



ASX ANNOUNCEMENT, 7 JULY 2010

RESULTS OF SHARE PURCHASE PLAN

Share Purchase Plan

Phoenix Copper refers to its Offer Memorandum lodged with ASX on 3 June 2010 in relation to a non-renounceable Share Purchase Plan to subscribe for up to \$15,000 worth of shares at \$0.16 per share (**SPP**).

The SPP closed at 5pm Adelaide time on Wednesday, 30 June 2010 and raised a total of \$384,000. The 2,400,000 ordinary shares applied for under the SPP have been issued and allotted and holding statements for these shares will soon be dispatched. The Board wishes to thank all shareholders who participated in the SPP.

Additional Funding Arrangements

Phoenix Copper is pleased to announce that it recently entered into share subscription agreements with three investors to raise an additional \$320,000 by issuing a further 2,000,000 ordinary shares at \$0.16 each.

The subscriptions for these additional shares are conditional on:

1. All of the following three resolutions to be proposed at Phoenix Copper's general meeting on 22 July 2010 being passed:
 - a. To ratify the previous issue and allotment of 250,000 shares to each of Copper Range (SA) Pty Ltd and Flinders Mines Limited pursuant to the tenement sale agreement for the acquisition of EL 4370;
 - b. To approve the issue of 6,250,000 shares and 1,250,000 options to certain creditors of Leigh Creek Copper Mine Pty Ltd in connection with the proposed acquisition of Leigh Creek Copper Mine Pty Ltd; and
 - c. To approve the issue of a maximum of 11,875,000 shares to Long Fortune Limited; and
2. Completion of the purchase by Phoenix Copper of all of the shares in Leigh Creek Copper Mine Pty Ltd having occurred.

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Waiver of Condition Precedent

As announced on 3 June 2010, Phoenix Copper's purchase of all of the shares in Leigh Creek Copper Mine Pty Ltd and its placement of up to \$1,900,000 worth of Phoenix Copper shares to Long Fortune Limited were both conditional on Phoenix Copper raising a minimum of \$700,000 by means of the SPP. In each case this condition has been waived in accordance with the relevant agreement.

The funds raised by the SPP and the additional funds to be raised by the share subscriptions mentioned above total \$704,000, putting Phoenix Copper in good stead to recommence the mining and production operations of Leigh Creek Copper Mine Pty Ltd once completion of the purchase of all of the shares in Leigh Creek Copper Mine Pty Ltd and the placement of \$1,900,000 worth of shares to Long Fortune Limited have occurred.

General Meeting

Phoenix Copper's purchase of all of the shares in Leigh Creek Copper Mine Pty Ltd remains conditional on shareholders, at the upcoming general meeting on 22 July 2010, approving issues of Phoenix Copper shares that have taken place in the past 12 months without shareholder approval or an exemption from ASX Listing Rule 7.1, the issue of 6,250,000 Phoenix Copper shares and 1,250,000 Phoenix Copper unlisted options to satisfy Leigh Creek Copper Mine Pty Ltd debts and the issue of \$1,900,000 worth of Phoenix Copper shares to Long Fortune Limited.

Phoenix Copper's placement of \$1,900,000 worth of Phoenix Copper shares to Long Fortune Limited remains conditional on shareholders approving the issue of these 11,875,000 shares to Long Fortune Limited at the upcoming general meeting.

A Notice of Meeting was sent to shareholders on 21 June 2010.

For further information contact:

Mr Paul J Dowd
Managing Director
Phone +61 (08) 8364 3188
Facsimile +61 (08) 8364 4288