Dated: 19th January 2015

FURTHER INFORMATION ON UPDATED TOTAL RESOURCE

Overview

Phoenix Gold Limited (**ASX: PXG**) ("**Phoenix**" or the "**Company**") is pleased to provide the following information on the updated total Mineral Resource that was announced on 14 January 2015.

In accordance with ASX Listing Rule 5.8.1 and 5.8.2 the Company provides a further summary in the body of the announcement of all information material to understanding the reported estimates of Mineral Resources. In addition, Appendix 1 provides the complete Table 2, Sections 1 and 2 for each project that were referenced but not included.

Kintore Geological Summary

The Kintore project, also known as Castle Hill Stage 2, covers the northern margin of the syn-tectonic granitoid intrusion named the Kintore Tonalite. The northern margin of the tonalite contacts a sequence of tholeiitic and high-magnesian basalts, which have been metamorphosed to hornfels facies adjacent to the contact. The Kintore tonalite is a fine to medium grained massive granitoid of granodioritic composition which is elliptical in plan. The 2 km wide tonalite intrudes ultramafic rocks of the Burbanks Formation in the Telegraph syncline to the east, and mafic/ultramafic rocks of the Burbanks and Hampton Formations to the west. In the Kintore project area the tonalite is 1.78 km in width. The mineralisation at Kintore delineated to date is predominantly orientated E-W with a southerly dip and is 800m in strike length and has a 400m horizontal width.

The dominant structural feature of the project area is the Kunanalling Shear Zone marking the western boundary of the Coolgardie Domain. It has been interpreted as an east dipping listric fault that does not extend below the supra-crustal rocks.

Four styles of mineralisation have been observed on the Kintore tenements to date:

Cement or palaeo-drainage mineralisation

Much of the gold mined from the Kintore region in the early part of the nineteenth century was taken from what are called "cement deposits". This mineralisation consisted auriferous material associated with two east-west trending Tertiary drainage system which appear to have been draining the north-eastern margin of the Kintore tonalite. The palaeo-drainages appear to coalesce further to the east. Gold mineralisation is associated with a thin (0.75m) basal horizon within the channels consisting of quartz grit with a cryptocrystalline quartz-kaolin matrix and with a pebbly to conglomeratic base. Gold occurs within the matrix (cement) and mined grades occur where the coarser clastic sections occurred at the base of the channel. The basal horizon is overlain by poorly stratified cemented sand which in turn is overlain by a kaolin bed and surficial ironstone and gravels. Historic records indicate that an estimated 20,160 tonnes at an average grade of 20.4g/t Au.

Laterite mineralisation

Pisolitic capping covers the south-eastern portion of the tenement area and is commonly mineralised from surface to the weathered tonalite contact. Thicker higher grade zones relate either to root zones along underlying mineralised veins/structures or the presence of auriferous ferricrete-silcrete nodules at the laterite-weathering tonalite contact. Gold mineralisation within the pisolite cap has been interpreted as being geochemically remobilized from the underlying rock during laterisation.

ASX: PXG

Phoenix Gold Ltd
ABN 55 140 269 316

73 Dugan Street
PO Box 100
Kalgoorlie WA 6430
Phone +61 8 9021 2704
Fax +61 8 9021 3393

www.phoenixgold.com.au
info@phoenixgold.com.au

Primary Mineralisation

The tonalite appears to be mineralised with gold which is commonly associated with minor quartz veins and disseminated into the surrounding rock. Primary gold mineralisation is associated with blebs of pyrite, arsenopyrite and rare chalcopyrite. Quartz veining intersected in drill core from previous drilling programs is orientated between 055^0 and 085^0 and vary in thickness from 2cm up to 50cm. A set of major lineaments is interpreted from magnetic and gravity data which are oriented at 345^0 which offset 055^0 vein set and associated gold mineralisation. Numerous quartz stringers and vein networks are associated with the 055^0 quartz veins; these are interpreted as brecciation of the tonalite associated with deformation during the mineralising events.

Drilling Techniques

Reverse Circulation (RC) percussion drilling completed in the March 2014 and December 2014 programmes were completed by Drilling Australia Pty Ltd. Face sampling hammers were used for collection of all down-hole samples. Drill-hole locations were designed and orientated to allow for the spatial spread of samples across the mineralised zones and to test for further extensions to the north and east of known zones. Drill-hole collars were surveyed by a qualified contract surveyor prior to commencement of drilling and after completion of drilling. Down-hole survey measurements were collected by a specialised survey contractor; instruments used were calibrated to industry specifications. A 5.5” face sampling hammer was used to collect samples from all drill-holes. All rigs used during drilling were rated to a greater depth than those drilled. All drilling was planned and surveyed using MGA94_zone51 grid.

Samples from the RC drilling were collected over 1m downhole intervals and reduced via 1:8 cone splitter to produce a 2-4Kg sub-sample. Residue samples were visually logged for moisture, sample recovery and contamination. 99% of the samples reported to the splitting device dry. Wet samples were split through the cone splitter which was washed and dried with compressed air after each sample. No bias in sample recovery was observed during the drilling campaigns. Samples were submitted to a commercial laboratory for gold analysis using the fire assay method. All samples submitted to the laboratory were weighed and monitored to ensure they were representative.

Logging

All RC chip samples for each metre interval are sieved and washed prior to placing in plastic chip trays for logging and storage. Weathering, regolith, rocktype, alteration, structure and mineralisation are logged by a qualified geologist for all intervals for all drill-holes using Phoenix standard logging codes. Logging is both qualitative and quantitative in nature and is to a level of detail to support appropriate Mineral Resource classification. Where no sample was returned due to voids or lost sample it was logged and recorded.

Sampling and Sub-sampling Techniques

RC percussion samples were collected on 1m intervals down the hole. A sub-sample of 2-4Kg (dependent partially on material type) was separated from the whole sample using a 1:8 cone splitter. Moisture from the samples was monitored and recorded. Legacy RC subsamples were collected by single or multiple passes through a free-standing riffle splitter or multi-deck splitter targeting a sample weight of between 2 and 4Kg.

Pre-numbered calico bags were used to collect the subsample at the rig. Bags were reserved in the field where bulk blank samples and Certified Reference Material (CRM) were inserted in the sample stream to maintain the numerical sequence and recorded in the master sample submission book for internal use.

Field quality control procedures for RC percussion drilling involved assay standards, blanks and collection of a field duplicate. CRM's were inserted into each holes sample stream every 30m starting at 15m. Blank material was inserted into each holes sample stream every 30m starting from 30m down the hole. Field duplicates were collected every 30m down the hole. A geologist or field assistant cross checked the bag number against the metre interval before recording sample number in triplicate in a sample submission book. Some randomisation of sample numbers was conducted.

Sample Analysis Method

Assay laboratories in Kalgoorlie and Perth were used for assaying. Gold assays were determined using a fire assay with 40g charge and AAS finish. All samples were dried indirectly in a gas fired oven to temperature of between 85^0 and 105^0 dependent on the laboratory. The entire sample is crushed rotary split to a 1Kg subsample which is then pulverised to 85% passing 75um and an approximately 200g subsample collected for assay. A 40g is collected by spatula from the 200g subsample for fusion and weight recorded by balance. Laboratories used completed internal standard regimes and re-assayed every 20th sample.

The assay results for each sample batch are accepted if the performance of CRM's falls within 3 standard deviations of the assays performed over time on each CRM. If the results of a CRM fall outside the action limits then the laboratory is asked to repeat the assaying on a second 40g pulp of the samples within the batch. A set of different CRM's is supplied to laboratory for the repeat assay. Blank samples are also used to monitor assay results. Legacy sample preparation techniques followed common industry practice of total preparation whereby RC samples were pulverised and an assay pulp sample scooped from the pulveriser and assayed for gold determination using fire assay with an AAS finish. Pulp weights ranged from 50g to 30g dependent on the laboratory used. Diamond drill core submitted for gold analysis was first crushed in a jaw crusher to a nominal 10mm size before either splitting or pulverisation. Umpire checks were undertaken by different laboratory in Kalgoorlie and or Perth. Quality assurance / control for the programme showed acceptable performance

Estimation Method

The resource estimate was compiled using an Ordinary Kriging (OK) algorithm to interpolate the grade within a block model. Estimation was constrained suing semi-hard boundaries derived by coding both the block model and composite drill data with codes for particular rock units, sub-domains and weathering domains. Ordinary kriging was considered an appropriate method for the Kintore project given the current drilling density and knowledge of the geology. The grade estimate is based on 1m down-the-hole composites created using Datamine software. The composite length of 1m was chosen because it was a multiple of the most common sample interval whist providing enough across strike detail of the mineralisation and continuity of the mineralisation. High grade top cuts were applied to the assays prior to compositing. Statistical analysis was completed on both un-cut and cut assays, on a domain by domain basis. Geostatistical analysis was completed using the cut composited data on a domain by domain basis. Variography applied during grade estimation was generated using the Snowden Supervisor software. Grade estimation was completed using Datamine software. Check models completed using alternate estimation methods such as Multiple Indicator Kriging and Inverse Distance.

Drill-hole spacing varied across the project area from 12.5m x 12.5m to 20m x20m and 50m x 50m, with most of holes drilled at -60^0 toward 315^0. Therefore a block size of 10m x 10m x 3m was used to capture interpolated grades during estimation. The 3m cell height was used to fit with current mining bench heights. No selective mining units were assumed in the estimate. The geological, mineralisation and weathering domains acted as semi-hard boundaries to constrain grade estimation. The broad orientation of the estimation domains were aligned semi-parallel to the northern tonalite contact which appears as to direction of greatest mineralisation continuity. Search ellipses were orientated along the direction of mineralisation continuity as delineated in the geostatistical analysis. Interpolation was completed in two passes; the first pass utilised 35m x 20m x 30m (X, Y, and Z) search strategy. A minimum of 6 and maximum of 14 composites were used for grade interpolation this also included use of a maximum of 5 composites per drill-hole was used. The second pass search strategy doubled the first pass dimensions in the X and Z directions.

The resource estimate was validated by; visual inspection of block model estimation in relation to raw drill data on a section by section basis, volumetric comparison of the wireframe/solid volume to the block model volume, comparison of global statistics of the drill composites and block model estimated grades using easting and RL relationship plots, and comparison of the cut grade composites and model grades for each domain.

Cut-off Grade

Cut-off grades for reporting of the resource estimate were 1.0gAu/t and 0.4gAu/t based on current mining planning and economic work completed to date on the project and on proposed processing paths based on metallurgical studies.

Mining and Metallurgical Methods

Currently material from mined at the project is separated on the above cut-off grades with material above 1.0gau/t being trucked and processed at a nearby CIL plant and material above 0.4gAu/t and below 1.0gAu/t being stored for processing via heap leaching. Mining studies of the resource estimate are ongoing.

Resource Classification

The resource estimate has been classified as Indicated and Inferred based on data spacing and using a combination of search volume and number of data used for estimation. Indicated mineral resources are defined nominally where drill spacing was 12.5m x 12.5m to 20m x 20m, whereas the Inferred mineral resource estimate is defined by data with a density of greater than 20m x 20m.

Modifying Factors

No modifying factors were considered during grade estimation.

Red Dam Geological Summary

The Red Dam project occurs within the Zuleika and Kunanalling structural corridor. The principal structure in the Red Dam area is interpreted as a splay of the Zuleika Shear, which approximately strikes to 315°. Within the Red Dam area this principal structure changes strike to 340°. Geological interpretation of the Red Dam area shows the stratigraphy consisting of basalt, quartz dolerite, tuffaceous sediments and agglomerate of intermediate composition flanked to the east by felsic to intermediate volcaniclastics and minor sediments and to the west by talc-chlorite+/-carbonate ultramafics. The mineralised zone comprises a north-west striking steeply east dipping deformed stratigraphy of felsic to intermediate volcanic and volcaniclastics, tuffaceous siltstones and sandstones, shales and carbonaceous shales, basalt and dolerite intrusives.

Structural data recorded from angled core holes indicates the shear foliation within the Red Dam area strikes sub-parallel to the stratigraphy (northwest-southeast- magnetic) and dips steeply (85-90°) to the north-east. Orientation data gathered from the core indicates the geological contacts and bedding laminations within the sedimentary units dip obliquely to the shear foliation.

Gold mineralisation at Red Dam occurs in most geological units however there are two zones which can be traced through most drilling sections. The bulk of the mineralisation is contained within these two zones. The principal mineralised zone is the Central Quartz Dolerite Lode which occurs within a quartz dolerite unit and is associated with both quartz-carbonate stockwork-style veining and late stage planar quartz-carbonate-pyrite veining. Gold mineralisation within this lode thickens where structures within the dolerite dip steeply to the west before rolling over to dip steeply to the east in the down dip position. The second mineralised position is on the dolerite/sediment contact. This mineralisation has been interpreted to occur consistently on the contact between the quartz-dolerite and hangingwall tuffaceous sediments. Gold mineralisation in this position is best developed within medium to coarse grained, silica-sericite-carbonate-leucoxene-sulphide altered tuffaceous sandstone units.

Weathering in the area is deep with up to 10m of transported soil overlying the deposit. Sporadic supergene mineralisation occurs at the base of oxidation approximately 30m below surface. Supergene mineralisation occurs at or near geological contacts while primary gold mineralisation and supergene enrichment zones are constrained within the zones noted above.

Drilling Techniques

Reverse Circulation (RC) percussion drilling completed in the March 2014 and December 2014 programmes were completed by Drilling Australia Pty Ltd. Face sampling hammers were used for collection of all down-hole samples. Drill-hole locations were designed and orientated to allow for the spatial spread of samples across the mineralised zones and to test for further extensions to the north and east of known zones. Drill-hole collars were surveyed by a qualified contract surveyor prior to commencement of drilling and after completion of drilling. Down-hole survey measurements were collected by a specialised survey contractor; instruments used were calibrated to industry specifications. A 5.5” face sampling hammer was used to collect samples from all drill-holes. All rigs used during drilling were rated to a greater depth than those drilled. All drilling was planned and surveyed using MGA94_zone51 grid.

Assays utilised for resource estimation were collected from either RC (75% of the data) or diamond drill core (DDC) (25% of the data. DDC sampling was a combination of PQ, HQ and NQ2 core sizes dependent of the purpose of the hole. DDC was oriented by either a bottom of hole spear or EZI-mark tool.

