ASX Announcement

17 September 2013

COMPANY DETAILS

ABN: 62 147 346 334

PRINCIPLE AND REGISTERED OFFICE
Potash West NL
Suite 3
23 Belgravia Street
Belmont WA 6104

POSTAL ADDRESS
PO Box 588
Belmont WA 6984

W www.potashwest.com.au

E info@potashwest.com.au

P +61 8 9479 5386

F +61 8 9475 0847

ASX CODE
PWN

OTC-QX CODE
PWNNY

CORPORATE INFORMATION
(17 September 2013)

92M Ordinary shares
3M Unlisted options
8M Listed options

SCOPING STUDY PRODUCES VERY POSITIVE RESULTS FOR LOW COST DANDARAGAN SUPERPHOSPHATE PROJECT

HIGHLIGHTS:

- **Study confirms technical & financial viability of single superphosphate (SSP) production at the Dandaragan Trough Project**
- **Phosphate resources at Dinner Hill can support an operation producing over 340,000 tpa of SSP for over 20 years**
- **Ability to produce commodity grade SSP confirmed**
- **Average Revenues per year of A$131 million**
- **Estimated average total annual cash costs of A$97.6 million**
- **IRR of 26%**
- **$NPV_{8\%}$ of A$218 million**
- **Low capital costs of $144M, inclusive of indirect costs**
- **Payback in under four years**
- **Straightforward, established mining method**
- **Low cost and simple processing**
- **Progressing towards a Definitive Feasibility Study**

Potash West (the Company) (ASX: **PWN**) is pleased to announce it has received positive results from a Scoping Study targeting single superphosphate production on its wholly owned Dandaragan Trough Project, located 150km north of Perth in Western Australia.

The Scoping Study referred to in this report is based on low-level technical and economic assessments, and is insufficient to support estimation of Ore Reserves or to provide assurance of an economic development case at this stage, or to provide certainty that the conclusions of the Scoping Study will be realised.

The Scoping Study (+/- 35% accuracy) demonstrates the robust nature of Potash West's phosphate project. Major attributes include the advantageous location, low mining and start-up costs, simple processing route, acceptable recoveries and cheap acid supply.

The positive outcomes of the study provide Potash West with the confidence to move forward towards a Definitive Feasibility Study (DFS) on a stand-alone phosphate project which is additional to the potash scoping study outlined in the ASX release on January 10th 2013.

OVERVIEW

Potash West is pleased to announce the results of its initial Scoping Study into the production of single superphosphate from its Dandaragan Trough Project. A mine production rate of 3.8Mtpa to produce an average of 342ktpa SSP has been considered.

The project is based on the JORC compliant resource outlined at Dinner Hill, which is only a small part of the Dandaragan Trough project area. Potential exists to expand the resource to the north and northeast.

Key outcomes are:

- Processing rate 3.8 Mtpa
- Mine life 20 years
- Average revenues per year $131 million
- Operating cash costs per year $97.6 million
- IRR 26.2%
- NPV_8 $218 million
- Capital cost $144 million
- Payback period 4 years

It is important to note that, in addition to the financial outcomes above, there are process improvements and strategic advantages to this project, including:

- Opportunities for metallurgical recovery improvements
- Due to the extensive nature of the phosphatic greensand, it is possible to easily and significantly increase the scale of the project as operations are established and markets grow in the region.
- An opportunity to build a combined phosphate plant and K-max plant to produce potash and alum products from the same feed material. This could be expected to lead to a greater than 50% increase in phosphate production, coupled with lower capital and operating costs compared to two separate plants.

Managing Director Patrick McManus said: "The significant phosphate potential of the Dinner Hill region of the Dandaragan Trough was recognised as we developed the economics of our patent-pending K-Max process, which produces not just potash, but also phosphate, alum and iron oxide. Capturing the full value of the phosphate allows a viable independent phosphate facility to be considered, in addition to providing major improvements to the economics of a K-Max plant.

"For a small company like Potash West, the lower capital requirement and proven established process technology required for the superphosphate plant will provide a route to positive cashflow that will reduce dilution for existing shareholders. Our next steps are to move quickly to a definitive feasibility study on the phosphate resource."

THE DANDARAGAN TROUGH PHOSPHATE PROJECT

INTRODUCTION

Potash West NL is a mineral exploration company focused on developing phosphate and potassium-rich greensand deposits in West Australia's Perth Basin. The Company's flagship project is the Dandaragan Trough, which is one of the world's largest greensand deposits. The project has unique advantages in excellent connectivity to transport facilities, infrastructure and proximity to local markets.

