to-date are extremely encouraging. The Preliminary Feasibility Study is progressing as planned and consultants have now been appointed to carry out the various aspects of the study scheduled for completion in early Q2 2018. In addition, access to the old underground sulphide workings is about to commence in order to begin the assessment of the potential of the sulphide resources below the near surface oxides. The coming months will certainly be very busy.

I would like to give my thanks to our shareholders, both those who have supported us pre-IPO and those that joined us at the IPO, for recognising the value potential of the Company. We look forward to providing regular updates on developments as we look to build a significant, revenue generating copper mining company. This is a very exciting time.

Dennis Thomas
Chief Executive Officer

Condensed consolidated income statement	Note	Unaudited 6 months to 30 June 2017 £	Unaudited 6 months to 30 June 2016 £	Audited Year to 31 December 2016 £
Revenue		-	-	-
Cost of Sales		(1,764)	(1,506)	(1,506)
Gross loss		(1,764)	(1,506)	(1,506)
Administrative expenses		(328,655)	(41,285)	(168,303)
Exceptional items	3	(234,140)	(37,544)	(57,344)
Total administrative expenses		(562,795)	(78,829)	(225,647)
Loss from operations	4	(564,559)	(80,335)	(227,153)
Loss before taxation		(564,559)	(80,335)	(227,153)
Taxation		-	-	-
Loss for the period		(564,559)	(80,335)	(227,153)
Loss attributable to:				
- Owners of the parent		(564,559)	(80,335)	(227,153)
- Non-controlling interests		-	-	-
		(564,559)	(80,335)	(227,153)
Basic and diluted loss per share - pence	5	(0.57)	(0.16)	(0.39)

The revenue, expenditures and operating result for each period is derived from acquired and continuing operations in the United States and the United Kingdom.

Condensed consolidated statement of comprehensive income

	Unaudited 6 months to 30 June 2017	Unaudited 6 months to 30 June 2016	Audited Year to 31 December 2016
	£	£	£
Loss for the period and total comprehensive income for the period	(564,559)	(80,335)	(227,153)
Total comprehensive income for the period attributable to:			
Owners of the parent company	(564,559)	(80,335)	(227,153)
Non-controlling interests	-	-	-
	(564,559)	(80,335)	(227,153)

Condensed consolidated statement of financial position

	Note	Unaudited 30 June 2017 £	Unaudited 30 June 2016 £	Audited 31 December 2016 £
Non-current assets				
Property, plant and equipment	**6**	2,549,580	690,736	1,162,591
Total non-current assets		2,549,580	690,736	1,162,591
Current assets				
Trade and other receivables	**7**	3,080,829	-	70,000
Cash and cash equivalents		873,649	2,290	15,621
Total current assets		3,954,478	2,290	85,621
Total assets		6,504,058	693,026	1,248,212
Current liabilities				
Trade and other payables		686,844	139,515	276,567
Current corporation tax liabilities		-	-	-
Total current liabilities		686,844	139,515	276,567
Non-current liabilities				
Trade and other payables	**9**	507,095	-	-
Provisions		81,290	-	81,290
Total non-current liabilities		588,385	-	81,290
Total liabilities		1,275,229	139,515	357,857
Net assets		5,228,829	553,511	890,355
Equity				
Share capital	**8**	-	-	-
Share premium account	**8**	6,682,409	1,493,649	1,977,311
Retained deficit		(1,585,526)	(940,138)	(1,086,956)
Capital and reserves attributable to the owners of the parent company		5,096,883	553,511	890,355
Non-controlling interests		131,946	-	-
Total equity		5,228,829	553,511	890,355

Condensed consolidated statement of changes in equity (unaudited)