Samples from the RC drilling were collected over 1m downhole intervals and reduced via 1:8 cone splitter to produce a 2-4Kg sub-sample. Residue samples were visually logged for moisture, sample recovery and contamination. 99% of the samples reported to the splitting device dry. Wet samples were split through the cone splitter which was washed and dried with compressed air after each sample. No bias in sample recovery was observed during the drilling campaigns. Samples were submitted to a commercial laboratory for gold analysis using the fire assay method. All samples submitted to the laboratory were weighed and monitored to ensure they were representative. DDC samples were placed into core trays at the drill site and transported to a core processing facility for logging, collection of geotechnical data, sawing and sampling.

Logging

All RC chip samples for each metre interval are sieved and washed prior to placing in plastic chip trays for logging and storage. Weathering, regolith, rocktype, alteration, structure and mineralisation are logged by a qualified geologist for all intervals for all drill-holes using Phoenix standard logging codes. Logging is both qualitative and quantitative in nature and is to a level of detail to support appropriate Mineral Resource classification. Where no sample was returned due to voids or lost sample it was logged and recorded.

Sampling and Sub-sampling Techniques

RC percussion samples were collected on 1m intervals down the hole. A sub-sample of 2-4Kg (dependent partially on material type) was separated from the whole sample using a 1:8 cone splitter. Moisture from the samples was monitored and recorded. Legacy RC subsamples were collected by single or multiple passes through a free-standing riffle splitter or multi-deck splitter targeting a sample weight of between 2 and 4Kg.

DDC was either half cut or quarter cut using an automatic diamond saw, for half cut core one half was stored and one half sampled. For quarter cut core one quarter was sampled and submitted for assay, one half was sampled and submitted for metallurgical test-work and the remainder stored in the core tray. The whole length of core was sampled; sample lengths were based on geological intervals logged by the geologist. The minimum sample length was 0.3m and maximum length was 1.2m.

Pre-numbered calico bags were used to collect the subsample at the rig. Bags were reserved in the field where bulk blank samples and Certified Reference Material (CRM) were inserted in the sample stream to maintain the numerical sequence and recorded in the master sample submission book for internal use.

Field quality control procedures for RC percussion drilling involved assay standards, blanks and collection of a field duplicate. CRM's were inserted into each holes sample stream every 30m starting at 15m. Blank material was inserted into each holes sample stream every 30m starting from 30m down the hole. Field duplicates were collected every 30m down the hole. A geologist or field assistant cross checked the bag number against the metre interval before recording sample number in triplicate in a sample submission book. Some randomisation of sample numbers was conducted.

Sample Analysis Method

Assay laboratories in Kalgoorlie and Perth were used for assaying. Gold assays were determined using a fire assay with 40g charge and AAS finish. All samples were dried indirectly in a gas fired oven to temperature of between 85^0 and 105^0 dependent on the laboratory. The entire sample is crushed rotary split to a 1Kg subsample which is then pulverised to 85% passing 75um and an approximately 200g subsample collected for assay. A 40g is collected by spatula from the 200g subsample for fusion and weight recorded by balance. Laboratories used completed internal standard regimes and re-assayed every 20th sample.

The assay results for each sample batch are accepted if the performance of CRM's falls within 3 standard deviations of the assays performed over time on each CRM. If the results of a CRM fall outside the action limits then the laboratory is asked to repeat the assaying on a second 40g pulp of the samples within the batch. A set of different CRM's is supplied to laboratory for the repeat assay. Blank samples are also used to monitor assay results. Legacy sample preparation techniques followed common industry practice of total preparation whereby RC samples were pulverised and an assay pulp sample scooped from the pulveriser and assayed for gold determination using fire assay with an AAS finish. Pulp weights ranged from 50g to 30g dependent on the laboratory used. Diamond drill core submitted for gold analysis was first crushed in a jaw crusher to a nominal 10mm size before either splitting or pulverisation. Umpire checks were undertaken by different laboratory in Kalgoorlie and or Perth. Quality assurance / control for the programme showed acceptable performance

Estimation Method

Statistical and geostatistical analyses were carried out on drilling data composited to 1 m downhole intervals. This included variography to model the spatial continuity of the grades within the mineralisation domains and weathered profiles. Multiple Indicator Kriging (MIK) was used for estimation of the mineralisation and background domains using Golder proprietary software. The MIK approach included a change of support using the Indirect Lognormal correction using a 0.08 variance correction factor to emulate a selective open pit mining scenario.

High-grade treatment was applied for the mineralisation domains using spatial restraining. High-grade composites greater than a nominated threshold were used only in the estimation of blocks within a 20 m by 20 m by 5 m radius of the high-grade composite in the plane of the mineralisation. The high-grade thresholds used are:

- 10 g/t Au for flat lying mineralised oxide
- 15 g/t Au for flat lying mineralised transition or fresh
- 10, 15 and 30 g/t Au for mineralised oxide, transition and fresh composites contained within sub-vertical footwall wall lenses
- 10, 20 and 20 g/t Au for mineralised oxide, transition and fresh composites contained within sub-vertical hanging wall lenses.

A geological block model was constructed with a parent cell size of 10 m (X) by 5 m (Y) by 5 m (Z) with sub-celling of 2.5 m (X) by 2.5 m (Y) by 0.5 m (Z) to achieve acceptable resolution of geological domains.

The resource estimate grades were validated globally comparing statistics by domains between blocks and samples. Visual inspection and swath plots were used for local validations.

Cut-off Grade

The resource model is constrained by assumptions about economic cut-off grades. The mineralisation domain in the geological interpretation is based on a nominal cut-off grade of 0.3 g/t Au. The Mineral Resources were reported using a range of cut-off grades between 0.2 g/t Au and 3.0 g/t Au, applied on a block by block basis.

The reporting cut-off grade for the Mineral Resource statement is defined as 0.5 to 1.0 g/t Au for potential leach feed and above 1 g/t Au cut-off for potential CIL feed. The cut-off grades on in-line with recent preliminary whittle optimisation work carried out on Red Dam model.

Mining and Metallurgical Methods

The Mineral Resource estimation approach has assumed that mining will take place using an open pit, selective mining method. The vertical block size is 5 m, which forms the basis of the assumed vertical selectivity in the Mineral Resource estimate.

The project plans for both the heap leach and conventional mill with cyanide leach processes. Metallurgical tests yielded leachable recoveries up to 95% (dolerite and basalt) to 62% (shale) with a moderate gravity component. There is good repeatability between field assay results and bulk metallurgical results. Results for the gravity recoverable gold from the primary rock types ranged from 35% to 59%.

Overall the preliminary test work highlights that the Red Dam is amenable to conventional cyanide leaching and metallurgical performance would be enhanced by passing the ore through a gravity circuit prior to leaching.

Resource Classification

The Mineral Resources were classified according to the following criteria and assumptions:

Due to the complexity of the mineralisation lode system, no measured material has been classified as a Measured resource estimate for Red Dam deposit.

Indicated Resources: the area of Red Dam classified as Indicated Resources has sections spaced at 50 m with drill holes at 50 m centres on-section.

All remaining blocks have been classified as Inferred.

Extrapolation of mineralisation from drill hole was limited to 20 m to 30 m, generally half of the nominal drill hole spacing on section

Modifying Factors

The Mineral Resource estimation approach has assumed that mining will take place using an open pit, selective mining method. The vertical block size is 5 m, which forms the basis of the assumed vertical selectivity in the Mineral Resource estimate.

Burgundy Geological Summary

The Burgundy project overlies ultramafics high magnesian basalts and volcanic – epiclastic sedimentary rocks. Subordinate dolerites, gabbro and felsic porphyry dykes intrude the sequence. The south-western boundary of the project area lies adjacent to and parallel with the Kunanalling Shear Zone. The south-eastern boundary of the Burgundy project is underlain by the western limb of the Mungari Syncline defined by an extensive differentiated gabbro locally termed the Powder Sill. The dominant structural feature in the area is the shallowly plunging Telegraph Syncline.

The Burgundy project is located within the western limb of the Telegraph Syncline and occupies the stratigraphic horizon of doleritic intrusives bounded by felsic sediment packages which includes siltstones, graphitic shale and conglomerates. The doleritic intrusive is up to 50m in true thickness and comprises at least three sub-units, the most recognisable are a high magnesian basalt (has been interpreted as an ultramafic) margin, and coarse grained core of doleritic composition. The succession is repeated across drill sections.

The dominant structural feature within the immediate Burgundy area is the Crest Fault zone which is an anastomosing array of shears and faults. To the north of the project area the Crest Fault zone has been interpreted as axial planar to the Telegraph Syncline, within the project area the Crest Fault Zone is interpreted as propagating along the western limb. The Crest fault strikes at 315° dipping steeply to the east at 75°; in the project area the fault straightens to 350° with a resultant decrease of dip to approximately 60 - 65°. Within the project area the contacts between the doleritic rocks and bounding sediment package is sheared/faulted which has generated a strong foliation in the rocks.

The bulk of the mineralisation at Burgundy is hosted in two sub-parallel north-south trending structures within the dolerite. Small parallel lodes have also been interpreted to form along other lithological contacts. The main ore zones dip to the east between 50 and 70° which are associated with zones of intense bleaching featuring albite and chlorite alteration, sometimes accompanied by sericite alteration. Coarse euhedral arsenopyrite and minor pyrite is associated with gold mineralisation. Gold mineralisation is also associated with quartz veining; interpreted as narrow discontinuous veins. Gold mineralisation thickens toward the northern of the project area where the ore body has been interpreted to truncate against a north-east trending cross fault.

Weathering in the area is deep; base of oxidation varies from 20 to 40m in depth and top of fresh rock averages around 70m deep. Within the oxidised rock horizon gold mineralisation has been enhanced by supergene processes, this has been interpreted as being constrained within enveloping structures with occasional "blow-outs" into the surrounding rock mass in and around cross faults. In these areas coarse re-mobilised gold is found within relic quartz veins. Gold mineralisation starts at surface at the northern end of the deposit and plunges to the south.

Drilling Techniques

Reverse Circulation (RC) percussion drilling completed in the March 2014 and December 2014 programmes were completed by Drilling Australia Pty Ltd. Face sampling hammers were used for collection of all down-hole samples. Drill-hole locations were designed and orientated to allow for the spatial spread of samples across the mineralised zones and to test for further extensions to the north and east of known zones. Drill-hole collars were surveyed by a qualified contract surveyor prior to commencement of drilling and after completion of drilling. Down-hole survey measurements were collected by a specialised survey contractor; instruments used were calibrated to industry specifications. A 5.5" face sampling hammer was used to collect samples from all drill-holes. All rigs used during drilling were rated to a greater depth than those drilled. All drilling was planned and surveyed using MGA94_zone51 grid.

Assays utilised for resource estimation were collected from either RC (75% of the data) or diamond drill core (DDC) (25% of the data. DDC sampling was a combination of PQ, HQ and NQ2 core sizes dependent of the purpose of the hole. DDC was oriented by either a bottom of hole spear or EZI-mark tool.

Samples from the RC drilling were collected over 1m downhole intervals and reduced via 1:8 cone splitter to produce a 2-4Kg sub-sample. Residue samples were visually logged for moisture, sample recovery and contamination. 99% of the samples reported to the splitting device dry. Wet samples were split through the cone splitter which was washed and dried with compressed air after each sample. No bias in sample recovery was observed during the drilling campaigns. Samples were submitted to a commercial laboratory for gold analysis using the fire assay method. All samples submitted to the laboratory were weighed and monitored to ensure they were representative. DDC samples were placed into core trays at the drill site and transported to a core processing facility for logging, collection of geotechnical data, sawing and sampling.

Logging

All RC chip samples for each metre interval are sieved and washed prior to placing in plastic chip trays for logging and storage. Weathering, regolith, rocktype, alteration, structure and mineralisation are logged by a qualified geologist for all intervals for all drill-holes using Phoenix standard logging codes. Logging is both qualitative and quantitative in nature and is to a level of detail to support appropriate Mineral Resource classification. Where no sample was returned due to voids or lost sample it was logged and recorded.

Sampling and Sub-sampling Techniques

RC percussion samples were collected on 1m intervals down the hole. A sub-sample of 2-4Kg (dependent partially on material type) was separated from the whole sample using a 1:8 cone splitter. Moisture from the samples was monitored and recorded. Legacy RC subsamples were collected by single or multiple passes through a free-standing riffle splitter or multi-deck splitter targeting a sample weight of between 2 and 4Kg.

DDC was either half cut or quarter cut using an automatic diamond saw, for half cut core one half was stored and one half sampled. For quarter cut core one quarter was sampled and submitted for assay, one half was sampled and submitted for metallurgical test-work and the remainder stored in the core tray. The whole length of core was sampled; sample lengths were based on geological intervals logged by the geologist. The minimum sample length was 0.3m and maximum length was 1.2m.

No composited samples were collected in current drilling programs. Historic sampling has been subject to compositing prior to submission to laboratory for gold determination. For composites which returned an assay of interest the original 1m sub-sample was submitted for gold determination.

Pre-numbered calico bags were used to collect the subsample at the rig. Bags were reserved in the field where bulk blank samples and Certified Reference Material (CRM) were inserted in the sample stream to maintain the numerical sequence and recorded in the master sample submission book for internal use.

Field quality control procedures for RC percussion drilling involved assay standards, blanks and collection of a field duplicate. CRM’s were inserted into each holes sample stream every 30m starting at 15m. Blank material was inserted into each holes sample stream every 30m starting from 30m down the hole. Field duplicates were collected every 30m down the hole. A geologist or field assistant cross checked the bag number against the metre interval before recording sample number in triplicate in a sample submission book. Some randomisation of sample numbers was conducted.

Sample Analysis Method

Assay laboratories in Kalgoorlie and Perth were used for assaying. Gold assays were determined using a fire assay with 40g charge and AAS finish. All samples were dried indirectly in a gas fired oven to temperature of between 85^0 and 105^0 dependent on the laboratory. The entire sample is crushed rotary split to a 1Kg subsample which is then pulverised to 85% passing 75um and an approximately 200g subsample collected for assay. A 40g is collected by spatula from the 200g subsample for fusion and weight recorded by balance. Laboratories used completed internal standard regimes and re-assayed every 20th sample.