The Company holds exploration licenses and applications in 13 tenements, covering an area of 2,700km^2 (see Figure 1)

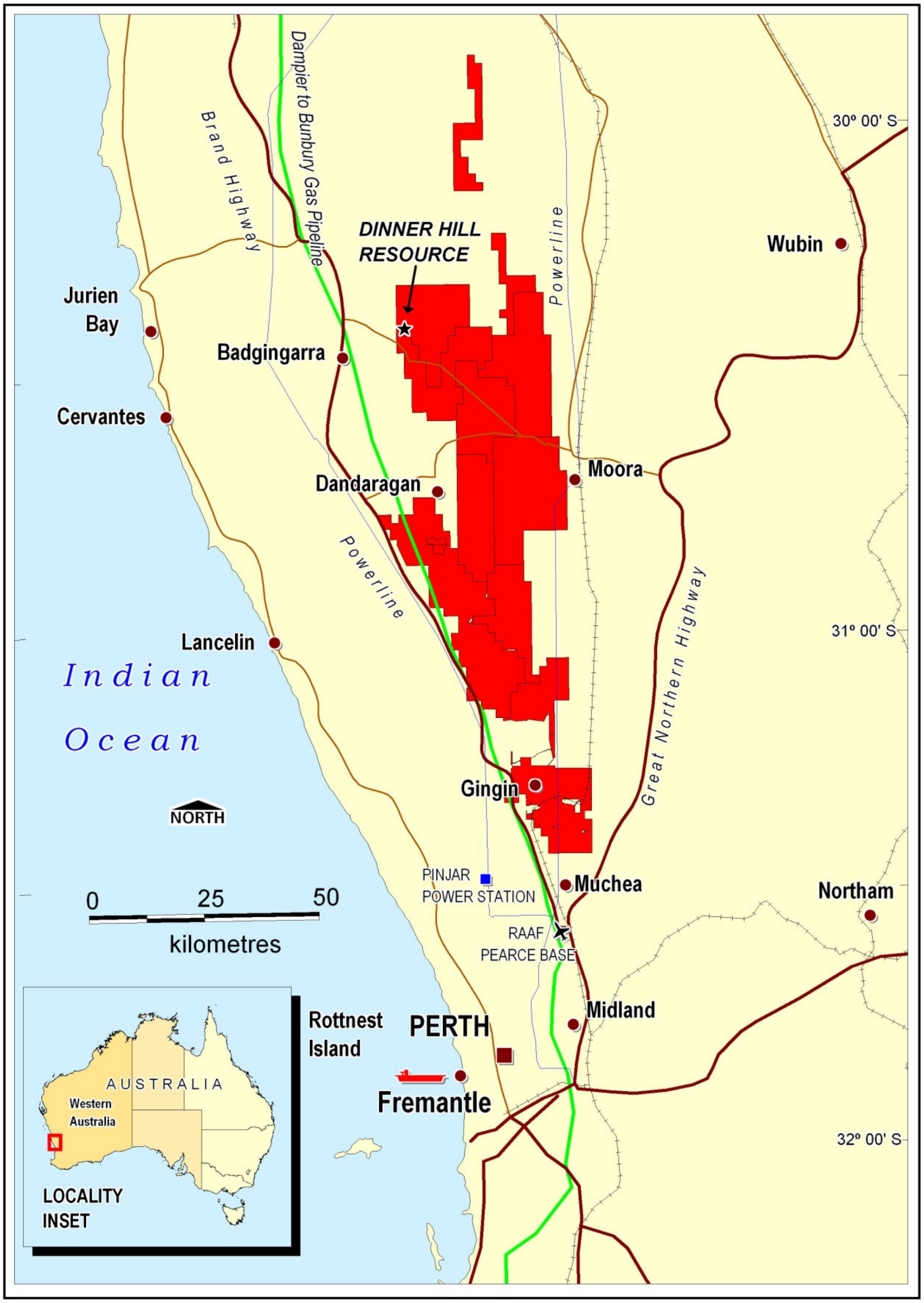

Figure 1: Land Tenure Dandaragan Trough Project

The Dinner Hill Deposit is located in the Mid West wheat belt region of Western Australia, some 225km by road north of Perth. The deposit is easily accessed from Perth via the Brand Highway. (Figure 2).