	Share premium	Retained deficit	Total	Non-controlling interests	Total equity
	£	£	£	£	£
Balance at 1 January 2016	1,364,618	(899,997)	464,621	-	464,621
Loss for the period	-	(80,335)	(80,335)	-	(80,335)
Other comprehensive income for the period	-	-	-	-	-
Total comprehensive income for the period	-	(80,335)	(80,335)	-	(80,335)
Shares issued in the period	129,031	-	129,031	-	129,031
Share-based payments	-	40,194	40,194	-	40,194
Total contribution by owners	129,031	40,194	169,225	-	169,225
Balance at 30 June 2016	1,493,649	(940,138)	553,511	-	553,511
Loss for the period	-	(146,818)	(146,818)	-	(146,818)
Other comprehensive income for the period	-	-	-	-	-
Total comprehensive income for the period	-	(146,818)	(146,818)	-	(146,818)
Shares issued in the period	483,662	-	483,662	-	483,662
Share-based payments	-	-	-	-	-
Total contribution by owners	483,662	-	483,662	-	483,662
Balance at 31 December 2016	1,977,311	(1,086,956)	890,355	-	890,355
Loss for the period	-	(564,559)	(564,559)	-	(564,559)
Other comprehensive income for the period	-	-	-	-	-
Total comprehensive income for the period	-	(564,559)	(564,559)	-	(564,559)
Shares issued in the period	4,705,098	-	4,705,098	-	4,705,098
Share-based payments	-	65,989	65,989	-	65,989
Transactions with non-controlling interests	-	-	-	131,946	131,946
Total contribution by owners	4,705,098	65,989	4,771,0871	131,496	4,771,0871
Balance at 30 June 2017	6,682,409	(1,585,526)	5,096,883	131,946	5,228,829

Condensed consolidated statement of cash flows

	Unaudited 6 months to 30 June 2017	Unaudited 6 months to 30 June 2016	Audited Year to 31 December 2016
	£	£	£
Loss before taxation	(564,559)	(80,335)	(227,153)
Adjustments for:			
Share-based payments	65,989	40,194	40,194
Changes in working capital			
Trade and other receivables	(10,000)	-	-
Trade and other payables	49,805	54,264	191,316
Cash (used in)/generated from operating activities	(458,765)	14,123	4,357
Investing activities			
Purchase of property, plant and equipment	(859,325)	(148,279)	(538,844)
Cash acquired with business (note 9)	111,377	-	-
Net cash outflow from investing activities	(747,948)	(148,279)	(538,844)
Cash flows from financing activities			
Issuance of ordinary shares	5,402,745	129,031	617,918
Share calls waiting receipt	(3,000,829)	-	(70,000)
Share-issue expenses incurred	(697,647)	-	(5,225)
Share-issue expenses waiting payment	360,472	-	-
Net cash inflow from financing activities	2,064,741	129,031	542,693
Cash and cash equivalents at beginning of period	15,621	7,415	7,415
Net increase in cash and cash equivalents	858,028	(5,125)	8,206
Cash and cash equivalents at end of period	873,649	2,290	15,621

1. Basis of preparation and principal accounting policies

The condensed consolidated interim financial information in this report has been prepared under the measurement principles of International Financial Reporting Standards (‘IFRS’) as adopted by the European Union ('IFRS as adopted by the EU'), using accounting policies and methods of computation consistent, except as noted below, with those set out in part V of the Company's AIM Admission Document.

The Company is not required to prepare or file statutory accounts in the British Virgin Islands. The financial information on the Company for the year ended 31 December 2016 has been extracted from part V of the Company's AIM Admission Document.

The condensed consolidated interim financial information was approved for issue by the Board on 18 September 2017.

This condensed interim financial information has not been audited and does not include all of the information required for full annual financial statements. While the financial figures included within this interim report have been computed in accordance with IFRS applicable to interim periods, this report does not contain sufficient information to constitute an interim financial report as set out in International Accounting Standard 34 Interim Financial Reporting.

Basis of consolidation

The condensed consolidated financial information incorporates the financial statements of the Company and entities controlled by the Company (its subsidiaries) (together the “Group”) for each period. The results of subsidiaries acquired or disposed of during the period are included in the consolidated income statement from the effective date of acquisition, or up to the effective date of disposal, as appropriate.

Control is achieved where the Company has the power to govern the financial and operating policies of an entity so as to obtain benefits from its activities.

Non-controlling interests in the net assets of consolidated subsidiaries are presented separately from the Group’s equity. Non-controlling interests consist of the amount of those interests at the date of the original business combination and the non-controlling interest’s share of changes in equity since the date of the combination.