The assay results for each sample batch are accepted if the performance of CRM’s falls within 3 standard deviations of the assays performed over time on each CRM. If the results of a CRM fall outside the action limits then the laboratory is asked to repeat the assaying on a second 40g pulp of the samples within the batch. A set of different CRM’s is supplied to laboratory for the repeat assay. Blank samples are also used to monitor assay results. Legacy sample preparation techniques followed common industry practice of total preparation whereby RC samples were pulverised and an assay pulp sample scooped from the pulveriser and assayed for gold determination using fire assay with an AAS finish. Pulp weights ranged from 50g to 30g dependent on the laboratory used. Diamond drill core submitted for gold analysis was first crushed in a jaw crusher to a nominal 10mm size before either splitting or pulverisation. Umpire checks were undertaken by different laboratory in Kalgoorlie and or Perth. Quality assurance / control for the programme showed acceptable performance

Estimation Method

Statistical and geostatistical analyses were carried out on drilling data composited to 1 m downhole intervals. This included variography to model the spatial continuity of the grades within the mineralisation domains and weathered profiles. Multiple Indicator Kriging (MIK) was used for estimation of the mineralisation and background domains using Golder proprietary software. The MIK approach included a change of support using the Indirect Lognormal correction using a 0.08 variance correction factor to emulate a selective open pit mining scenario.

High-grade treatment was applied for the mineralisation domains using spatial restraining. High grade composites greater than 10 g/t Au for mineralised oxide, 8 g/t Au for mineralised transition, 12 g/t Au for mineralised fresh and 0.5 g/t Au for all others were used only in the estimation of blocks within a 20 m by 20 m by 5 m radius of the high-grade composite in the plane of the mineralisation. A geological block model was constructed with a parent cell size of 10 m (X) by 5 m (Y) by 5 m (Z) with sub-celling of 2.5 m (X) by 2.5 m (Y) by 0.5 m (Z) to achieve acceptable resolution of geological domains.

The resource estimate grades were validated globally comparing statistics by domains between blocks and samples. Visual inspection and swath plots were used for local validations.

Cut-off Grade

The resource model is constrained by assumptions about economic cut-off grades. The mineralisation domain in the geological interpretation is based on a nominal cut-off grade of 0.3 g/t Au. The Mineral Resources were reported using a range of cut-off grades between 0.2 g/t Au and 3.0 g/t Au, applied on a block by block basis.

The reporting cut-off grade for the Mineral Resource statement is defined as 0.5 to 1.0 g/t Au for potential leach feed and above 1 g/t Au cut-off for potential CIL feed. The cut-off grades on in-line with recent preliminary whittle optimisation work carried out on the Burgundy model.

Mining and Metallurgical Methods

The Mineral Resource estimation approach has assumed that mining will take place using an open pit, selective mining method. The vertical block size is 5 m, which forms the basis of the assumed vertical selectivity in the Mineral Resource estimate. The project plans for both the heap leach and conventional mill with cyanide leach processes. Preliminary metallurgical testing was conducted by Ace Laboratories in Kalgoorlie on behalf of Mines & Resource Australia. Recoveries were high with an average of 96.7% over the ten samples processed with no refractory element apparent. Oretest Pty Ltd was commissioned by Resource Services Group to perform further cyanidation test-work. Seven 1 kg samples of core in fresh and oxidised material were analysed by a standard 72 hour bottle roll cyanide leach analysis which produced similar results to the previous test-work. Metallurgical test-work is ongoing.

Resource Classification

The Mineral Resources were classified according to the following criteria and assumptions:

- Measured Resources: the area of Burgundy classified as Measured Resources has sections spaced at 20 m with drill holes at 20 m centres on-section. The kriging slope of regression was used as a guide, with the aim that the region classified as Measured Resources is generally supported by blocks with a slope greater than 0.85.
- Indicated Resources: the area of Burgundy classified as Indicated Resources has sections spaced at 60 m with drill holes at 60 m centres on-section. The kriging slope of regression was used as a guide, with the aim that the region classified as Indicated Resources is generally supported by blocks with a slope greater than 0.65.
- Inferred Resources: all remaining estimated blocks.

Extrapolation of mineralisation from drill hole was limited to 20 m to 30 m, generally half of the nominal drill hole spacing on section.

Modifying Factors

The Mineral Resource estimation approach has assumed that mining will take place using an open pit, selective mining method. The vertical block size is 5 m, which forms the basis of the assumed vertical selectivity in the Mineral Resource estimate.

Castle Hill Stage 3 Geological Summary

The Castle Hill Stage 3 resource is comprised of three deposits from south to north: Wookie, Lady Alice and Picante. All of the deposits are structurally linked. The principal lithology to host gold mineralisation at Castle Hill Stage 3 is the Kintore Tonalite, a large intrusive granitoid of granodioritic composition. The tonalite intrudes a sequence of basaltic and ultramafic rocks to the east and west. The elliptical Kintore Tonalite attenuates to the south to form a very long narrow (80m wide in plan) intrusion which hosts the Mick Adam and Wadi gold mineralisation and a dyke swarm to the south-east which hosts the Outridge and Kiora gold mineralisation.

Gold mineralisation is also hosted along the eastern margin of the main body of the tonalite at Wookie and Picante. Gold mineralisation in this area is hosted within the tonalite and within the flanking mafic/ultramafic sequence.

The Lady Alice gold mineralisation is associated with a fault array hosted entirely within the bulk of the tonalite intrusive. The Lady Alice fault array coincides with the boundary between de-magnetised tonalite to the east and magnetised tonalite to the west. The fault array intersects the south-eastern margin of the Kintore at the southern end of the Wookie mineralisation. Vertical vein arrays and kinematic indicators at the nearby Mick Adam and Kiora deposits show the primary deformation at Castle Hill was extension with an east block down (sinistral normal) sense of movement, suggesting emplacement of the tonalite coincided with the beginning of an extensional doming event and the start of basin formation. The tonalite has therefore been interpreted as being emplaced in a relay zone between two fault tips. NE trending discrete faults are interpreted to be hard-linked transfer structures (perhaps zones of inherited weakness) which form jogs and hence local areas of dilation in the normal faults.

Mick Adam and Wadi are separated by a NE trending fault which has generated an offset of 250m across strike. Wookie (southern end of Castle Hill stage 3) is separated from the Mick Adam deposit by a similar NE trending structure. NW trending shear zones which were re-activated during sinistral transpression accommodate much of the compressional strain and act to preserve the extensional domain.

Primary mineralisation within the tonalite at Wookie and Lady Alice is related to narrow west dipping quartz veins containing moderately to extremely high gold grades and as fine disseminated gold within the tonalite groundmass.

The disseminated gold is commonly associated with minor blebs of pyrite, arsenopyrite and rare chalcopyrite. High gold grade veins are typically 10 to 20cm thick and commonly occur in extensional arrays of four to five veins generating high grade zones up to 10m in horizontal thickness. Extensional veins are more common along the eastern margin of the tonalite. The Picante deposit has been interpreted as a north-east plunging shoot at the intersection between a north-west trending fault and the tonalite contact.

Moderate to strong supergene mineralisation has been developed over all three deposits. Depth to this horizon varies from 8 to 20m below surface. The supergene mineralisation at Wookie and Lady Alice may be linked and further drilling is required to confirm this. At this stage both have been interpreted separately. Wookie and Picante are linked geologically and further drilling is required to test if gold mineralisation between the two deposits is continuous. Gold mineralisation remains open at depth on all three deposits and open to the north of Lady Alice and Picante.

Reverse Circulation (RC) percussion drilling completed in the March 2014 and December 2014 programmes were completed by Drilling Australia Pty Ltd. Face sampling hammers were used for collection of all down-hole samples. Drill-hole locations were designed and orientated to allow for the spatial spread of samples across the mineralised zones and to test for further extensions to the north and east of known zones. Drill-hole collars were surveyed by a qualified contract surveyor prior to commencement of drilling and after completion of drilling. Down-hole survey measurements were collected by a specialised survey contractor; instruments used were calibrated to industry specifications. A 5.5” face sampling hammer was used to collect samples from all drill-holes. All rigs used during drilling were rated to a greater depth than those drilled. All drilling was planned and surveyed using MGA94_zone51 grid.

Samples from the RC drilling were collected over 1m downhole intervals and reduced via 1:8 cone splitter to produce a 2-4Kg sub-sample. Residue samples were visually logged for moisture, sample recovery and contamination. 99% of the samples reported to the splitting device dry. Wet samples were split through the cone splitter which was washed and dried with compressed air after each sample. No bias in sample recovery was observed during the drilling campaigns. Samples were submitted to a commercial laboratory for gold analysis using the fire assay method. All samples submitted to the laboratory were weighed and monitored to ensure they were representative.

Logging

All RC chip samples for each metre interval are sieved and washed prior to placing in plastic chip trays for logging and storage. Weathering, regolith, rocktype, alteration, structure and mineralisation are logged by a qualified geologist for all intervals for all drill-holes using Phoenix standard logging codes. Logging is both qualitative and quantitative in nature and is to a level of detail to support appropriate Mineral Resource classification. Where no sample was returned due to voids or lost sample it was logged and recorded.

Sampling and Sub-sampling Techniques

RC percussion samples were collected on 1m intervals down the hole. A sub-sample of 2-4Kg (dependent partially on material type) was separated from the whole sample using a 1:8 cone splitter. Moisture from the samples was monitored and recorded. Legacy RC subsamples were collected by single or multiple passes through a free-standing riffle splitter or multi-deck splitter targeting a sample weight of between 2 and 4Kg.

Pre-numbered calico bags were used to collect the subsample at the rig. Bags were reserved in the field where bulk blank samples and Certified Reference Material (CRM) were inserted in the sample stream to maintain the numerical sequence and recorded in the master sample submission book for internal use.

Field quality control procedures for RC percussion drilling involved assay standards, blanks and collection of a field duplicate. CRM's were inserted into each holes sample stream every 30m starting at 15m. Blank material was inserted into each holes sample stream every 30m starting from 30m down the hole. Field duplicates were collected every 30m down the hole. A geologist or field assistant cross checked the bag number against the metre interval before recording sample number in triplicate in a sample submission book. Some randomisation of sample numbers was conducted.

Sample Analysis Method

Assay laboratories in Kalgoorlie and Perth were used for assaying. Gold assays were determined using a fire assay with 40g charge and AAS finish. All samples were dried indirectly in a gas fired oven to temperature of between 85^0 and 105^0 dependent on the laboratory. The entire sample is crushed rotary split to a 1Kg subsample which is then pulverised to 85% passing 75um and an approximately 200g subsample collected for assay. A 40g is collected by spatula from the 200g subsample for fusion and weight recorded by balance. Laboratories used completed internal standard regimes and re-assayed every 20th sample.

The assay results for each sample batch are accepted if the performance of CRM's falls within 3 standard deviations of the assays performed over time on each CRM. If the results of a CRM fall outside the action limits then the laboratory is asked to repeat the assaying on a second 40g pulp of the samples within the batch. A set of different CRM's is supplied to laboratory for the repeat assay. Blank samples are also used to monitor assay results. Legacy sample preparation techniques followed common industry practice of total preparation whereby RC samples were pulverised and an assay pulp sample scooped from the pulveriser and assayed for gold determination using fire assay with an AAS finish. Pulp weights ranged from 50g to 30g dependent on the laboratory used. Diamond drill core submitted for gold analysis was first crushed in a jaw crusher to a nominal 10mm size before either splitting or pulverisation. Umpire checks were undertaken by different laboratory in Kalgoorlie and or Perth. Quality assurance / control for the programme showed acceptable performance

Estimation Method

The block model was constructed using interpolation of grade via a combination of Ordinary Kriging (OK) and Local Uniform Conditioning (LUC). The LUC interpolation was used for the tonalite hosted mineralisation for Picante and Wookie which contain the majority of concentrated drilling data and the bulk of the mineralisation for the Castle Hill Stage 3 model. This method was chosen over the OK method to provide better local grade estimation for mining evaluation at an SMU scale. The method potentially, provides more representative grades where there is a mixture of high grade veins and diffuse lower grades in the broad tonalite unit. OK estimation was carried out for comparison analysis and whether it was more appropriate for parts of the mineralisation which are more sparsely drilled. The smaller supergene mineralisation has far less drilling and data points and was estimated using the OK method alone.

Resource modelling for each domain was as follows:

- Only RC and DD sample data was used for the resource estimation work;
- Mineralised domains were digitised on to cross-section using 3D strings and then wireframed to generate solids;
- Geology was used to separate the different mineralised zones, within these zones a threshold grade of 0.3g/t Au was used to separate mineralised rock form un-mineralised rock;
- Sub-domains were generated to represent each weathering material type across each of the mineralised zones (oxide, transition, fresh);
- Drillhole sample data was flagged using domain codes generated from three dimensional mineralisation domains and oxidation surfaces;
- Sample data was composited to 2 metre downhole length using a best fit-method. There were consequently no residuals. Intervals with no assays were excluded from the compositing routine.

Spatial data analysis was completed as follows:

- Statistical analysis for Au undertaken for each domain to identify the distribution of each population and detect statistical outliers;
- Composite gold grade distributions within domains was assessed including comparison analysis between tonalite domains and between oxide zones within a mineralised domain;
- The influence of extreme grade values was reduced by top-cutting where required. The top-cut levels were determined using a combination of top-cut analysis tools (grade histograms, log probability plots and CVs);
- Top-cuts were reviewed and applied on a domain basis for the OK estimation.
- Variogram analysis was conducted on all domains to assess against interpreted orientation of mineralised domains and build variogram model parameters for Au grade interpolation.

For mineralised domains estimated, interpolation parameters were set to a minimum number of 14 composites and a maximum number of 40 composites for the estimate. Maximum search ellipse of 160metres was used. The maximum distance of extrapolation from data points was half the drill spacing. Computer software used for the modelling and estimation was Surpac v. 6.3.2 with Isatis software used to conduct geostatistical analysis and grade interpolation for LUC estimation for specific lode domains.

This Mineral Resource is updated from the August 2013 Mineral Resource statement for Wookie and an update of the December 2012 Mineral Resource statement for Picante. During the validation process, comparison tables were setup to compare previous model estimates, and OK versus LUC estimates in order to check the impact of new infill drilling and to assess the appropriateness of the different estimation techniques.

There has been no previous mining activity at Picante and Wookie No by-product recoveries were considered. Arsenic (ppm) was assayed for the most recent drilling, but not estimated. Although some arsenopyrite has been seen in high grade veins in the tonalite hosted mineralisation locally, the visible gold in these veins do not appear to be associated directly with the sulphides.

The parent block size used is 10mN, 10m E and 2.5m RL and sub-blocked to 5.0mN x 2.5mE x 1.25mRL.

The bulk of the drilling data was on 100/50m x 25m (Wookie) and 20 x 20m (Picante) spaced sections. No assumptions of selective mining units were made. No correlation between gold and other elements has been assessed for any of the deposits. The mineralised domains acted as a hard boundary to control the Mineral Resource estimate. Composite gold grade distributions within these zones were assessed to determine if a high grade cut should be applied. In general only a very small number of outlier values are included in the estimation domains that required top-cut values to be applied.

