Dated: 16 October 2015

Phoenix Gold Limited

PHOENIX REITERATES REJECT EVOLUTION OFFER

ASX: PXG

Phoenix Gold Limited (ASX:PXG, "Phoenix" or the "Company") notes the announcement today by Evolution Mining Limited ("Evolution") that its takeover offer is now unconditional and the offer period has been extended.

Evolution is offering $0.06 cash and 0.06 Evolution shares for each Phoenix share ("Evolution Offer"), which will now remain open for an additional month until 7.00pm (Sydney time) on 26 November 2015, or a later date if further extended.

Despite the Evolution Offer now being free of conditions, and the appreciation in Evolution's share price as noted in its announcement today, the Directors of Phoenix continue to unanimously recommend that Phoenix shareholders **REJECT** the Evolution Offer as it has not been modified since it was initially made and does not fairly reflect the value of Phoenix's assets.

Phoenix notes that the Evolution Offer has gained minimal traction since the announcement of the bid, with acceptances to date of only 0.18% of Phoenix's total shares on issue.

The Company also notes the recent rise in the Australian dollar spot gold price to in excess of A$1,600 per ounce since the Evolution Bidder's Statement was first lodged on 11 September 2015. This healthy rise further strengthens the inherent value of Phoenix and indeed the majority of the Australian listed gold sector.

To **REJECT** the Evolution Offer, **simply do nothing**.

Each of the Directors who holds or controls Phoenix shares also intends to **REJECT** the Evolution Offer in relation to those shares.

Further information, including the detailed reasons for the Phoenix Directors' recommendation, is set out in the Company's Target's Statement.

All company announcements and information on the Evolution Offer is available on the Phoenix website at www.phoenixgold.com.au. Shareholders can also receive further information on the Evolution Offer by calling the Phoenix Shareholder Information Line below:

- Within Australia: 1300 889 468
- Outside Australia: +61 2 8022 7902

ENDS

Phoenix Gold Ltd
ABN 55 140 269 316

Unit 2/53 Great Eastern Highway
West Kalgoorlie WA 6430
Phone +61 8 9021 2704
Fax +61 8 9021 3393

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

For further information please contact

Investors

Dale Rogers, Executive Chairman
(08) 9021 2704

info@phoenixgold.com.au

Media

James Tranter / Shane Murphy
FTI Consulting

(08) 9485 8888 or 0408 951 780 / 0420 945 291

RBC Capital Markets

Adam Reid, Director
0407 339 163
adam.reid@rbccm.com