



ASX ANNOUNCEMENT, 30 NOVEMBER 2010

YORKE PENINSULA EXPLORATION RAMP UP

Phoenix Copper Limited has commenced the ramp up of a significant exploration programme, designed for the discovery of Moonta style and IOCG deposits on its Yorke Peninsula, South Australia exploration licenses, immediately adjacent to the tenements hosting the Rex Minerals Limited recently discovered "Hillside" deposit.

This acceleration of the programme was made possible through the injection of AUD2.5M funds via a recent placement at a premium. Future exploration was to have been self-funded through the now established cash flow from the successful recommissioning of the Mountain of Light copper project. Although a very high exploration priority, the Yorke Peninsula exploration was previously planned to commence in the second half of calendar 2011.

To enable this work and expedite well defined drill targets two additional Exploration Geologists and two Field Assistants have now been employed and a Geophysicist contracted.

Work to date on the Yorke Peninsula has identified two broad target groups:

- Circular magnetic features (similar to those generated by the "Porphyries" host to the Moonta copper deposits) in the centre of the northern portions of Phoenix Copper Limited's tenements EL4031 Minlaton and EL4312 Koolywurtie, and in the north of the southern portion of EL4312.
- Significant structures (potentially contemporaneous to the Pine Point Fault host to Rex Minerals Limited's "Hillside" deposit) disrupting Hiltaba suite rocks in both the northern and southern portions of both EL4031 and EL4312.

The plan on the Yorke Peninsula is to, by Christmas:

- As part of final information gathering and potential resource sharing, complete the current consultation with all Exploration Managers of companies with adjoining or nearby tenements.
- Finalise the optimum scope of work for a combined programme of airborne and ground geophysical surveys, aimed at better defining drill targets over existing anomalies, to test for:
 1. Moonta style porphyry hosted copper deposits; or
 2. Structurally hosted IOCG style mineralisation similar to the "Hillside" deposit and OZ Minerals "Prominent Hill" resource.
- Short-list contractors for the airborne and ground surveys to submit quotes for the programme of work with a view to commencing that programme early in 2011.

REVERSE CIRCULATION DRILLING TO BEGIN AT PRINCESS ROYAL

A programme of 1200m of reverse circulation (RC) drilling commenced on Monday, 29 November at Princess Royal to infill the spacing of drill data to approximately 50m by 20m over the central portions of the Eastern and Western mineralised zones.

Concurrently, Phoenix Copper has engaged a consultant to oversee metallurgical test-work to determine the heap leach characteristics and copper recovery from the mineralised zones.

If successful these programmes of work will allow a resource statement in early 2011 and may form the base load for a possible second “Hub & Spoke” production model for Burra, provided other known anomalies can also be converted to resources.

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