Block model validation was conducted by the following means:

- Visual inspection of block model estimation in relation to raw drill data on a section by section basis;
- Volumetric comparison of the wireframe/solid volume to that of the block model volume for each domain;
- A global statistical comparisons of input and block grades, and local composite grade (by northing and RL) relationship plots (swath plots), to the block model estimated grade for each domain; and
- Comparison the cut grade drillhole composites with the block model grades for each lode domain in 3D.

Cut-off Grade

Cut-off grade for reporting is 0.8/t Au and 0.4g/t Au based on economic considerations and previous optimisation and metallurgical studies completed for the Castle Hill Projects - bulk open pit mining at 5m bench height. Both heap leach and milling options were reviewed with the selected cut-off grades being optimal for each processing path.

Mining and Metallurgical Methods

Mining studies completed are based on open cut methods suing a contract mining fleet and conventional drill and blast methods. Expected mining recoveries and dilution rates will vary between domains based on the geometry of the domains. Metallurgical test-work completed as part of metallurgical studies completed in 2013 indicate the material is suitable for standard CIL processing as well as processing through a heap leach facility.

Resource Classification

Blocks have been classified as Indicated or Inferred essentially based on data spacing and using a combination of search volume and number of data used for the estimation. Indicated Mineral Resources are defined nominally on 50 x 25m to 25m x 25m spaced drilling. Inferred Mineral Resources are defined by data density greater than 50m x 25m spaced drilling and confidence that the continuity of geology and mineralisation can be extended along strike and at depth. Classification limits may vary where grade and geology is extremely continuous even though drill spacing extends passed the nominal limits specified. For Wookie, due to the bulk low grade nature and grade continuity over a large distance it is prudent to classify areas of the tonalite as Indicated if the search criteria were met. For Picante, with the close spaced drilling at 20m x 20m, this has increased confidence sufficient for Indicated classification to be assigned for a large portion of the mineralised envelope. The Mineral Resource estimate appropriately reflects the Competent Person's view of the deposit.

Modifying Factors

No modifying factors were considered during grade estimation.

About Phoenix

19th January 2015

Phoenix Gold Ltd is an emerging Australian exploration and development company with an extensive land holding on the Zuleika and Kunanalling shear zones northwest of Kalgoorlie in Western Australia, home to some of Australia's richest gold deposits.

Kalgoorlie-based Phoenix is aiming to significantly grow its JORC-classified resources, complete a definitive feasibility study on core projects and to self-fund aggressive exploration through the development of advanced mining projects that can deliver cash flow in the short term.

The 100% owned Castle Hill gold project is emerging as a flagship asset with the potential to become a multi-million ounce gold mine with excellent metallurgy and close to all major infrastructure. Castle Hill is one of many well-endowed gold systems within Phoenix's portfolio.

With a balanced mix of exploration (new discoveries and extensions) and development of a sustainable production profile, Phoenix aims to grow a significant gold company for the benefit of all stakeholders.

Table 2: Phoenix Gold – Summary of Mineral Resources

Project (Mill Feed)	Measured Mineral Resource			Indicated Mineral Resource			Inferred Mineral Resource			Total Mineral Resource		
	Mt	Au (g/t)	Au Oz	Mt	Au(g/t)	Au oz	Mt	Au (g/t)	Au Oz	Mt	Au (g/t)	Au Oz
Mick Adams/Wadi				18.09	1.5	894,000	6.39	1.3	274,000	24.48	1.5	1,168,000
Kintore				3.03	1.6	160,000	4.21	1.8	239,000	7.24	1.7	399,000
Castle Hill Stage 3				2.38	1.4	109,000	1.36	1.3	59,000	3.74	1.4	168,000
Red Dam				2.05	2.1	140,000	1.04	2.2	74,000	3.09	2.2	214,000
Broads Dam				0.13	2.9	12,000	2.16	2.3	158,000	2.29	2.3	170,000
Burgundy	0.49	2.0	31,000	0.40	2.3	29,000	0.09	1.5	4,000	0.98	2.0	65,000
Kunanalling				0.46	2.4	35,000	4.12	1.7	229,000	4.58	1.8	264,000
Ora Banda				2.36	2.0	149,000	2.79	1.8	163,000	5.15	1.9	312,000
Carbine				1.70	1.6	86,000	0.21	2.1	14,000	1.91	1.6	100,000
Zuleika North							0.62	2.5	49,000	0.62	2.5	49,000
Stockpiles				0.08	1.4	4,000				0.08	2.5	4,000
Total	0.49	2.0	31,000	30.68	1.6	1,618,000	22.99	1.7	1,263,000	54.16	1.7	2,913,000

Project (Heap leach feed)	Measured Mineral Resource			Indicated Mineral Resource			Inferred Mineral Resource			Total Mineral Resource		
	Mt	Au (g/t)	Au Oz	Mt	Au(g/t)	Au oz	Mt	Au (g/t)	Au Oz	Mt	Au (g/t)	Au Oz
Mick Adams/Wadi				21.54	0.6	400,000	10.98	0.6	198,000	32.52	0.6	598,000
Kintore				6.68	0.6	131,000	7.87	0.6	156,000	14.55	0.6	287,000
Castle Hill Stage 3				3.80	0.6	68,000	2.01	0.6	36,000	5.81	0.6	104,000
Burgundy	1.04	0.6	22,000	0.86	0.6	18,000	0.22	0.6	4,000	2.12	0.6	44,000
Red Dam				1.89	0.7	44,000	0.97	0.7	23,000	2.86	0.7	67,000
Stockpiles				0.48	0.6	9,000				0.48	0.6	9,000
Total				35.25	0.6	670,000	22.05	0.6	417,000	58.34	0.6	1,109,000

Total Jan 2015	0.49	2.0	31,000	65.93	1.1	2,288,000	45.04	1.2	1,680,000	112.50	1.1	4,022,000

Visit us at www.phoenixgold.com.au

For further information please contact

Investors

Jon Price, Managing Director - PXG
(08) 90 212 704

info@phoenixgold.com.au

Media

Fiona Meiklejohn
FTI Consulting

(08) 9485 8888 or 0415 660 076

Qualification Statements

The information in this report that relates to Mineral Resource Estimation for Castle Hill Stage 1 and Castle Hill Stage 3 is based on information compiled by Mr Brian Fitzpatrick, Senior Consulting Geologist for Cube Consulting. Mr Fitzpatrick is a Member of the Australasian Institute of Mining and Metallurgy and is also an accredited Chartered Professional Geologist. Mr Fitzpatrick has sufficient experience which is relevant to the style of mineralisation and type of deposit under consideration to qualify as a Competent Person as defined in the 2012 Edition of the "Australasian Code for Reporting of Exploration Results, Mineral resources and Ore Reserves" (JORC Code). Mr Fitzpatrick consents to the inclusion in this report of the matters based on their information in the form and context in which it appears.

The information in this report that relates to Mineral Resource Estimation for Red Dam and Burgundy is based on information compiled by Dr Sia Khosrowshahi Principal Consulting Geologist for Golder Associates Pty Ltd. Dr Khosrowshahi is a Member of the Australasian Institute of Mining and Metallurgy. Dr Khosrowshahi has sufficient experience which is relevant to the style of mineralisation and type of deposit under consideration to qualify as a Competent Person as defined in the 2012 Edition of the "Australasian Code for Reporting of Exploration Results, Mineral resources and Ore Reserves" (JORC Code). Dr Khosrowshahi consents to the inclusion in this report of the matters based on their information in the form and context in which it appears.

The information in this report that relates to reporting of Exploration Results and Resources other than those mentioned above are based on information compiled by Ian Copeland who is an employee of the company and fairly represent this information. Mr Copeland is a Member of the Australasian Institute of Mining and Metallurgy. Mr Copeland have sufficient experience of relevance to the styles of mineralisation and the types of deposits under consideration, and the activities undertaken, to qualify as Competent Persons as defined in the 2012 Edition of the Joint Ore Reserves Committee (JORC) Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves. Mr Copeland consents to inclusion in this report of the matters based on information in the form and context in which it appears.

Forward Looking Statements

This release contains forward-looking statements. Wherever possible, words such as "intends", "expects", "scheduled", "estimates", "anticipates", "believes", and similar expressions or statements that certain actions, events or results "may", "could", "would", "might" or "will" be taken, occur or be achieved, have been used to identify these forward-looking statements. Although the forward-looking statements contained in this release reflect management's current beliefs based upon information currently available to management and based upon what management believes to be reasonable assumptions, The Company cannot be certain that actual results will be consistent with these forward-looking statements. A number of factors could cause events and achievements to differ materially from the results expressed or implied in the forward-looking statements. These factors should be considered carefully and prospective investors should not place undue reliance on the forward-looking statements. Forward- looking statements necessarily involve significant known and unknown risks, assumptions and uncertainties that may cause the Company's actual results, events, prospects and opportunities to differ materially from those expressed or implied by such forward-looking statements.

Although the Company has attempted to identify important risks and factors that could cause actual actions, events or results to differ materially from those described in forward-looking statements, there may be other factors and risks that cause actions, events or results not to be anticipated, estimated or intended, including those risk factors discussed in the Company's public filings. There can be no assurance that the forward-looking statements will prove to be accurate, as actual results and future events could differ materially from those anticipated in such statements. Accordingly, prospective investors should not place undue reliance on forward-looking statements.

Any forward-looking statements are made as of the date of this release, and the Company assumes no obligation to update or revise them to reflect new events or circumstances, unless otherwise required by law. This release may contain certain forward looking statements and projections regarding: estimated resources and reserves; planned production and operating costs profiles; planned capital requirements; and planned strategies and corporate objectives.

Such forward looking statements/projections are estimates for discussion purposes only and should not be relied upon. They are not guarantees of future performance and involve known and unknown risks, uncertainties and other factors many of which are beyond the control of the Company. The forward looking statements/projections are inherently uncertain and may therefore differ materially from results ultimately achieved. The Company does not make any representations and provides no warranties concerning the accuracy

Appendix 1

The following Table and Sections are provided to ensure compliance with the JORC Code (2012) edition requirements for the reporting of Mineral Resources.

Kintore project (Phase 1 drilling)

Table 2 - Section 1: Sampling Techniques and Data – Kintore gold project

Criteria	Commentary
Sampling techniques	• RC percussion drilling was used to collect samples. Drilling has been completed on 25m (E-W) x 12.5m (N-S) grid. The majority of the new drilling was angled at -60° toward 315° with a 8 holes drilled at -60^0 toward 270^0 to test alternate strike directions. Historic mining footprints in the area had an average strike of 055^0. A total of 182 RC percussion holes for 10,267m were completed up to 17th April 2014. • Drill hole locations were surveyed by a qualified surveyor and downhole measurements collected by a downhole survey contractor. Instruments used by both surveying contractors were calibrated to industry specifications. • All samples collected from the RC percussion drilling were assayed by 40g fire assay. • RC chips sampled at 1m downhole intervals from surface. The RC samples were cone split at the rig to produce a sample of approximately 3kg which was pulverised for a 40g fire assay. • Selected holes were logged using an optical televiewer to obtain structural data; results were mixed with blurring of images occurring due to an influx of water. • Magnetic Susceptibility measurements taken. • All holes were geologically logged.
Drilling techniques	• RC drilling generally angled at -60° towards 315°. • RC drilling used a 5.5" face sampling hammer. • RC drilling used 2 rigs with minimum specifications of 550CFM@350PSI with an 1150CFM@350PSI booster. All rigs rated to a greater depth than drilled.

Drill sample recovery	• RC samples were split using a 1:8 cone splitter.
	  ○ Residue recovery was visually estimated and documented.
	  ○ No biases in sample recovery were observed.
	  ○ Samples were documented as being dry, moist or wet – in excess of 99.0% samples recovered were dry.

Logging	• RC percussion chips have been geologically logged to a level of detail to support appropriate Mineral Resource classification. • All drillholes were logged in full. • Logging has been conducted both qualitatively and quantitatively – full description of lithologies, alteration and comments are noted, as well as percentage estimates on alteration, veining and sulphide amount.

Sub-sampling techniques and sample preparation	• RC percussion samples were collected on 1m intervals. A subsample of 2-4kg was separated using a 1:8 cone splitter. Moisture from the samples was recorded.
	  ○ Certified Standard reference material was inserted every 30m starting from 15m.
	  ○ Blank and field duplicate samples were inserted every 30m starting from 30m.
	  ○ Holes with a depth of less than 50m the insertion protocol of assay standards, assay blanks and collection of sample duplicates was changed to 15m cycles, commencing 0m and 15m respectively.
	  ○ A number of sample intervals were sampled to exhaustion by splitting through a riffle split the sample residue.
	• Sample size of 2-3 kg is appropriate for grain size of material.
	• Drilling was supervised by experienced geologists.
	• Select downhole intervals were sampled to exhaustion to test repeatability of primary assay results.

Criteria	Commentary
Quality of assay data and laboratory tests	• Assay laboratories in Kalgoorlie and Perth were used for assaying. • Gold assays were determined using a fire assay with 40g charge and AAS finish. • Laboratories used completed internal standard regimes and re-assayed every 20th sample. • Umpire checks were undertaken by different laboratory in Kalgoorlie and or Perth. • QAQC for the programme showed acceptable performance.
Verification of sampling and assaying	• RC samples are collected into pre-numbered bags at the rig. • A geologist or field assistant cross-checked the bag numbers against the meter interval before recording them in triplicate into a sample submission book. • Sample submission form is signed by the Geologist or Field Technician prior to delivery to the Laboratory. The laboratory validates number of samples and sample identification codes against submission and reports any errors. • Some randomisation of sample numbers was conducted. • Data was transferred to excel spreadsheets utilising data validation to improve data quality, prior to loading into Datashed. Validation against assay, lithological and drill meta-data is completed by the software prior to consolidation within the main database. • Primary field data is collated into a file for each drill programme and is stored in the Kalgoorlie office. Electronic data is stored in Datashed, where it can only be changed by a database administrator. • Intercepts have been calculated using Datashed. Selected intercepts have been verified by manual calculation. • The primary returned assay result was used for reporting of all intersections and in mineral resource estimation, no averaging with field duplicates or laboratory repeats was undertaken so as not to introduce volume bias. • The drilling database was reviewed by Runge Pincock and Monaco. The review included sample collection, submission, and entry protocols as part of the resource estimation process.
Location of data points	• Collar locations were routinely surveyed by Cardno Survey Pty Ltd using a differential GPS with an accuracy of ± 2cm. DGPS was referenced back to state survey mark (SSM) network. Elevation values were in AHD RL, no additions or subtractions were made to this measurement. • RC holes were routinely downhole surveyed using open hole gyro methods using a mix of true north-seeking. • Drilling was planned and executed using the MGA94 zone 51 grid. • Visual inspection in GIS programmes did not identify any inaccuracies with the spatial position of the drillholes. • Topography surveyed in immediate drilling area by qualified surveyor using a Trimble R8 RTK GPS, this was meshed with 2012 30cm Lidar contours.
Data spacing and distribution	• Drill Data spacing appropriate to the resource infill aim of the drill programme. The drilling spacing is 25m (E-W) x 12.5m(N-S) in the main area of mineralisation. • This spacing is adequate to determine the geological and grade continuity for reporting of Mineral Resources.
Orientation of data in relation to geological structure	• Drilling orientated normal to the dip and plunge of the major mineralisation bodies. • The orientation was selected to target the mineralisation based on current understanding of the orientation of the mineralised structures.
Sample security	• Samples were collected and documented each weekday. Samples submitted on the day they were collected. • Chain of custody supported by the sample logbook and sample reconciliation reports from the laboratories.
Audits or reviews	• An internal review of RC percussion procedures was conducted prior to commencing drilling.

