



PHOENIX GOLD HITS EXCEPTIONAL HIGH GRADE GOLD INTERSECTIONS AT RED DAM PROJECT

HIGHLIGHTS

- Exceptional high grade results received from maiden programme at Red Dam
- Significant mineralisation intercepted including:
 - 6m at 97.5g/t Au from 256m
 - 7m at 12.7g/t Au from 42m
 - 3m at 17.3g/t Au from 42m
 - 12m at 4.0g/t Au from 42m
 - 3m at 14.8g/t Au from 134m
 - 4m at 9.0g/t Au from 124m
- Results demonstrate geology is broader and more consistent than previously interpreted
- Significant potential for high grade open cut and underground mine development
- Red Dam Resource update expected in June Quarter

ASX: PXG, PXGOA

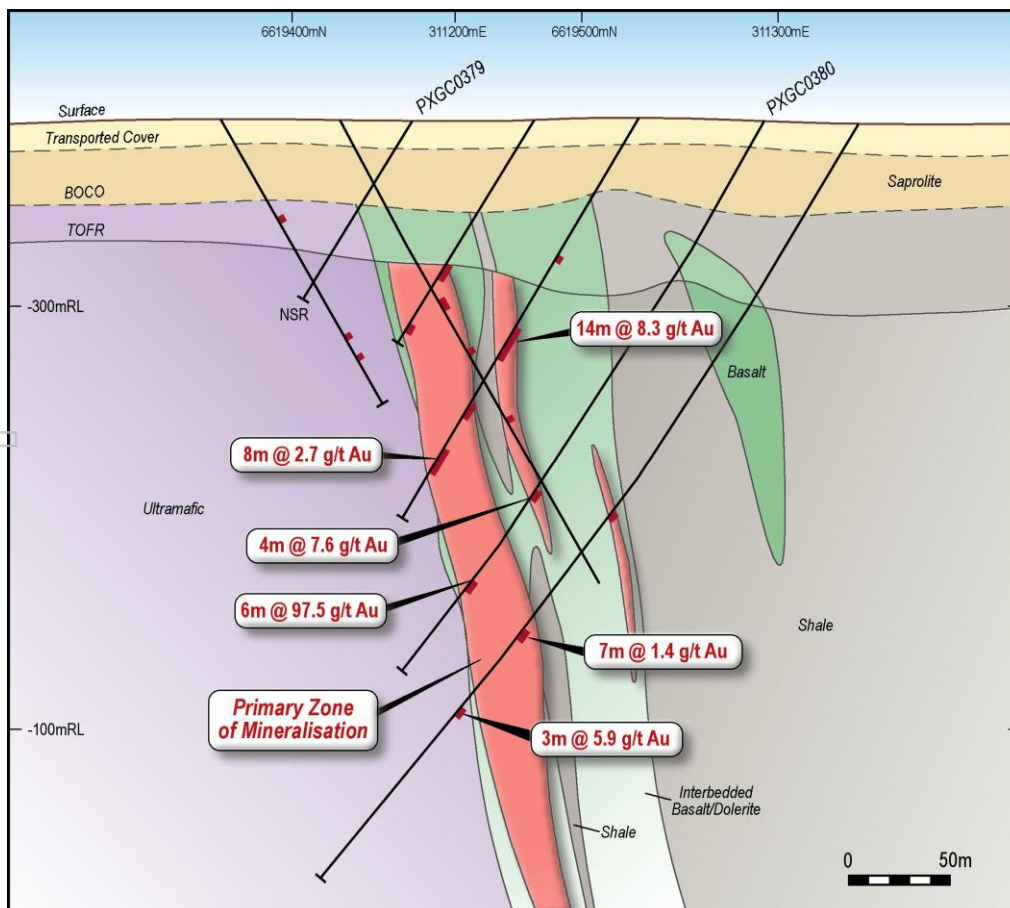


Figure 1: Red Dam – Cross Section A – A'

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Overview

19th March 2013

Phoenix Gold Limited (ASX: PXG, "Phoenix") is pleased to announce significant high grade intersections from its drill programme at the Red Dam gold project, part of the Broads Dam project area. The project is located proximal to the highly prospective Zuleika shear zone in the heart of the Western Australian Goldfields (Figure 2) less than 40 kilometres from the regional mining centre of Kalgoorlie and approximately 12 km, by existing haulage road, from Phoenix's Castle Hill Project.

