



Phoenix Gold Resources Corp.

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NEWS RELEASE

PHOENIX GOLD ANNOUNCES CLOSING 2nd TRANCHE OF PRIVATE PLACEMENT

August 28, 2014 – Toronto, Ontario: Phoenix Gold Resources Corp (TSX-V: PXA), (the “**Company**” or “**Phoenix Gold**”) is pleased to announce that today it completed the second tranche (the “**Second Tranche**”) of the non-brokered private placement (the “**Private Placement**”) raising gross proceeds of \$169,500 as part of the \$374,500 total aggregate gross proceeds to date under the Private Placement with the issuance of 3,745,000 units (the “**Units**”) of the Company at a price of \$0.10 per Unit. Each Unit is comprised of one common share (a “**Share**”) and one-half common share purchase warrant (each whole warrant, a “**Warrant**”), and each Warrant is exercisable at a price of \$0.20 per Share for a period of 3 years from the date of issuance. The first tranche of the Private Placement closed last week, on August 21, 2014.

A total of 500,000 Units were acquired by Kroy Holdings Limited (“**Kroy**”) under the Second Tranche. Kroy is indirectly owned and controlled by Glenn Laing, the President, CEO and a director of the Company. Kroy, together with the other Shares directly or indirectly owned or controlled by Glenn Laing, now owns or controls an aggregate of 21.6% of the issued and outstanding shares of the Company.

The proceeds of the Private Placement will be used for the advancement of the exploration and development expenses of the Company’s properties and for additional working capital. Finders’ fees paid under the Second Tranche of the Private Placement were comprised of an aggregate of \$9,400 in cash and a total of 94,000 brokers’ warrants (the “**Brokers’ Warrants**”). Each Brokers’ Warrant entitles the holder to acquire a Share at an exercise price of \$0.10 per Share for 12 months from the date of issuance. Total aggregate finder’s fees paid under the Private Placement so far are comprised of \$16,200 in cash and a total of 162,000 Brokers’ Warrants. The Shares issued under the Private Placement are subject to a four-month hold period from the date of issuance.

For further information please contact:

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