Table 2 - Section 2: Reporting of exploration results – Kintore project

<table>
<tr><th>Criteria</th><th>Commentary</th></tr>
<tr><td>Mineral tenement and land tenure status</td><td>Tenements P16/2624, P16/2682,M16/16, M16/215 and M16/444 is held 100% by Phoenix Gold Ltd.
Third Party Royalty payable on the tenement.
Mining Leases have 21 year life renewable for a further 21 years on a continuing basis.
No native title claims are current over these tenements.</td></tr>
<tr><td>Exploration done by other parties</td><td>Previous explorations over the tenement area has been conducted by a number of parties, including Pavlinovich (1986-1989), Magnetic Mineral Ltd (1987), Coolgardie Gold NL (1990-1996), Herald Resources Ltd (1996-2000), Goldfields Exploration Pty Ltd (2001), Pavlinovich (2002), Jaguar Minerals Ltd (2004-2010), Allen (2011-2012) and Phoenix Gold Ltd (2012 -)
The historical data & database has been appraised and is of acceptable quality.</td></tr>
<tr><td>Geology</td><td>The regional geological setting for the Kintore project is located on the western margin of the Norseman-Wiluna Greenstone Belt, situated in the Depot Domain, of the Archaean Kalgoorlie Terrain. The western boundary of the Coolgardie domain is marked by the Kunananling shear zone, which acts as the dominant structural feature of the project area.
Locally, Kintore project covers the area northern margin of the syn-tectonic granitoid intrusion the Kintore Tonalite. At the northern end of the tenements the northern margin of the tonalite contacts a sequence of tholeiitic and high-magnesian basalts, which have been metamorphosed to hornfels adjacent to the contact. The Kintore tonalite is a fine to medium grained massive granitoid of granodioritic composition which is elliptical in plan. The 2km wide tonalite intrudes ultramafic rocks of the Burbanks Formation in the Telegraph syncline to the east, and mafic/ultramafic rocks of the Burbanks and Hampton Formations to the west. The tonalite thins to the south to an average width of 70m.
The dominant structural feature of the project area is the Kunanalling Shear Zone marking the western boundary of the Coolgardie Domain. It has been interpreted as an east dipping listric fault that does not extend below the supra-crustal rocks.
Four styles of mineralisation have been observed on the Kintore tenements to date:
Cement or palaeo-drainage mineralisation:
Much of the gold mined from the Kintore region in the early part of the nineteenth century was taken from what are called “cement deposits”. This mineralisation consisted auriferous material associated with two east-west trending Tertiary drainage system which appear to have been draining the north-eastern margin of the Kintore tonalite. The palaeo-drainages appear to coalesce further to the east. Gold mineralisation is associated with a thin (0.75m) basal horizon within the channels consisting of quartz grit with a cryptocrystalline quartz-kaolin matrix and with a pebbly to conglomeratic base. Gold occurs within the matrix (cement) and mined grades occur where the coarser clastic sections occurred at the base of the channel. The basal horizon is overlain by poorly stratified cemented sand which in turn is overlain by a kaolin bed and surficial ironstone and gravels. Historic records indicate that an estimated 20,160 tonnes at an average grade of 20.4g/t Au.
Laterite mineralisation:
As noted previously the pisolitic capping covers the south-eastern portion of the tenement area and is commonly mineralised from surface to the weathered tonalite contact. Thicker higher grade zones relate either to root zones along underlying mineralised veins/structures or the presence of auriferous ferricrete-silcrete nodules at the laterite-weathering tonalite contact. Gold mineralisation within the pisolite cap has been interpreted as being geochemically remobilized from the underlying rock during laterisation.
Quartz Veins:
Gold mineralisation is also hosted by quartz vein sets which have two main orientations, one at 345-350° magnetic and the second at 055° magnetic. These have been interpreted as forming a conjugate set with extension fractures (055°) and shear fractures (345°). Both vein sets are hosted within the tonalite with the 055° set approximating the northern contact between tonalite and basalt. Numerous irregular</td></tr>
</table>

Criteria	Commentary
	quartz stringers also accompany these vein sets and are mineralised. The 345°set has an average dip of 45-55° to the east, while the 055°set dips at approximately 50° to the south-east. ▪ Workings on the 055° set follow narrow quartz veins which appear to bifurcate or connect to another en echelon vein array. Quartz veins crosscutting the 055° are observed within some of the workings. ▪ A second large set of workings have been observed on the north-western boundary of the tonalite. Due to the orientation of the workings it is assumed the 345° was mined and from the large amount of basalt/aplite present in the dumps the workings straddle the tonalite basalt contact. ▪ Insufficient exposure of both vein sets has been found to determine if the veins are spatially separate or if the veins crosscut. Mapping has suggested the 345° is related to a later deformational event to the extensional event during which the 055° set was formed. ○ Disseminated mineralisation: ▪ The tonalite appears to be weakly mineralised with gold which is commonly associated with minor blebs of pyrite, arsenopyrite and rare chalcopyrite. The controls on this style of mineralisation are difficult to discern in RC chips as generally the chips are not larger enough to be able to ascertain a pervasive fabric within the rock. From cross sectional observations the disseminated mineralisation appears sub-parallel to the 0550 vein set, it is therefore inferred that this mineralisation was formed during the same event as possibly weak brecciation of the tonalite.
Drill hole Information	• Location of data from this drilling program is in the ASX announcement dated 27 May 2014. • All drilling completed in this program included in the Table. Inclusion of historic data would make Table to large; this drilling program is representative of all drilling data.
Data aggregation methods	• Exploration results reported as length weighed averages (intercepts) using a lower cut of 0.3ppm and/or 0.8ppm dependant on mineralisation. A maximum of 2m internal dilution. • Cutting of high grades was not applied. • Sample lengths from RC percussion drilling are all 1m lengths. • No metal equivalent has been reported.
Relationship between mineralisation widths and intercept lengths	• Drilling grids have been designed to intersect the mineralisation orthogonal to dip and strike, so most drilling is predominantly designed facing 315° dipping at 60°. Statistical analysis of this data has indicated there is no bias in this direction. • True thickness depends on the mineralisation style and amount of internal dilution included in the mineralisation interpretation.
Diagrams	• Appropriate maps and sections are shown above.
Balanced reporting	• Drillholes with no significant results are in the ASX announcement dated 27 May 2014.
Other substantive exploration data	• Magnetic susceptibility generally relates to the rock type. • Results from optical televiewr were mixed with only blurred images obtained from several holes due to an influx of water below the base of oxidation. Several quartz veins were identified from the images which correlate with high gold grades in the assay results.
Further work	• A feasibility study is underway for this area with the intention of bringing the area into production in the near future.

Kintore project (Phase 2 drilling)

Table 2 - Section 1: Sampling Techniques and Data – Kintore gold project

Criteria	Commentary
Sampling techniques	• RC percussion drilling was used to collect samples. Drilling has been completed on 50m (E-W) x 50m (N-S) grid. The majority of the new drilling was angled at -60° toward 315° alternate orientations (predominately -60^0 toward 270^0) were drilled to test for mineralisation continuity. Historic mining footprints in the area had an average strike of 055^0. A total of 102 RC percussion holes for 1,125m were completed up to October 2014. • The drill hole locations were designed and orientated to allow for the spatial spread of samples across the mineralised zones and to test for further extensions of the mineralisation to the north and east of the known zones. • Drill hole locations were surveyed by a qualified surveyor and downhole measurements collected by a downhole survey contractor. Instruments used by both surveying contractors were calibrated to industry specifications. • All samples collected from the RC percussion drilling were assayed by 40g fire assay. • RC chips sampled at 1m downhole intervals from surface. The RC samples were cone split at the rig to produce a sample of approximately 3kg which was pulverised for a 40g fire assay. Samples were submitted to a commercial laboratory for assay. Sample preparation included oven dry between 85^0 and 105^0; pulverisation to >85% passing 75um from which a 40g fire assay charge was analysed via a AAS finish. • Magnetic Susceptibility measurements taken. • All holes were geologically logged in their entirety on a 1m basis. Where no sample is returned due to voids or lost sample it is logged and recorded.
Drilling techniques & Sample Preparation	• RC drilling generally angled at -60° towards 315°. • RC drilling used a 5.5” face sampling hammer. • RC drilling used 2 rigs with minimum specifications of 550CFM@350PSI with an 1150CFM@350PSI booster. All rigs rated to a greater depth than drilled.

Drill sample recovery	• RC samples were split using a 1:8 cone splitter.
	  ○ Residue samples were visually logged for estimated moisture, sample recovery and contamination. Any recovery issues were recorded and acted on in the field.
	  ○ No biases in sample recovery were observed.
	  ○ Samples were documented as being dry, moist or wet – in excess of 99.0% samples recovered were dry.
	  ○ All samples submitted to the laboratory are weighed and monitored to ensure they are representative.

Logging	• RC percussion chips have been geologically logged to a level of detail to support appropriate Mineral Resource classification. • All holes were geologically logged in their entirety on a 1m basis. Where no sample is returned due to voids or lost sample it is logged and recorded. • Logging has been conducted both qualitatively and quantitatively – full description of lithologies, alteration and comments are noted, as well as percentage estimates on alteration, veining and sulphide amount.

Sub-sampling techniques and sample preparation	• RC percussion samples were collected on 1m intervals. A subsample of 2-4kg was separated using a 1:8 cone splitter. Moisture from the samples was recorded.
	  ○ Certified Standard reference material was inserted every 30m starting from 15m.
	  ○ Blank and field duplicate samples were inserted every 30m starting from 30m.
	• Sample size of 2-4 kg is appropriate for grain size of material.
	• Drilling was supervised by experienced geologists.
	• Select downhole intervals were sampled to exhaustion to test repeatability of primary assay results.

Quality of assay data	• Assay laboratories in Kalgoorlie and Perth were used for assaying.

Criteria	Commentary
and laboratory tests	• Certified Reference Material (CRM's) manufactured by Geostats Pty Ltd were inserted into the sample stream for each and every hole at regular intervals. • Certified blank material supplied by SGS Laboratory Pty Ltd was also inserted into the sample stream for each and every hole at regular sample intervals. • Assay laboratories included internal assay standards and blanks, reported in full to Phoenix. • Gold assays were determined using a fire assay with 40g charge and AAS finish. • Laboratories used completed internal standard regimes and re-assayed every 20th sample. • Umpire checks were undertaken by different laboratory in Kalgoorlie and or Perth. • QAQC for the programme showed acceptable performance.
Verification of sampling and assaying	• RC samples are collected into pre-numbered bags at the rig. • A geologist or field assistant cross-checked the bag numbers against the meter interval before recording them in triplicate into a sample submission book. • Sample submission form is signed by the Geologist or Field Technician prior to delivery to the Laboratory. The laboratory validates number of samples and sample identification codes against submission and reports any errors. • Some randomisation of sample numbers was conducted. • Data was transferred to excel spreadsheets utilising data validation to improve data quality, prior to loading into Datashed. Validation against assay, lithological and drill meta-data is completed by the software prior to consolidation within the main database. • Primary field data is collated into a file for each drill programme and is stored in the Kalgoorlie office. Electronic data is stored in Datashed, where it can only be changed by a database administrator. • Intercepts have been calculated using Datashed. Selected intercepts have been verified by manual calculation. • The primary returned assay result was used for reporting of all intersections and in mineral resource estimation, no averaging with field duplicates or laboratory repeats was undertaken so as not to introduce volume bias. • The drilling database was reviewed by Runge Pincock and Monaco. The review included sample collection, submission, and entry protocols as part of the resource estimation process.
Location of data points	• Collar locations were routinely surveyed by Cardno Survey Pty Ltd using a differential GPS with an accuracy of ± 2cm. DGPS was referenced back to state survey mark (SSM) network. Elevation values were in AHD RL, no additions or subtractions were made to this measurement. • RC holes were routinely downhole surveyed using open hole gyro methods using a mix of true north-seeking and non-true north seeking surveys. • Drilling was planned and executed using the MGA94 zone 51 grid. • Visual inspection in GIS programmes did not identify any inaccuracies with the spatial position of the drillholes. • Topography surveyed in immediate drilling area by qualified surveyor using a Trimble R8 RTK GPS, this was meshed with 2012 30cm Lidar contours.
Data spacing and distribution	• Drill Data spacing appropriate to the resource infill aim of the drill programme. The drilling spacing is 50m (E-W) x 50m (N-S) in the main area of mineralisation. • This spacing is adequate to determine the geological and grade continuity for reporting of Mineral Resources.
Orientation of data in relation to geological structure	• Drilling orientated normal to the dip and plunge of the known trends of the gold mineralisation. • The orientation was selected to target the mineralisation based on current understanding of the orientation of the mineralised structures, alternate orientations were drilled to test for gold mineralisation oblique to the grid used. No orientation bias was recognized in the drilling.

Criteria	Commentary
Sample security	• Samples were collected and documented each weekday. Samples submitted on the day they were collected. • Chain of custody supported by the sample logbook and sample reconciliation reports from the laboratories.
Audits or reviews	• An internal review of RC percussion procedures was conducted prior to commencing drilling.