The Red Dam Resource stands at **3.4 million tonnes at 2.1 g/t Au for 229,000 ounces** (Table 1) with a resource update expected in the June Quarter.

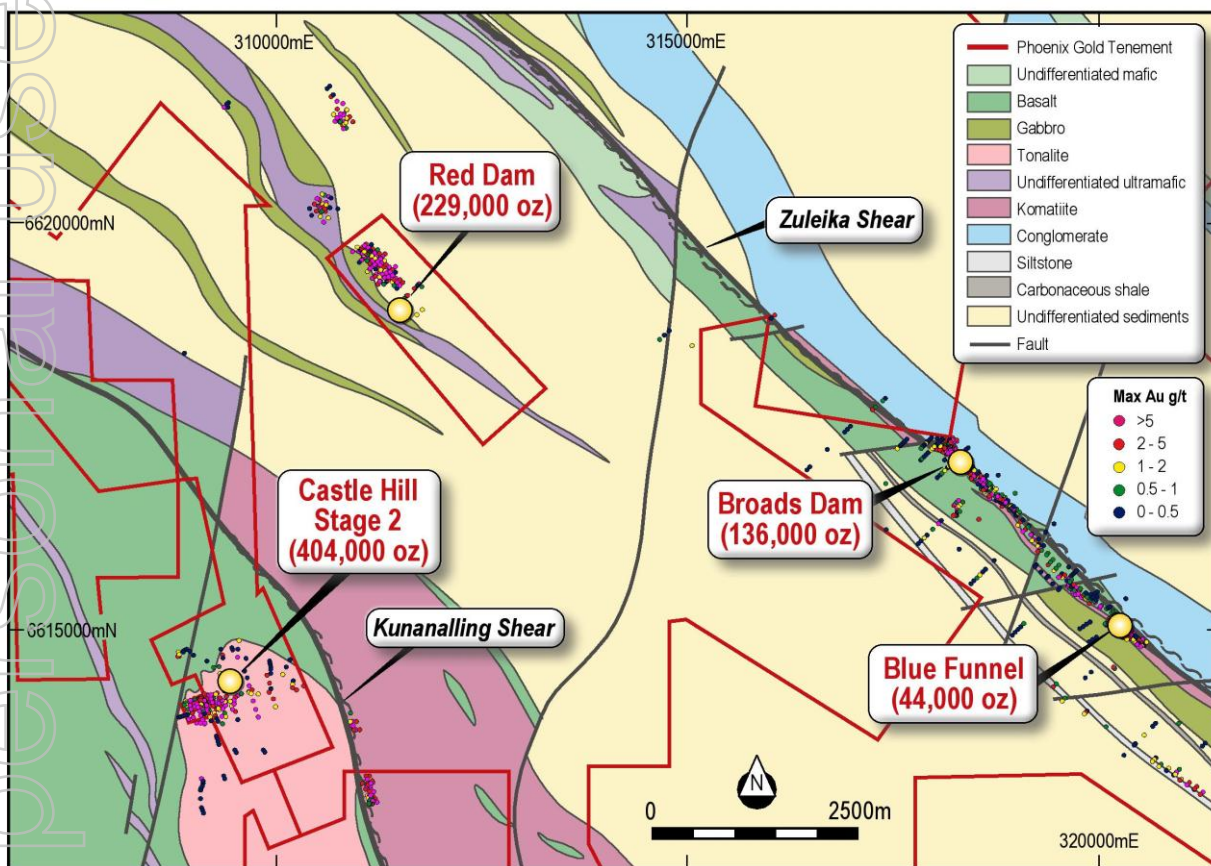


Figure 2: Red Dam project location and regional geology

"These latest results from our Red Dam project clearly demonstrate the potential of this recent discovery to be a significant contributor to our 8-10 year mine plan being developed as part of our Definitive Feasibility Study due for completion in December this year," Managing Director Jon Price said.

"We have two core development assets in Castle Hill and Red Dam in a safe jurisdiction, close to major infrastructure and only a 30 minute drive from Kalgoorlie-Boulder. I am extremely encouraged by these latest exciting high grade gold intersections which further confirm that Phoenix is progressing into a significant new gold business in the goldfields region," Mr Price said.