Where necessary, adjustments are made to the financial statements of subsidiaries to bring the accounting policies used into line with those used by the Group. All intra group transactions, balances, income and expenses are eliminated on consolidation

Business combinations

The consolidated financial information incorporates the results of business combinations using the purchase method. The acquiree’s identifiable assets, liabilities and contingent liabilities are initially recognised at their fair values at the acquisition date. Where the fair value of consideration paid exceeds the fair value of the identifiable assets, liabilities and contingent liabilities acquired the resulting difference is classified as goodwill and presented as a non-current intangible asset. Where the fair value of consideration paid is lower than the fair value of identifiable assets, liabilities and contingent liabilities acquired the difference is classified as ‘negative goodwill’ and recognised in income statement. Goodwill arising from business combinations is assessed for impairment at each reporting date.

Included in mining development assets of the Company at 29 June 2017 were costs of £1,103,357 related to the business combination. On that date the Company achieved control of Konnex Resources Inc and those costs were transferred to the cost of investment in the Company's financial statements and reclassified on consolidation as the fair-value of consideration paid in respect of the 80% holding in Konnex Resources Inc acquired.

2. Information on the Group

Phoenix Global Mining Limited is engaged in exploration and mining activities, primarily precious and base metals, primarily in the United States of America.

The Company is a private company domiciled and incorporated in the British Virgin Islands on 19 September 2013 (registered number 1791533). The address of its registered office is Akara Building, 24 De Castro Street, Wickhams Cay 1, Road Town, Tortola, British Virgin Islands.

3. Exceptional costs

	Unaudited 6 months to 30 June 2017	Unaudited 6 months to 30 June 2016	Audited Year to 31 December 2016
	£	£	£
IPO expenses	234,140	-	19,800
Payments to shareholders of Continental Resources Development Group Limited	-	37,544	37,544
	234,140	37,544	57,344

4. Share-based payments

Total administrative expenses include share-based payments of £65,989, 30 June 2016: £40,194 (including £37,544 classified as 'exceptional'), 31 December 2016: £40,194 (including £37,544 classified as 'exceptional'). The related credits to equity are taken to the retained deficit.

5. Loss per share

	Unaudited 6 months to 30 June 2017	Unaudited 6 months to 30 June 2016	Audited Year to 31 December 2016
	£	£	£
Loss for the period attributable to equity holders of the parent company	(564,559)	(80,335)	(227,153)
	Number	Number	Number
Weighted average number of ordinary shares for the purposes of basic and diluted loss per share	99,133,959	51,597,299	57,631,910
Loss per share – basic and diluted (pence)	(0.57)	(0.16)	(0.39)

6. Property, plant and equipment

	Mining development assets	Total
	£	£
Cost or valuation		
At 1 January 2016	542,457	542,457
Additions	148,279	148,279
At 30 June 2016	690,736	690,736
Additions	471,855	471,855
At 31 December 2016	1,162,591	1,162,591
Additions	859,325	859,325
Acquisition of subsidiary (note 9)	1,631,021	1,631,021
Reclassification on consolidation (note 9)	(1,103,357)	(1,103,357)
At 30 June 2017	2,549,580	2,549,580
Depreciation		
At 1 January 2016, 30 June 2016, 31 December 2016 and 30 June 2017	-	-
Net book value:		
30 June 2016	690,736	690,736
31 December 2016	1,162,591	1,162,591
30 June 2017	2,549,580	2,459,580

Mining development assets relate to the past producing Empire Mine copper – gold – silver – tungsten project in Idaho, USA. The Empire Mine has not yet recommenced production and no depreciation has accordingly been charged in the statement of comprehensive income. There has been no impairment charged in any period due to the early stage in the Company's project to reactivate the mine.

The principal investment is based in the USA and therefore there is a currency risk in respect of the carrying value of the mining property. The Company does not currently engage in any hedging in respect of this property.

A provision for decommissioning costs of £81,290 has been recognised at 30 June 2017 and 31 December 2016 based on directors' estimates and taking into account appropriate qualified professional advice. The cost of the decommissioning asset is included within mining development assets.