Table 2 - Section 2: Reporting of exploration results – Kintore project

Criteria	Commentary
Mineral tenement and land tenure status	• Tenements M16/538, P16/2682, M16/16, M16/215 and M16/444 are held 100% by Phoenix Gold Ltd. • Third Party Royalty payable on the tenement. • Mining Leases have 21 year life renewable for a further 21 years on a continuing basis. • No native title claims are current over these tenements.
Exploration done by other parties	• Previous explorations over the tenement area has been conducted by a number of parties, including Pavlinovich (1986-1989), Magnetic Mineral Ltd (1987), Coolgardie Gold NL (1990-1996), Herald Resources Ltd (1996-2000), Goldfields Exploration Pty Ltd (2001), Pavlinovich (2002), Jaguar Minerals Ltd (2004-2010), Allen (2011-2012) and Phoenix Gold Ltd (2012 -) • The historical data & database has been appraised and is of acceptable quality.
Geology	• The regional geological setting for the Kintore project is located on the western margin of the Norseman-Wiluna Greenstone Belt, situated in the Depot Domain, of the Archaean Kalgoorlie Terrain. The western boundary of the Coolgardie domain is marked by the Kunananling shear zone, which acts as the dominant structural feature of the project area. • Locally, Kintore project covers the area northern margin of the syn-tectonic granitoid intrusion the Kintore Tonalite. At the northern end of the tenements the northern margin of the tonalite contacts a sequence of tholeiitic and high-magnesian basalts, which have been metamorphosed to hornfels adjacent to the contact. The Kintore tonalite is a fine to medium grained massive granitoid of granodioritic composition which is elliptical in plan. The 2km wide tonalite intrudes ultramafic rocks of the Burbanks Formation in the Telegraph syncline to the east, and mafic/ultramafic rocks of the Burbanks and Hampton Formations to the west. The tonalite thins to the south to an average width of 70m. • The dominant structural feature of the project area is the Kunanalling Shear Zone marking the western boundary of the Coolgardie Domain. It has been interpreted as an east dipping listric fault that does not extend below the supra-crustal rocks. Four styles of mineralisation have been observed on the Kintore tenements to date: **Cement or palaeo-drainage mineralisation:** • Much of the gold mined from the Kintore region in the early part of the nineteenth century was taken from what are called “cement deposits”. This mineralisation consisted auriferous material associated with two east-west trending Tertiary drainage system which appear to have been draining the north-eastern margin of the Kintore tonalite. The palaeo-drainages appear to coalesce further to the east. Gold mineralisation is associated with a thin (0.75m) basal horizon within the channels consisting of quartz grit with a cryptocrystalline quartz-kaolin matrix and with a pebbly to conglomeratic base. Gold occurs within the matrix (cement) and mined grades occur where the coarser clastic sections occurred at the base of the channel. The basal horizon is overlain by poorly stratified cemented sand which in turn is overlain by a kaolin bed and surficial ironstone and gravels. Historic records indicate that an estimated 20,160 tonnes at an average

Criteria	Commentary
	grade of 20.4g/t Au. **Laterite mineralisation:** • Pisolitic capping covers the south-eastern portion of the tenement area and is commonly mineralised from surface to the weathered tonalite contact. Thicker higher grade zones relate either to root zones along underlying mineralised veins/structures or the presence of auriferous ferricrete-silcrete nodules at the laterite-weathering tonalite contact. Gold mineralisation within the pisolite cap has been interpreted as being geochemically remobilized from the underlying rock during laterisation. **Supergene Mineralisation:** • Gold mineralisation is also hosted within a sub-horizontal zone at the interface between the upper and lower saprolite which has been interpreted as supergene gold mineralisation generated by re-mobilisation of gold along redox fronts. To the west supergene mineralisation is poorly developed forming a sheet of moderate grades up 2m in thickness. To the east supergene mineralisation is more strongly developed forming up to three sub-parallel zones up to 250m wide and 400m in strike length, with thickness varying form 2m up to 10m. Gold grades within the supergene generally increase with quartz content, indicating enriched grades associated with primary quartz veining. **Primary Mineralisation:** • The tonalite appears to be mineralised with gold which is commonly associated with minor quartz veins and disseminated into the surrounding rock. Primary gold mineralisation is associated with blebs of pyrite, arsenopyrite and rare chalcopyrite. Quartz veining intersected in drill core from previous drilling programs are orientated between 055^0 and 085^0 and vary in thickness from 2cm up to 50cm. A set of major lineaments is interpreted from magnetic and gravity data which are oriented at 345^0 which offset 055^0 vein set and associated gold mineralisation. Numerous quartz stringers and vein networks are associated with the 055^0 quartz veins , these are interpreted as brecciation of the tonalite associated with deformation during the mineralising events.
Drill hole Information	• Location of data from this drilling program is in the ASX announcement dated 1 January 2015. • All drilling completed in this program included in the Table. Inclusion of historic data would make Table to large; this drilling program is representative of all drilling data.
Data aggregation methods	• Exploration results reported as length weighed averages (intercepts) using a lower cut of 0.4ppm, results greater than 20ppm Au reported as separate intervals. A maximum of 2m internal dilution has been included in the reported intercepts. • Cutting of high grades was not applied. • Sample lengths from RC percussion drilling are all 1m lengths. • No metal equivalent has been reported.
Relationship between mineralisation widths and intercept lengths	• Drilling grids have been designed to intersect the mineralisation orthogonal to dip and strike, so most drilling is predominantly designed facing 315° dipping at 60°. Statistical analysis of this data has indicated there is no bias in this direction. • True thickness depends on the mineralisation style and amount of internal dilution included in the mineralisation interpretation.
Diagrams	• Appropriate maps and sections are shown above.
Balanced reporting	• Drillholes with no significant results are in the ASX announcement dated 1 January 2015.
Other substantive	• Other exploration data has been reported in previous announcements. Drilling has

Criteria	Commentary
exploration data	allowed progressive geological understanding of the deposit.
Further work	• A feasibility study is underway for this area with the intention of bringing the area into production in the near future.

Red Dam project

Table 2 - Section 1: Sampling Techniques and Data – Red Dam gold project

Criteria	Commentary
Sampling techniques	• Sample collection utilised a combination of Reverse Circulation (RC) and Diamond Drill Core (DDC) holes planned and implemented on 10m x 10m, 25m x 25m and 50m x50m grid spacing. Drilling and sample collection has been completed by various companies over several years since 1988 which includes exploration and resource development. Sampling techniques are summarised from Annual technical Reports completed by Allied Gold Ltd, Barrick, Carbine Resources Ltd and Phoenix Gold Ltd. Data collected by Phoenix Gold Ltd comprises 46% of the total. • Drill-hole locations were designed & implemented to test mineralisation continuity within different rock types and provide a spatial spread of samples. Alternate orientations were used to test the integrity of the geological interpretation. • Field based observations from geological supervision; records of sample quality, moisture content and sample recovery were used as a guide to sample representivity. • Drill-hole locations were surveyed by a qualified surveyor and downhole. Down-hole survey measurements collected by various downhole survey contractor using various instruments from electronic multi-shot cameras to open-hole gyro using a mix of true north seeking and non-true north seeking Instruments used by both surveying contractors were calibrated to industry specifications. • All RC samples were collected through a splitting device (cone or riffle splitter) at 1m down-hole intervals to obtain a sample for assay, collected in the appropriate sized calico bag. RC sample weights ranged from 2 to 4kg across all RC drilling campaigns. Sample rejects were also collected in plastic bags or laid out on the ground in piles. For legacy data spear samples were collected from the sample rejects and composited to 4m down-hole intervals as a first pass sampling technique. The single metre samples were submitted for assay from areas where the composites reported anomalous results. • DDC samples were placed into core trays at the drill site and transferred to a core processing facility for logging, collection of geotechnical measurements, sawing/splitting and sampling. The DDC samples were collected at intervals nominated by the geologist from resultant half or quarter cut core with a minimum interval of 0.2m and maximum of 1.2m. • Samples were submitted to a commercial laboratory either in Kalgoorlie or Perth for assay. Sample preparation included all or part of: oven dry between 100^{0}C and 105^{0}C; jaw crushing for DDC and splitting to 2.5Kg as required; pulverise sample to >90% passing 75um, from which a 40g (current) or 50g fire assay was analysed via atomic absorption spectrometry (AAS) finish. Historic composite samples were analysed using 30g and 50g aqua regia digest with either an AAS finish or ICPMS (Inductively Coupled Plasma Mass Spectrometry) finish. • Magnetic Susceptibility measurements taken for all of the most recent samples collected.
Drilling techniques	• All assays utilised for resource estimation were collected from either RC (75% of the data) or DDC (25% of the data) using various drilling contractors. The Phoenix data comprises 46% of the total data. • RC sampling was completed using a 5.5" diameter drill bit with a face sampling hammer. All RC drilling rigs were equipped with an auxiliary compressor of sufficient capacity to lift a sample from a depth greater than the drill-hole depths completed. • DDC sampling was a combination of PQ, HQ and NQ2 core sizes dependent on purpose of the drill-

Criteria	Commentary
	hole. DDC was oriented by either a bottom of hole spear or EZI-mark tool.
Drill sample recovery	• All RC 1m sample rejects were collected either in plastic bags or on the ground as individual piles. Samples were visually logged for moisture content, estimated sample recovery, and contamination. • Water was intersected at approximately 70m below surface, although the RC rigs had sufficient air capacity to lift a dry sample. A small proportion of wet samples were recovered in all drilling programs, wet sample procedures were emplaced and were sufficient to ensure a representative sample was collected. • DDC contractors used a core barrel and wireline unit to recover the core, usually in 3m lengths. DDC samples were oriented and length measured comparing against the core blocks denoting drilling depths by the drilling contractor. Core loss and recovery (%) were recorded as part of the geological/geotechnical logging. The greatest core loss occurred in the upper saprolite, PQ sized core was used to limit this loss. • Recent samples collected from both RC and DDC were weighed at the laboratory and monitored to ensure sample representivity. Some legacy samples were weighed at the rig, the majority of legacy samples were not weighed.
Logging	• All RC chip samples for each metre interval were sieved and washed prior to logging and placement in plastic chip trays for storage. • Wet sample intervals were recorded and where mineralised used in resource estimation. • Weathering, regolith, lithology, alteration, structure and mineralisation were logged for all holes directly into the Phoenix standard geological code format. Data was imported into a Datashed database; data is validated during the import process. • Logging codes and methods varied across the different phases of exploration performed by the different companies. Legacy geological logs have been mapped into Phoenix codes. Legacy digital data was validated against hard copies of original logs where practicable. • All DDC was orientated, marked with direction drill arrows and metre intervals referenced to drillers run length blocks. Core was then geotechnically logged (core completed for the purpose of collecting geotechnical information was logged by Phoenix and Golder and Associates) for core loss, RQD, fracture frequency, and structure. Measurements relative to the core axis were also recorded for structures logged in the core. Core was also visually logged for weathering, regolith, lithology, alteration and mineralisation. • Geological logging was both qualitative and quantitative in nature. • All RC holes were logged in their entirety on a 1m interval basis. Where no sample was returned it was recorded as such on the geological log. DDC was also logged over its entire length. • Recent core was photographed; with the resultant photographs stored for future reference.
Sub-sampling techniques and sample preparation	• DDC was either half cut or quarter cut using an automatic diamond saw, for half cut core the remainder was stored in the core tray. For quarter cut core, one quarter was sampled and submitted for assay, one half was sampled and submitted for metallurgical test-work and the remainder was stored in the core tray. • The whole length of core was sampled; sample lengths were based on geological intervals logged by the geologist. The minimum sample length was 0.3m and maximum length was 1.2m. • For legacy DDC core was half cut using a diamond saw, one half was sampled and submitted for analysis and one half stored in the core tray. • Legacy RC sub-samples were collected by passing through a riffle splitter or multi-deck splitter targeting a sample weight of 3Kg. Duplicate field sub-samples were collected by all companies either on a semi-random basis or regular intervals down the hole. • Legacy wet samples were collected in plastic bags, water decanted off, air dried on a plastic sheet, mixed, quartered and a sub-sample collected from each quarter into a calico bag. • Phoenix RC sampling protocol includes targeting a 4Kg sub-sample collected through a 1:8 cone splitter; duplicate sub-samples were collected on a regular interval down the hole. • Pre-numbered calico bags were reserved in the field for RC and DDC where blank samples and Certified Reference Material (CRM's) were to be inserted to maintain the numerical sample sequence and recorded on the master sample submission sheet for use by the company. • Some randomisation of sample numbers was used. • Blank sample material was obtained commercially from laboratories in Kalgoorlie.

Criteria	Commentary
	• Blank samples were inserted into each drill-hole sample stream commencing at 30m and thereafter at 30m intervals. CRM's were inserted into each drill-hole sample stream starting at 15m and thereafter at 30m intervals. • In DDC CRM's were inserted into the drill-hole sample stream starting at 11m and then after every 37^{th} sample. Blank samples were inserted into each drill-hole sample stream commencing at the 26^{th} sample and then after every 37^{th} sample. • Samples were submitted to commercial laboratories in Kalgoorlie and Perth, where the samples were sorted into numerical sample number order, logged, and bar-coded. Samples were oven dried at either 100^{0}C or 105^{0}C. Where required (DDC) the samples were crushed (nominal 6 to 15mm), pulverised using a LM5 ringmill to 90% passing 75um and either a 500g or 200g sub-sample collected for assay. • Either a 50g or 40g sub-sample was taken by spatula from the 500g or 200g sub-sample for fusion; the catch weight was collected by balance prior to fusion and recorded within the laboratory system. • No composited samples were collected in the current programs. Historic sampling has been subjected to compositing prior to being submitted to a laboratory for gold determination by aqua regia digest. For composites which returned an assay of interest the original 1m sub-sample was submitted for gold determination using fire assay methods. • Legacy sample preparation techniques followed common industry practice at the time, whereby the sample was pulverised (DDC was crushed prior to pulverisation) and an assay pulp was either scooped or split from the pulverised material and then fire assayed for gold determination using an AAS finish. Fire assay weights varied from 30g to 50g dependent on the laboratory.
Quality of assay data and laboratory tests	• The primary gold assay method used is designed to measure total gold within the sub-sample. The method involves using a 30g to 50g sub-sample charge mixed with a lead flux which is decomposed in a furnace with the prill being totally digested by 2 acids (HCl and HNO_3) before measurement of the gold content by an AA spectrometer. This methodology was considered appropriate to the projects style of mineralisation. • Alternate methods were used such as Leachwell (included determination of the tail assay) and screen fire assay to validate the primary assay method. • Historic data also used the fire assay method, with validation of intercepts of interest using screen fire assay. • CRM's manufactured by Geostat were inserted into each drill-hole sample stream as noted above. In addition blank samples were inserted into each drill-hole sample stream. Assay results for each batch are accepted if performance of the CRM's inserted fall within 3 standard deviations of the assays performed over time on each CRM. If the results on the CRM fall outside of the action limits then the laboratory were instructed to repeat the sample batch, with new CRM's inserted into the batch sample stream. • Precision is monitored at each stage of sample size reduction by performance of duplicate samples collected at the rig, crushing and pulverisation stages. • Comparative test samples of a semi-randomly selected sub-set of samples were completed every month. Comparative sample preparation and assay techniques by all laboratories involved. • Legacy sample streams included insertion of CRM's , blanks and duplicates. Where possible electronically stored legacy data has been validated against hard copy logs, sample submissions and assay certificates. • No geophysical tools, handheld spectrometers or XRF instruments were used to collect analytical data.
Verification of sampling and assaying	• RC and DDC samples are collected into pre-numbered bags either at the rig or at the core processing facility. • A geologist or field assistant cross-checked the bag numbers against the meter interval before recording them in triplicate into a sample submission book. • Sample submission form is signed by the Geologist or Field Technician prior to delivery to the Laboratory. The laboratory validates number of samples and sample identification codes against submission and reports any errors. • Some randomisation of sample numbers was conducted.