ASX Announcements

19th March 2013

In January 2013, Phoenix's phase 1 drilling programme commenced at the Red Dam project (Figure 2) with two rigs in operation undertaking 44 Reverse Circulation ("RC") drill holes (Figure 3) totalling 6,649 metres (Figure 3). The programme aims to extend mineralisation both along strike and at depth outside the current resource envelope, validate historic drilling data and to infill areas enabling conversion of the present resources into Indicated category for inclusion in the Definitive Feasibility Study ("DFS").

The results of the first 34 holes were released on 25 February 2013 and demonstrate significant alteration and veining outside the current resource envelope. These latest results, attached as Appendix 1, are from the final 10 holes of the programme with spectacular grades both close to surface and at depth.

As is typical with projects associated with the Zuleika shear zone, development typically commences with an open cut mine followed by decline development to follow the steep dipping high grade lodes at depth. While further work is required through an additional planned 18,000m programme in the June Quarter, Red Dam is presenting as a potential higher grade contributor to the 8-10 year mine plan being developed as part of the DFS. The DFS is on track for completion in December 2013 when a development investment decision, including the construction of a stand-alone 2Mtpa processing plant, is scheduled to occur.

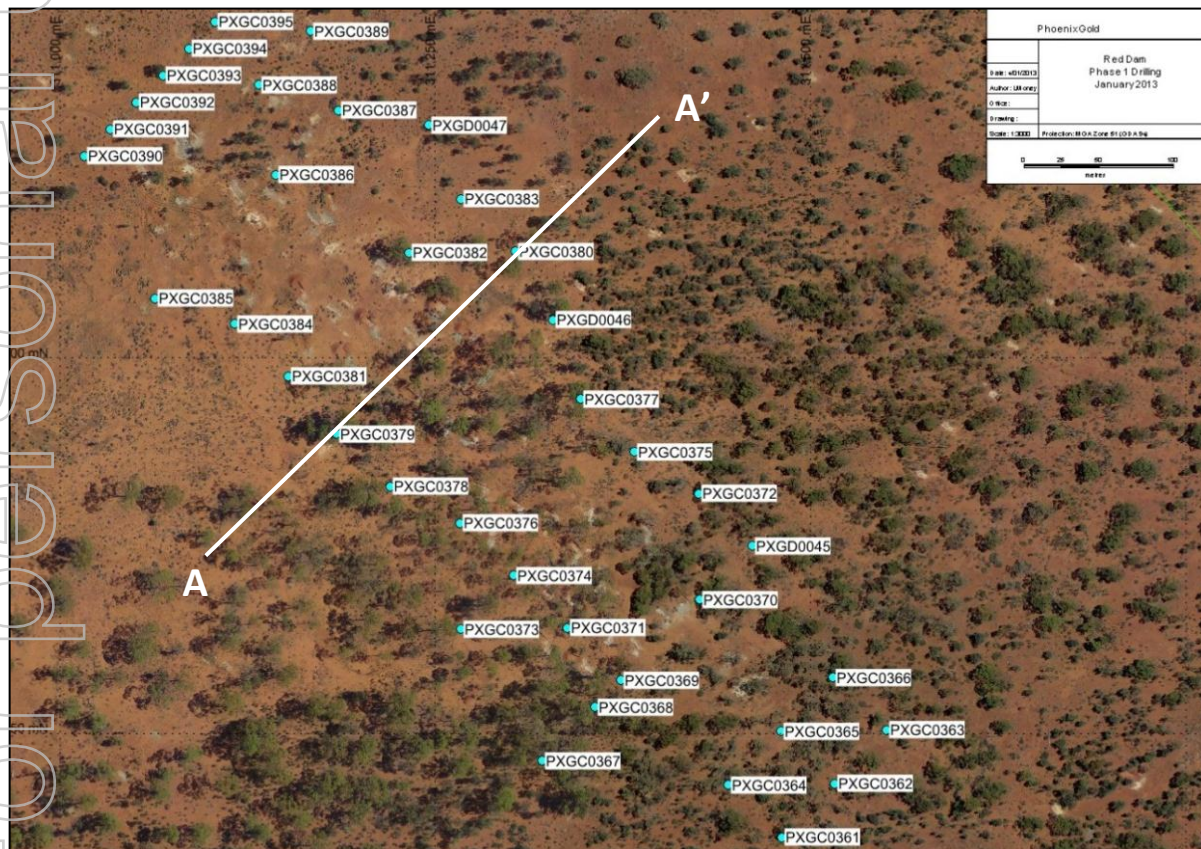


Figure 3: Red Dam – drill hole location plan

Drilling is continuing at the Castle Hill gold project, with both rigs at Stage 1 operating on a double shift to complete both extensional and infill programmes. The diamond rig will commence early next month.