7. Trade and other receivables

	Unaudited 6 months to 30 June 2017	Unaudited 6 months to 30 June 2016	Audited Year to 31 December 2016
	£	£	£
Issued shares called but not paid	3,070,829	-	70,000
Other debtors	10,000	-	-
	3,080,829	-	70,000

8. Share capital

	Unaudited 30 June 2017	Unaudited 30 June 2016	Audited 31 December 2016
	Number	Number	Number
Allotted and issued			
Ordinary shares with no par value	229,755,522	56,494,606	74,526,875

At 30 June 2017, the Ordinary Shares rank pari passu. There have been no changes to the voting rights of the ordinary shares since 30 June 2016.

On 29 June 2017 the Company issued 115,000,000 new shares at 4.0 pence per share and the Company's entire share capital was admitted to trading on the Alternative Investment Market of the London Stock Exchange.

9. Business combinations

On 29 June 2017 the Company completed the acquisition of an 80% controlling and operating interest in Konnex Resources Inc which owns the mining interests of the Empire Mine Project in Idaho, USA, a historic brown-fields copper mine. The remaining 20% is held by ExGen Resources Inc, a company listed on the TSX-V.

The acquisition has been accounted for by the purchase method of accounting and the results of the Empire Mine are consolidated within the Group financial statements from 29 June 2017, the date from which the Company acquired control of Konnex Resources Inc. The provisional book values and fair-values of the acquired assets and liabilities are set out below.

Provisional	**Book value Unaudited £**	**Adjustments Unaudited £**	**Fair-values Unaudited £**
Non-current assets			
Property plant & Equipment			
Mining property	1,055,454	575,567	1,631,021
Current assets			
Cash acquired with the businesses	111,377	-	111,377
Non-current liabilities			
Trade and other payables – potential royalty share	(507,095)	-	(507,095)
Net identifiable assets	659,736	575,567	1,235,303
Less: Non-controlling interests			(131,946)
Net assets acquired			1,103,357
Fair-value of consideration			(1,103,357)
Goodwill			-

The fair-value of the acquired assets is provisional due to the short time available to the Company to assess and investigate the available information. Final values will be determined after the assessment is completed and no later than 31 December 2017. The acquired business contributed revenues £nil, operating profit £nil and cash flows of £nil for the period 29 June 2017 to 30 June 2017.

Fair-value of consideration (unaudited)

	£
Cost of investment brought forward:	
5.0 million Ordinary Shares issued at 6 pence in 2015	300,000
6.3 million Ordinary Shares issued at 3 pence in 2016	189,000
Cash transferred 1 January 2014 to 29 June 2017	614,357
Fair-value of consideration	1,103,357

For further information please visit www.pgmining.com or contact:

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Notes

Phoenix Global Mining Ltd (AIM: PGM) is a US-focused, base metal explorer and developer, which is fast-tracking the historically-producing Empire Mine in Idaho, USA back into production.

Having established an initial copper oxide JORC resource of 12.8mt grading 0.53% copper ('Cu') for 68,200t contained Cu from historical drill holes, Phoenix has defined a two-phase development strategy. Phase One is focused on commencing low cost, open pit production from the current oxide resource, targeting 7,000t copper cathode per annum by 2020 via an SX-EW plant. Stage Two will look to extend the life of mine by targeting the deeper (below c.120m), higher grade copper sulphides, where intercepts of up to 11.4% Cu have been recovered. Preliminary Feasibility Study work on the priority open pit oxide resource is already underway.

It is estimated that only 5% of the potential ore system has been explored to date and accordingly there is significant opportunity to increase the resource through phased exploration; the current resource relates to the oxide resource only, which remains open along strike and does not include the deeper, higher grade sulphides. Furthermore, the Mine has an exploration target of between 3.4 to 6.7 million tonnes (derived from historic data), grading 0.34% to 0.50% Cu for 11,560 to 33,500 tonnes of additional contained copper and there is potential to extract additional metals, including gold, silver, zinc and tungsten.

With a management team that has successfully constructed, commissioned and operated mines and a low risk, mining-friendly jurisdiction with excellent infrastructure, Phoenix is looking to fulfil its ambitions to become a mid-tier copper producing company.