Criteria	Commentary
	• Data was transferred to excel spreadsheets utilising data validation to improve data quality, prior to loading into Datashed. Validation against assay, lithological and drill meta-data is completed by the software prior to consolidation within the main database. • Primary field data is collated into a file for each drill programme and is stored in the Kalgoorlie office. Electronic data is stored in Datashed, where it can only be changed by a database administrator. The data is imported into the database observing a number of validation checks. When assay results are received electronically from the laboratory, results and laboratory QAQC are also imported into the database after further validation checks. • No adjustments or calibrations were made to any assay data used in this announcement. • Intercepts have been calculated using Datashed. Selected intercepts have been verified by manual calculation. • The primary returned assay result was used for reporting of all intersections and in mineral resource estimation, no averaging with field duplicates or laboratory repeats was undertaken so as not to introduce volume bias. • Legacy sample and assay data was validated against original geological logs, assay certificates, and sample submission books where available. Where hard copy data was not available validation was against electronic data submitted to the Western Australian Department of Mines and Petroleum. Any transcription errors were recorded and corrected. This process is ongoing.
Location of data points	• Collar locations were routinely surveyed by a contract surveyor using a differential GPS with an accuracy of ± 2cm. DGPS was referenced back to state survey mark (SSM) network. Elevation values were in AHD RL, no additions or subtractions were made to this measurement. • Historic drill-holes were surveyed using variable instruments which included differential GPS or a theodolite, referenced back to the state survey mark network. Early (pre-2000) drill holes were surveyed in a local grid, transforms for converting local coordinates to MGA94zone 51 grid were supplied by the survey contractor who established the local grid. Transform is based on two known survey points in both coordinate systems. • RC holes were routinely downhole surveyed using open hole gyro methods using a mix of true north-seeking and non-true north seeking surveys, measurements were collected at 5m intervals down the hole. The DDC contractor also used an Eastman electronic multi-shot camera to check the position of the hole during drilling. • Historic down hole survey consist of a mix of Eastman electronic multi-shot and true north seeking gyro surveys. A small proportion of early (pre-2000) Rc drilling was only surveyed at the collar, it is assumed that these holes have been drilled straight. • Drilling was planned and executed using the MGA94 zone 51 grid. • Visual inspection in GIS programmes did not identify any inaccuracies with the spatial position of the drillholes. • Topography of the area was generated from 2012 30cm Lidar contours.
Data spacing and distribution	• Drill Data spacing appropriate to the resource infill aim of the drill programme. The drilling spacing is 10m x 10m, 25m x 25m and 50m x 50m grid. Data was spaced and distributed to test historic intercepts and test continuity of the defined gold mineralisation beyond the boundaries delineated in the historic drilling. • This spacing is adequate to determine the geological and grade continuity for reporting of Mineral Resources.
Orientation of data in relation to geological structure	• Drilling orientated normal to the dip and plunge of the major mineralisation bodies. • The orientation was selected to target the mineralisation based on current understanding of the orientation of the mineralised structures. • No drilling orientation and sampling bias has been recognised at this time.
Sample security	• Samples were collected and documented each weekday. Samples submitted on the day they were collected. • Chain of custody supported by the sample logbook and sample reconciliation reports from the laboratories.

Criteria	Commentary
Audits or reviews	• An internal review of RC percussion procedures was conducted prior to commencing drilling.

Table 2 - Section 2: Reporting of exploration results – Red Dam project

Criteria	Commentary
Mineral tenement and land tenure status	• Tenements M16/344 is held by Phoenix Gold Ltd. • Third Party Royalty payable on the tenement. • Mining Leases have 21 year life renewable for a further 21 years on a continuing basis. • No native title claims are current over these tenements. • The tenement is in good standing and no known impediments exist.
Exploration done by other parties	• A significant proportion of exploration, resource development and mining was completed by companies which held tenure over the Red Dam deposit since the mid 1980's. Companies included Barrick, Allied Gold Ltd and Carbine Resources Ltd. Results of exploration and resource development activities of these companies have assisted Phoenix Gold Ltd in its recent exploration and resource development activities. • The historical data & database has been appraised and is of acceptable quality.
Geology	• The Red Dam project occurs within the Zuleika and Kunanalling structural corridor. The principal structure in the Red Dam area is interpreted as a splay of the Zuleika Shear, which approximately strikes to 315^0. Within the Red Dam area this principal structure changes strike to 340^0. Geological interpretation of the Red Dam area shows the stratigraphy to consisting of basalt, quartz dolerite, tuffaceous sediments and agglomerate of intermediate composition flanked to the east by felsic to intermediate volcaniclastics and minor sediments and to the west by talc-chlorite+/-carbonate ultramafics. The mineralised zone comprises a north-west striking steeply east dipping deformed stratigraphy of felsic to intermediate volcanics and volcaniclastics, tuffaceous siltstones and sandstones, shales and carbonaceous shales, basalt and dolerite intrusives. • Structural data recorded from angled core holes indicates the shear foliation within the Red Dam area strikes sub-parallel to the stratigraphy (northwest-southeast- magnetic) and dips stepply ($85\text{-}90^0$) to the north-east. Orientation data gathered from the core indicates the geological contacts and bedding laminations within the sedimentary units dip obliquely to the shear foliation. • Gold mineralisation at Red Dam occurs in most geological units however there are two zones which can be traced through most drilling sections. The bulk of the mineralisation is contained within these two zones. The principal mineralised zone is the Central Quartz Dolerite Lode which occurs within a quartz dolerite unit and is associated with both quartz-carbonate stockwork-style veining and late stage planar quartz-carbonate-pyrite veining. Gold mineralisation within this lode thickens where structures within the dolerite dip steeply to the west before rolling over to dip steeply to the east in the down dip position. The second mineralised position is on the dolerite/sediment contact. This mineralisation has been interpreted to occur consistently on the contact between the quartz-dolerite and hangingwall taffaceous sediments. Gold mineralisation in this position is best developed within medium to coarse grained, slica-sericite-carbonate-leucoxene-sulphide altered tuffaceous sandstone units. • Weathering in the area is deep with up to 10m of transported soil overlying the deposit. Sporadic supergene mineralisation occurs at the base of oxidation approximately 30m below surface. Supergene mineralisation occurs at or near geological contacts while primary gold mineralisation and supergene enrichment zones are constrained within the zones noted above.
Drill hole Information	• Location of data from this drilling program is in the ASX announcement dated 7 October 2014.
Data aggregation methods	• Exploration results reported as length weighed averages (intercepts) using a lower cut of 0.4ppm and/or 20ppm. Assays greater than 20ppm have been composited separately from surround mineralisation, if mineralisation occurs above and below a 20ppm assay result then

Criteria	Commentary
	these have been aggregated as two composites. A maximum of 2m internal dilution. • Cutting of high grades was not applied. • Sample lengths from RC percussion drilling are all 1m lengths. • No metal equivalent has been reported.
Relationship between mineralisation widths and intercept lengths	• Drilling grids have been designed to intersect the mineralisation orthogonal to dip and strike, so most drilling is predominantly designed facing 315° dipping at 60°. Statistical analysis of this data has indicated there is no bias in this direction. • True thickness depends on the mineralisation style and amount of internal dilution included in the mineralisation interpretation.
Diagrams	• Previously reported
Balanced reporting	• All holes have been reported regardless of intersection criteria. • Drillholes with no significant results are in the ASX announcement dated 7 October 2014.
Other substantive exploration data	• Magnetic susceptibility generally relates to the rock type. • Density measurements were collected by down-hole survey on selected RC and DDC drill-holes. Further samples were collected from DDC holes for density measurement via the water displacement method. • DDC holes were completed for the purpose of metallurgical test-work, samples from these holes were analysed for a multi-element suite to ascertain quantities of any element that maybe deleterious to gold recovery and to assist in defining a geochemical signature of the deposit which maybe used in further exploration work.
Further work	• A definitive feasibility study has been completed; mining is contemplated in the near future. Further exploration work will be completed to ascertain depth extents of the gold mineralisation.

Burgundy project

Table 2 - Section 1: Sampling Techniques and Data – Burgundy gold project

Criteria	Commentary
Sampling techniques	• RC percussion drilling was used to collect samples. Drilling has been completed on 20m (E-W) x 40 - 60m (N-S) grid. The majority of the new drilling was angled at -60° toward 270°. A total of 35 RC percussion holes for 2,910m were completed up to June 2014. • Drill hole locations were designed & oriented to test intercepts from historic drilling and projected up-dip extent of interpreted mineralised zones. • Drill hole locations were surveyed by a qualified surveyor and downhole. Measurements collected by a downhole survey contractor. Instruments used by both surveying contractors were calibrated to industry specifications. • All samples collected from the RC percussion drilling were assayed for Au by 40g fire assay. • RC chips sampled at 1m downhole intervals from surface. The RC samples were cone split at the rig to produce a sub-sample of approximately 3kg which was pulverised for a 40g fire assay. • Magnetic Susceptibility measurements taken. • All holes were geologically logged.
Drilling techniques	• RC drilling generally angled at -60° towards 270°. • RC drilling used a 5.5" face sampling hammer. • RC drilling used 1 rig with minimum specifications of 550CFM@350PSI with an 1150CFM@350PSI booster. All rigs rated to a greater depth than drilled.
Drill sample recovery	• RC samples were split using a 1:8 cone splitter. ○ Residue recovery was visually estimated and documented. ○ No biases in sample recovery were observed. ○ Samples were documented as being dry, moist or wet – in excess of 99.0% samples recovered were dry.

Criteria	Commentary
Logging	• RC percussion chips have been geologically logged to a level of detail to support appropriate Mineral Resource classification. • All drillholes were logged in full. • Logging has been conducted both qualitatively and quantitatively – full description of lithologies, alteration and comments are noted, as well as percentage estimates on alteration, veining and sulphide amount.

Sub-sampling techniques and sample preparation	• RC percussion samples were collected on 1m intervals. A subsample of 2-4kg was separated using a 1:8 cone splitter. Moisture from the samples was recorded.
	  ○ Certified Standard reference material was inserted every 30m starting from 15m.
	  ○ Blank and field duplicate samples were inserted every 30m starting from 30m.
	• Sample size of 2-3 kg is appropriate for grain size of material.
	• Drilling was supervised by experienced geologists.

Quality of assay data and laboratory tests	• Assay laboratories in Kalgoorlie and Perth were used for assaying. • Gold assays were determined using a fire assay with 40g charge and AAS finish. • Laboratories used completed internal standard regimes and re-assayed every 20th sample. • Umpire checks were undertaken by different laboratory in Kalgoorlie and or Perth. • QAQC for the programme showed acceptable performance.
Verification of sampling and assaying	• RC samples are collected into pre-numbered bags at the rig. • A geologist or field assistant cross-checked the bag numbers against the meter interval before recording them in triplicate into a sample submission book. • Sample submission form is signed by the Geologist or Field Technician prior to delivery to the Laboratory. The laboratory validates number of samples and sample identification codes against submission and reports any errors. • Some randomisation of sample numbers was conducted. • Data was transferred to excel spreadsheets utilising data validation to improve data quality, prior to loading into Datashed. Validation against assay, lithological and drill meta-data is completed by the software prior to consolidation within the main database. • Primary field data is collated into a file for each drill programme and is stored in the Kalgoorlie office. Electronic data is stored in Datashed, where it can only be changed by a database administrator. The data is imported into the database observing a number of validation checks. When assay results are received electronically from the laboratory, results and laboratory QAQC are also imported into the database after further validation checks. • No adjustments or calibrations were made to any assay data used in this announcement. • Intercepts have been calculated using Datashed. Selected intercepts have been verified by manual calculation. • The primary returned assay result was used for reporting of all intersections and in mineral resource estimation, no averaging with field duplicates or laboratory repeats was undertaken so as not to introduce volume bias. • The drilling database was reviewed by Cube Consulting. The review included sample collection, submission, and entry protocols as part of the resource estimation process.
Location of data points	• Collar locations were routinely surveyed by Minecomp Pty Ltd using a differential GPS with an accuracy of ± 2cm. DGPS was referenced back to state survey mark (SSM) network. Elevation values were in AHD RL, no additions or subtractions were made to this measurement. • RC holes were routinely downhole surveyed using open hole gyro methods using a mix of true north-seeking and non-true north seeking surveys. • Drilling was planned and executed using the MGA94 zone 51 grid. • Visual inspection in GIS programmes did not identify any inaccuracies with the spatial position of the drillholes. • Topography of the area was generated from 2012 30cm Lidar contours.
Data spacing and distribution	• Drill Data spacing appropriate to the resource infill aim of the drill programme. The drilling spacing is 20m (E-W) x 40 - 60m (N-S). Data was spaced and distributed to test historic intercepts and for possible extensions of the known gold mineralisation.

Criteria	Commentary
	• This spacing is adequate to determine the geological and grade continuity for reporting of Mineral Resources.
Orientation of data in relation to geological structure	• Drilling orientated normal to the dip and plunge of the major mineralisation bodies. • The orientation was selected to target the mineralisation based on current understanding of the orientation of the mineralised structures. • No drilling orientation and sampling bias has been recognised at this time.
Sample security	• Samples were collected and documented each weekday. Samples submitted on the day they were collected. • Chain of custody supported by the sample logbook and sample reconciliation reports from the laboratories.
Audits or reviews	• An internal review of RC percussion procedures was conducted prior to commencing drilling.