About Phoenix

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 mine¹ 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 1: Phoenix Gold – Summary of Mineral Resources

Project	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
Castle Hill	0.18	3.4	20,000	7.26	1.6	364,000	16.11	1.5	794,000	23.54	1.6	1,178,000
Broads Dam				2.37	2.2	168,000	3.44	2.2	242,000	5.81	2.2	409,000
Kunanalling	0.58	2.4	45,000	1.51	1.6	76,000	4.28	1.7	237,000	6.37	1.7	358,000
Ora Banda				3.11	1.9	187,000	3.53	1.9	210,000	6.64	1.9	397,000
Carbine				1.97	1.6	103,000	0.09	1.8	5,000	2.06	1.6	108,000
Zuleika North				0.51	2.5	41,000	0.27	2.5	22,000	0.78	2.5	63,000
Stockpiles				0.14	1.5	7,000				0.14	1.5	7,000
Total	0.76	2.6	65,000	16.86	1.7	945,000	27.72	1.7	1,510,000	45.35	1.7	2,520,000

Notes:

1. Stockpiles report material mined from historical mining operations at Lady Jane, Broads Dam, Premier, Catherwood, Bluebell, Mick Adam and Shamrock.
2. The information in this report that relates to Exploration results and Mineral Resources is based on information compiled by Mr Ian Copeland. Mr Copeland, who is a member of the Australasian Institute of Mining and Metallurgy and a member of the Australian Institute of Geoscientists, is a full time employee of Phoenix Gold. Mr Copeland has sufficient experience which is relevant to the style of mineralisation and types of deposits under consideration and to the activity which he is undertaking to qualify as a competent person as defined in the 2004 Edition of the "Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves". Mr Copeland has given his consent to the inclusion in the report of matters based on the information in the form and context in which it appears.
3. Information that relates to exploration and production targets refers to targets that are conceptual in nature, where there has been insufficient exploration to define a Mineral Resource and it is uncertain if further exploration will result in the determination of a Mineral Resource.
4. The information on exploration targets is based on a conceptual range of targets as follows: Tonnage range: 2 million to 20 million tonnes, grade range: 1.5 g/t Au to 5 g/t Au

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19th March 2013



Appendix 1

Table 2: Red Dam Gold Project – Significant drilling results (see Note below)

