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PACE FUNDING APPLICATIONS SUCCESSFUL

Phoenix Copper Limited (**Company**) is pleased to announce that its two recent applications for PACE funding have been successful.

These applications were for two diamond drilling programs that have significant benefit to both Phoenix Copper and the state of South Australia. The first is a \$237,000 program to test the mineral extensions north of the Monster Mine at Burra. The second is a \$240,000 program at the Company's Black Hills project that is aimed at revealing more about a gold prospect that was discovered recently by Phoenix Copper. This prospect has already returned two highly encouraging intercepts during a RAB drilling program completed in late 2009; one of 6m at 23.3g/t Au and another of 3m at 15.9g/t Au. The Company also recently completed a small diamond drilling program at the Black Hills project that delivered important structural information, as well as slightly elevated gold values, but no intercepts like the ones seen during the RAB program. This highlights the difficulties encountered when exploring these sorts of nuggetty gold anomalies and the Company is glad to have the monetary assistance of PIRSA's PACE programme to help pursue this exploration.

PIRSA has committed \$50,000 worth of PACE funding to the Burra North program and \$70,000 to the Black Hills program, both subject to a Deed of Conditions of Grant. This is a significant benefit to a junior explorer like Phoenix Copper. The information gleaned from this exploration will be available to PIRSA and will greatly assist their understanding of a region that is steadily growing in importance to South Australia.

For further information, please contact:

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