Table 2 - Section 2: Reporting of exploration results – Burgundy gold project

Criteria	Commentary
Mineral tenement and land tenure status	• Tenements M16/527 is held by Phoenix Gold Ltd. • Third Party Royalty payable on the tenement. • Mining Leases have 21 year life renewable for a further 21 years on a continuing basis. • No native title claims are current over these tenements. • The tenement is in good standing and no known impediments exist.
Exploration done by other parties	• Previous exploration over the tenement area has been conducted by a number of parties, including Mine & Resources Australia Pty Ltd, and Cazaly Resource Ltd. • The historical data & database has been appraised and is of acceptable quality.
Geology	• The Burgundy projects overlies ultramafics high magnesian basalts and volcanic – epiclastic sedimentary rocks. Subordinate dolerites gabbros and felsic porphyry dikes intrude the sequence. The south-western boundary of the project area lies adjacent to and parallel with the Kunanalling Shear Zone. The south-eastern boundary of the Burgundy project is underlain by the western limb of the Mungari Syncline defined by an extensive differentiated gabbro locally termed the Powder Sill. The dominant structural feature in the area is the shallowly plunging Telegraph Syncline. • The Burgundy project is located within the western limb of the Telegraph Syncline and occupies the stratagraphic horizon of doleritic intrusives bounded by felsic sediment packages which includes siltstones, graphitic shales and conglomerates. The doleritic intrusive is up to 50m in true thickness and comprises at least three sub-units, the most recognisable are a high magnesian basalt (has been interpreted as a ultramafic) margin, and coarse grained core of doleritic composition. The succession is repeated across drill sections. • The dominant structural feature within the immediate Burgundy area is the Crest Fault zone which is an anastomosing array of shears and faults. To the north of the project area the Crest Fault zone has been interpreted as axial planar to the telegraph Syncline, within the project area the Crest Fault Zone is interpreted as propagating along the western limb. The Crest fault strikes at 315^0 dipping steeply to the east at 75^0; in the project area the fault straightens to 355^0 with a resultant shallowing of dip to approximately 60 - 65^0. Within the project area the contacts between the doleritic rocks and bounding sediment package is sheared/faulted which has generated a strong foliation in the rocks. • The bulk of the mineralisation at Burgundy is hosted in two sub-parallel north-south trending structures within the dolerite. Small parallel lodes have also been interpreted to form along other lithological contacts. The main ore zones dip to the east between 50 and 70^0 which are associated with zones of intense bleaching featuring albite and chlorite alteration, sometimes accompanied by sericite alteration. Coarse euhedral arsenoppyrite and minor pyrite is

Criteria	Commentary
	associated with gold mineralisation. Gold mineralisation is also associated with quartz veining; interpreted as narrow discontinuous veins. Gold mineralisation thickens toward the northern of the project area where the ore body has been interpreted to truncated against a north-east trending cross fault. • Weathering in the area is deep; base of oxidation varies from 20 to 40m in depth and top of fresh rock averages around 70m deep. Within the oxidised rock horizon gold mineralisation has been enhanced by supergene processes, this has been interpreted as being constrained within enveloping structures with occasional "blow-outs" into the surrounding rock mass in and around cross faults. In these areas coarse re-mobilised gold is found within relic quartz veins. Gold mineralisation starts at surface at the northern end of the deposit and plunges to the south.
Drill hole Information	• Location of data from this drilling program is in the ASX announcement dated 25 September 2014.
Data aggregation methods	• Exploration results reported as length weighed averages (intercepts) using a lower cut of 0.4ppm and/or 20ppm. Assays greater than 20ppm have been composited separately from surround mineralisation, if mineralisation occurs above and below a 20ppm assay result then these have been aggregated as two composites. A maximum of 2m internal dilution. • Cutting of high grades was not applied. • Sample lengths from RC percussion drilling are all 1m lengths. • No metal equivalent has been reported.
Relationship between mineralisation widths and intercept lengths	• Drilling grids have been designed to intersect the mineralisation orthogonal to dip and strike, so most drilling is predominantly designed facing 315° dipping at 60°. Statistical analysis of this data has indicated there is no bias in this direction. • True thickness depends on the mineralisation style and amount of internal dilution included in the mineralisation interpretation.
Diagrams	• NA
Balanced reporting	• Drillholes with no significant results are in the ASX announcement dated 25 September 2014.
Other substantive exploration data	• Magnetic susceptibility generally relates to the rock type.
Further work	• A pre-feasibility study is underway for this area with the intention of bringing the area into production in the near future.

Castle Hill Stage 1 project

Table 2 - Section 1: Sampling Techniques and Data – Castle Hill Stage 3

Criteria	Commentary
Sampling techniques	• RC percussion drilling was used to collect samples. Drilling has been completed on 50m (E-W) x 50m (N-S) and 50m (E-W) by 100m (N-S) grid. The majority of the new drilling was angled at -60° toward 270°. A total of 41 RC percussion holes for 6,040m were completed up to November 2013. • Drill-hole locations were surveyed by a qualified surveyor and downhole measurements

Criteria	Commentary
	collected by a downhole survey contractor. Instruments used by both surveying contractors were calibrated to industry specifications. • All samples collected from the RC rigs were assayed for gold via fire assay using a 40g charge. • RC chips sampled at 1m downhole intervals from surface. The RC samples were cone split at the rig to produce a sample of approximately 3kg which was pulverised for a 40g fire assay. • Magnetic Susceptibility measurements taken. • All holes were geologically logged.
Drilling techniques	• RC drilling generally angled at -60° towards 270°. • RC drilling used a 5.5" face sampling hammer. • RC drilling used 1 rig with minimum specifications of 550CFM@350PSI with an 1150CFM@350PSI booster. All rigs rated to a greater depth than drilled.

Drill sample recovery	• RC samples were split using a 1:8 cone splitter.
	  ○ Residue recovery was visually estimated and documented.
	  ○ No biases in sample recovery were observed.
	  ○ Samples were documented as being dry, moist or wet – in excess of 99.0% samples recovered were dry.

Logging	• RC percussion chips have been geologically logged to a level of detail to support appropriate Mineral Resource classification. • All drillholes were logged in full. • Logging has been conducted both qualitatively and quantitatively – full description of lithologies, alteration and comments are noted, as well as percentage estimates on alteration, veining and sulphide amount.

Sub-sampling techniques and sample preparation	• RC percussion samples were collected on 1m intervals. A subsample of 2-4kg was separated using a 1:8 cone splitter. Moisture from the samples was recorded.
	  ○ Certified Standard reference material was inserted every 30m starting from 15m.
	  ○ Blank and field duplicate samples were inserted every 30m starting from 30m.
	• Sample size of 2-3 kg is appropriate for grain size of material.
	• Drilling was supervised by experienced geologists.

Quality of assay data and laboratory tests	• Assay laboratories in Kalgoorlie and Perth were used for assaying. • Gold assays were determined using a fire assay with 40g charge and AAS finish. • Laboratories used completed internal standard regimes and re-assayed every 20th sample. • Umpire checks were undertaken by different laboratory in Kalgoorlie and or Perth. • QAQC for the programme showed acceptable performance.
Verification of sampling and assaying	• RC samples are collected into pre-numbered bags at the rig. • A geologist or field assistant cross-checked the bag numbers against the meter interval before recording them in triplicate into a sample submission book. • Sample submission form is signed by the Geologist or Field Technician prior to delivery to the Laboratory. The laboratory validates number of samples and sample identification codes against submission and reports any errors. • Some randomisation of sample numbers was conducted. • Data was transferred to excel spreadsheets utilising data validation to improve data quality, prior to loading into Datashed. Validation against assay, lithological and drill meta-data is completed by the software prior to consolidation within the main database. • Primary field data is collated into a file for each drill programme and is stored in the Kalgoorlie office. Electronic data is stored in Datashed, where it can only be changed by a database administrator. • Intercepts have been calculated using Datashed. Selected intercepts have been verified by manual calculation. • The primary returned assay result was used for reporting of all intersections and in mineral resource estimation, no averaging with field duplicates or laboratory repeats was undertaken so as not to introduce volume bias.

Criteria	Commentary
	• The drilling database was reviewed by Cube Consulting. The review included sample collection, submission, and entry protocols as part of the resource estimation process.
Location of data points	• Collar locations were routinely surveyed by Minecomp Pty Ltd using a differential GPS with an accuracy of ± 2cm. DGPS was referenced back to state survey mark (SSM) network. Elevation values were in AHD RL, no additions or subtractions were made to this measurement. • RC holes were routinely downhole surveyed using open hole gyro methods using a mix of true north-seeking and non-true north seeking surveys. • Drilling was planned and executed using the MGA94 zone 51 grid. • Visual inspection in GIS programmes did not identify any inaccuracies with the spatial position of the drillholes. • Topography of the area was generated from 2012 30cm Lidar contours.
Data spacing and distribution	• Drill Data spacing appropriate to the resource infill aim of the drill programme. The drilling spacing is 25m (E-W) x 50m (N-S) increasing to 50m (E-W) by 100m (N-S) at the northern end of the drilled area. • This spacing is adequate to determine the geological and grade continuity for reporting of Mineral Resources.
Orientation of data in relation to geological structure	• Drilling orientated normal to the dip and plunge of the major mineralisation bodies. • The orientation was selected to target the mineralisation based on current understanding of the orientation of the mineralised structures.
Sample security	• Samples were collected and documented each weekday. Samples submitted on the day they were collected. • Chain of custody supported by the sample logbook and sample reconciliation reports from the laboratories.
Audits or reviews	• An internal review of RC percussion procedures was conducted prior to commencing drilling.

Table 2 - Section 2: Reporting of exploration results – Castle Hill Stage 3

Criteria	Commentary
Mineral tenement and land tenure status	• Tenements M16/24, M16/248, M16/532 and M16/141 are held by Hayes Mining Pty Ltd a wholly owned subsidiary of Phoenix Gold Ltd. • Third Party Royalty payable on the tenement. • Historic agreements in place with Paddington Gold. Please refer to the Prospectus dated 5 October 2010 • Mining Leases have 21 year life renewable for a further 21 years on a continuing basis. • No native title claims are current over these tenements.
Exploration done by other parties	• Previous exploration over the tenement area has been conducted by a number of parties, including Castle Hill Resources Pty Ltd, and Cazaly Resource Ltd. • The historical data & database has been appraised and is of acceptable quality.
Geology	• The Castle Hill Stage 3 resource comprised three deposits from south to north: Wookie, Lady Alice and Picante. All of the deposits are structurally linked. • The principal lithology to host gold mineralisation at Castle Hill Stage 3 is the Kintore Tonalite a large intrusive granitoid of granodioritic composition. The tonalite intrudes a sequence of basaltic and ultramafic rocks to the east and west. The elliptical Kintore Tonalite attenuates to the south to form very long narrow (80m wide in plan) intrusion which hosts the Mick Adam and Wadi gold mineralisation and a dyke swarm to the south-east which hosts the Outridge and Kiora gold mineralisation. Gold mineralisation is also hosted along the eastern margin of the main body of the tonalite at Wookie and Picante. Gold mineralisation in this area is hosted within the tonalite and within the flanking mafic/ultramafic sequence. The Lady Alice gold mineralisation is associated with a fault array hosted entirely within the

Criteria	Commentary
	bulk of the tonalite intrusive. The Lady Alice fault array coincides with the boundary between de-magnetised tonalite to the east and magnetised tonalite to the west. Vertical vein arrays and kinematic indicators at Mick Adam and Kiora show the primary deformation at Castle Hill was extension with an east block down (sinistral normal) sense of movement, suggesting emplacement of the tonalite coincided with the beginning of an extensional doming event and the start of basin formation. The tonalite has therefore been interpreted as being emplaced in a relay zone between two fault tips. NE trending discrete faults are interpreted to be hard-linked transfer structures (perhaps zones of inherited weakness) which form jogs and hence local areas of dilation in the normal faults. Mick Adam and Wadi are separated by a NE trending fault which has generated an offset of 250m across strike. Both deposits dip shallowly to the east. NW trending shear zones which were re-activated during sinistral transpression accommodate much of the compressional strain and act to preserve the extensional domain. Primary mineralisation within the tonalite at Mick Adam and Wadi occurs as discrete narrow west dipping quartz veins containing moderately to extremely high gold grades and as fine disseminated gold within the tonalite groundmass. Visible gold has been observed in drill core in both quartz veins and as blebs in the tonalite groundmass. The disseminated gold is commonly associated with minor blebs of pyrite, arsenopyrite and rare chalcopyrite. High gold grade veins are typically 10 to 20cm thick and commonly occur in extensional arrays of four to five veins generating high grade zones up to 10m in horizontal thickness. Extensional veins are more common along the eastern margin of the tonalite. At the southern end of Mick Adam extensional vein arrays have been intersected in the footwall of the mafic unit proximal to the tonalite contact. Extensional shear zone arrays are also the host of the gold mineralisation at Kiora. Sheeted quartz veins are interpreted as the extensional veins propagating out form the shears. The veins within Kiora are hosted within the tonalite along the contact with ultramafic rocks and have been interpreted as having undergone supergene enrichment. Gold mineralisation at Kiora is also hosted within fault fill veins formed by movement on a shallowly dipping normal fault.
Drill hole Information	• Location of data from this drilling program is in the ASX announcement dated 16 September 2014. • All drilling is included in the Table.
Data aggregation methods	• Exploration results reported as length weighed averages (intercepts) using a lower cut of 0.4ppm and/or 20ppm. Assays greater than 20ppm have been composited separately from surround mineralisation, if mineralisation occurs above and below a 20ppm assay result then these have been aggregated as two composites. A maximum of 2m internal dilution. • Cutting of high grades was not applied. • Sample lengths from RC percussion drilling are all 1m lengths. • No metal equivalent has been reported.
Relationship between mineralisation widths and intercept lengths	• Drilling grids have been designed to intersect the mineralisation orthogonal to dip and strike, so most drilling is predominantly designed facing 315° dipping at 60°. Statistical analysis of this data has indicated there is no bias in this direction. • True thickness depends on the mineralisation style and amount of internal dilution included in the mineralisation interpretation.
Diagrams	• Appropriate maps and sections were shown in previous announcements.
Balanced reporting	• All results have been reported relative to intersection criteria

Criteria	Commentary
Other substantive exploration data	• Magnetic susceptibility generally relates to the rock type.
Further work	• A pre-feasibility study is underway for this area with the intention of bringing the area into production in the near future.