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Hole ID	Collar Location MGA_51			Depth (m)	Dip	Azimuth	From (m)	To (m)	Width (m)	Grade (g/t Au)	Description
	East	North	RL								
PXGC0362	311516	6619216	387	210	-61	221	42	51	9	5.23	9m @ 5.23 g/t Au
PXGC0363	311549	6619253	387	280	-60	226	98	99	1	1.06	1m @ 1.06 g/t Au
							132	133	1	2.15	1m @ 2.15 g/t Au
PXGC0364	311444	6619217	388	150	-59	221	121	124	3	0.85	3m @ 0.85 g/t Au
PXGC0365	311479	6619250	387	93	-60	225	42	49	7	12.65	7m @ 12.65 g/t Au
							53	54	1	0.84	1m @ 0.84 g/t Au
PXGC0365B	311483	6619254	387	210	-60	225	39	41	2	0.91	2m @ 0.91 g/t Au
							52	54	2	4.74	2m @ 4.74 g/t Au
							57	58	1	1.1	1m @ 1.10 g/t Au
							134	137	3	14.82	3m @ 14.82 g/t Au
PXGC0366	311514	6619286	387	277	-60	225	100	103	3	2.34	3m @ 2.34 g/t Au
							126	127	1	1.94	1m @ 1.94 g/t Au
PXGC0367	311319	6619230	388	60	-59	225					No Significant Intercepts
PXGC0368	311354	6619264	388	110	-59	222					No Significant Intercepts
PXGC0369	311373	6619282	388	150	-60	221	59	60	1	1.45	1m @ 1.45 g/t Au
							68	69	1	2.8	1m @ 2.80 g/t Au
PXGC0370	311424	6619339	388	97	-61	224					No Significant Intercepts
PXGC0370A	311422	6619334	388	163	-61	224	86	93	7	1.18	7m @ 1.18 g/t Au
							141	143	2	1.99	2m @ 1.99 g/t Au
							151	152	1	0.9	1m @ 0.90 g/t Au
PXGC0370B	311419	6619331	388	12	-60	225					No Significant Intercepts
PXGC0371	311338	6619319	388	160	-60	225	42	45	3	17.33	3m @ 17.33 g/t Au
							52	61	9	3.32	9m @ 3.32 g/t Au
							65	68	3	2.31	3m @ 2.31 g/t Au
							74	81	7	0.88	7m @ 0.88 g/t Au
PXGC0372	311425	6619409	387	325	-60	219	139	142	3	2.15	3m @ 2.15 g/t Au
							171	172	1	1.65	1m @ 1.65 g/t Au
							190	191	1	1.05	1m @ 1.05 g/t Au
PXGC0373	311267	6619317	388	54	-60	225	51	53	2	2.3	2m @ 2.30 g/t Au
PXGC0373B	311271	6619321	388	90	-60	225	25	26	1	0.91	1m @ 0.91 g/t Au
							53	56	3	0.96	3m @ 0.96 g/t Au
PXGC0374	311300	6619357	388	160	-60	223	60	66	6	2.3	6m @ 2.30 g/t Au
							78	81	3	1.34	3m @ 1.34 g/t Au
							140	141	1	1.28	1m @ 1.28 g/t Au
PXGC0375	311381	6619437	387	175	-60	225	128	129	1	1.6	1m @ 1.60 g/t Au
							159	162	3	1.08	3m @ 1.08 g/t Au
PXGC0375B	311385	6619442	388	181	-60	225	133	140	7	2.03	7m @ 2.03 g/t Au
							144	147	3	3.1	3m @ 3.10 g/t Au
							168	169	1	1.12	1m @ 1.12 g/t Au
PXGC0376	311269	6619387	388	140	-60	222	124	128	4	9.31	4m @ 9.31 g/t Au



Table 2 (cont.): Red Dam Gold Project – Significant drilling results (see Note below)

19th March 2013

Hole ID	Collar Location MGA_51			Depth (m)	Dip	Azimuth	From (m)	To (m)	Width (m)	Grade (g/t Au)	Description
	East	North	RL								
PXGC0377	311348	6619471	388	310	-60	225	45	46	1	2.3	1m @ 2.30 g/t Au
							104	105	1	0.96	1m @ 0.96 g/t Au
							115	119	4	0.94	4m @ 0.94 g/t Au
							138	142	4	1.22	4m @ 1.22 g/t Au
							145	152	7	1.57	7m @ 1.57 g/t Au
							258	259	1	1.09	1m @ 1.09 g/t Au
							265	266	1	2	1m @ 2.00 g/t Au
PXGC0378	311222	6619415	388		-60	224					No Significant Intercepts
PXGC0379	311188	6619448	388	100	-59	226					No Significant Intercepts
PXGC0380	311301	6619573	388	313	-60	221	60	61	1	0.94	1m @ 0.94 g/t Au
							208	212	4	7.6	4m @ 7.60 g/t Au
							256	262	6	97.47	6m @ 97.47 g/t Au
							268	269	1	0.89	1m @ 0.89 g/t Au
							273	274	1	0.88	1m @ 0.88 g/t Au
							279	280	1	1.79	1m @ 1.79 g/t Au
PXGC0381	311151	6619487	389	100	-60	225	46	47	1	3.57	1m @ 3.57 g/t Au
PXGC0382	311232	6619571	388	217	-61	225	29	31	2	1.04	2m @ 1.04 g/t Au
							45	56	11	1.94	11m @ 1.94 g/t Au
							67	69	2	3.76	2m @ 3.76 g/t Au
							72	73	1	0.94	1m @ 0.94 g/t Au
							78	82	4	1.77	4m @ 1.77 g/t Au
							122	123	1	1.7	1m @ 1.70 g/t Au
							138	142	4	2.84	4m @ 2.84 g/t Au
							146	147	1	1.2	1m @ 1.20 g/t Au
213	214	1	1.1	1m @ 1.10 g/t Au							
PXGC0383	311266	6619607	388	271	-60	222	197	202	5	1.11	5m @ 1.11 g/t Au
							205	208	3	1.76	3m @ 1.76 g/t Au
							268	269	1	0.81	1m @ 0.81 g/t Au
PXGC0384	311116	6619521	389	60	-60	223	52	53	1	0.84	1m @ 0.84 g/t Au
PXGC0385	311060	6619541	389	50	-58	224					No Significant Intercepts
PXGC0386	311143	6619624	389	18	-60	225					No Significant Intercepts
PXGC0386A	311144	6619629	389	240	-61	222					No Significant Intercepts
PXGC0387	311186	6619666	389	313	-60	225	32	33	1	3.55	1m @ 3.55 g/t Au
							37	38	1	1.24	1m @ 1.24 g/t Au
							41	43	2	1.1	2m @ 1.10 g/t Au
							100	107	7	1.37	7m @ 1.37 g/t Au
							120	122	2	1.39	2m @ 1.39 g/t Au
							148	153	5	1.33	5m @ 1.33 g/t Au
							159	165	6	0.92	6m @ 0.92 g/t Au
							170	174	4	0.85	4m @ 0.85 g/t Au
							178	179	1	1.83	1m @ 1.83 g/t Au
							218	219	1	1.96	1m @ 1.96 g/t Au
							224	228	4	0.93	4m @ 0.93 g/t Au



Table 2 (cont.): Red Dam Gold Project – Significant drilling results (see Note below)

19th March 2013

Hole ID	Collar Location MGA_51			Depth (m)	Dip	Azimuth	From (m)	To (m)	Width (m)	Grade (g/t Au)	Description
	East	North	RL								
PXGC0388	311131	6619682	389	250	-60	224	33	34	1	4.32	1m @ 4.32 g/t Au
							37	38	1	0.84	1m @ 0.84 g/t Au
							42	54	12	4.01	12m @ 4.01 g/t Au
							63	68	5	1.04	5m @ 1.04 g/t Au
							72	77	5	0.87	5m @ 0.87 g/t Au
							81	85	4	0.99	4m @ 0.99 g/t Au
							112	123	11	1.18	11m @ 1.18 g/t Au
							127	128	1	0.86	1m @ 0.86 g/t Au
							131	143	12	2.68	12m @ 2.68 g/t Au
							162	166	4	2.47	4m @ 2.47 g/t Au
							196	197	1	1.32	1m @ 1.32 g/t Au
							211	212	1	2.45	1m @ 2.45 g/t Au
						216	217	1	4.47	1m @ 4.47 g/t Au	
PXGC0389	311168	6619717	389	120	-59	223					No Significant Intercepts
PXGC0390	311016	6619632	389	80	-61	225	5	6	1	5.24	1m @ 5.24 g/t Au
							39	41	2	1.84	2m @ 1.84 g/t Au
PXGC0391	311035	6619651	389		-60	222					No Significant Intercepts
PXGC0392	311052	6619670	389	140	-60	221	56	57	1	2	1m @ 2.00 g/t Au
							120	121	1	2.34	1m @ 2.34 g/t Au
PXGC0393	311070	6619689	389	185	-60	226	63	64	1	2.27	1m @ 2.27 g/t Au
							70	75	5	1.86	5m @ 1.86 g/t Au
							82	88	6	1.36	6m @ 1.36 g/t Au
							156	159	3	1.16	3m @ 1.16 g/t Au
PXGC0394	311086	6619706	389	120	-60	228	42	47	5	2.95	5m @ 2.95 g/t Au
							55	57	2	5.69	2m @ 5.69 g/t Au
							62	65	3	1.54	3m @ 1.54 g/t Au
PXGC0395	311103	6619724	389	120	-60	224	36	38	2	2.08	2m @ 2.08 g/t Au
							93	94	1	2.11	1m @ 2.11 g/t Au
PXGC0396	311479	6619180	387	150	-60	223					No Significant Intercepts
PXGD0045	311460	6619376	387	320	-60	223					No Significant Intercepts
PXGD0046	311330	6619521	388	340	-59	212	57	60	3	0.92	3m @ 0.92 g/t Au
PXGD0047	311245	6619655	388	330	-60	222					No Significant Intercepts

Note to Table 2: Analysis by 40g Fire assay.
Results compiled using a 0.8g/t Au lower cut-off.
Maximum of 2m down hole dilution included