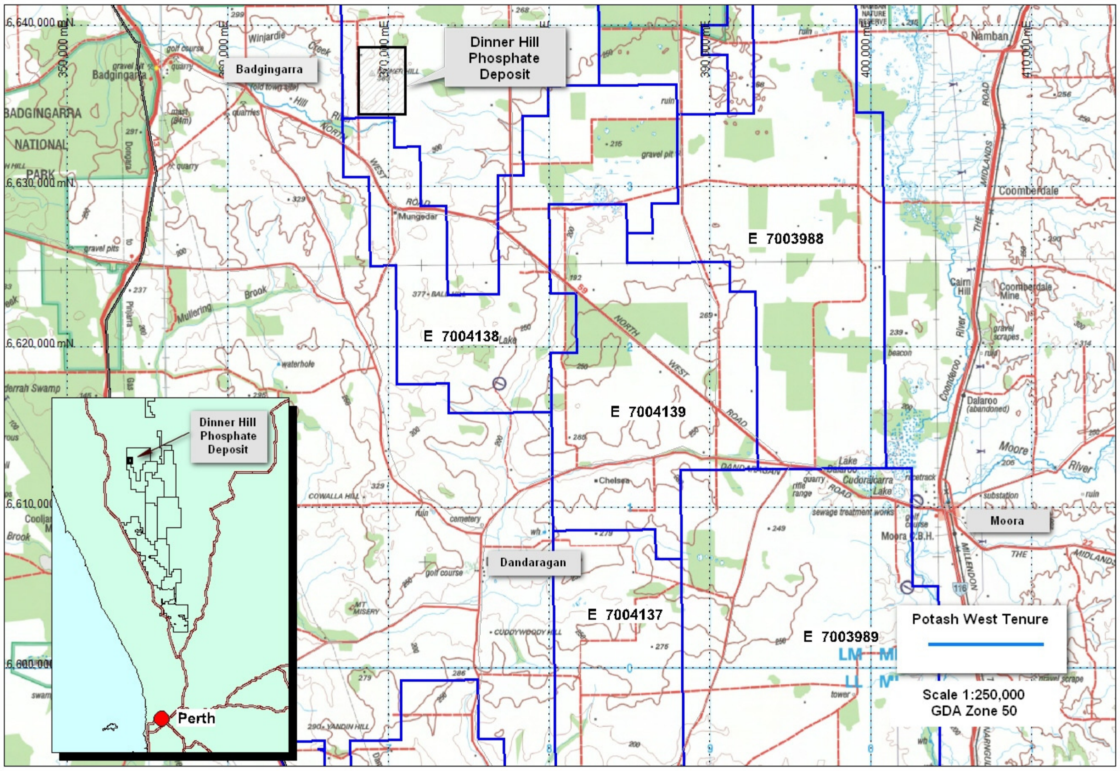

Figure 2: Dinner Hill Phosphate Deposit - tenure and infrastructure

Since listing in May 2011 the Company has been working on two parallel activities:

- Establishing a JORC compliant resource; and
- Developing a process flowsheet that extracts valuable commercial products from the greensands

Both of these targets have been achieved. In October 2012 a JORC compliant resource of 244Mt at 3.0% K_2O and 1.6% P_2O_5 was announced. A scoping study was completed in January 2013, which demonstrated the technical and financial viability for the proposed development of a facility (K-Max process) at the Dandaragan Trough Project, producing a range of commodities.

It was quickly realised by the Company that there was potential value in recovering the phosphate content present in the greensands in a stand-alone plant. This was identified after undertaking the Potash Scoping Study, which highlighted the value of the significant advantages of the location and geology of the resource. The relatively short distance to market, well-established infrastructure and friable mineralization, which sits close to surface, were seen as key advantages over most other "greenfields" phosphate projects.

Work carried out to define this value consisted of the following:

- Definition of a higher grade phosphate resource from Dinner Hill drill hole data
- Development of a processing flowsheet to produce a saleable phosphate product
- Conducting of an initial economic assessment

Continental Resource Management Pty Ltd, (CRM) has undertaken geological modeling and resource estimation at the Dinner Hill Phosphate Deposit which is estimated to contain an Indicated Mineral Resource of 90Mt at 2.65% P_2O_5 and 3.6% K_2O above a lower cut-off grade of 1.85% P_2O_5. Preliminary test work and economic modeling suggested saleable phosphate rock could be concentrated from the greensands by conventional processing steps and the production of single superphosphate had the most favorable economics. Based on this data, a scoping study to produce SSP from greensands at Dinner Hill was initiated in February 2013 and completed in September 2013.

GENERAL

Potash West commissioned Strategic Metallurgy to develop a process to produce single superphosphate from Dandaragan greensands. Several samples from the Dinner Hill resource were subject to a series of tests to determine the amenability of the mineralisation for phosphate recovery. These samples were tested as composites of the individual lithologies that exist in the deposits, including Poison Hill and Molecap Greensand and Gingin Chalk- and as hole composites which included all lithologies.

The phosphate component in the samples were identified as fluorapatite and appeared relatively liberated. The apatite was nodular in nature and as such proved easy to concentrate to the coarser fractions. Phosphate concentrates responded well to conventional anionic flotation and high recoveries and grades (>30% P_2O_5) were achieved.

Strategic Metallurgy provided a process package, which formed the basis of this scoping study, based on the results of the test work programs. The documentation included process flow diagrams, process design criteria, mass balance, process description and capital and operating estimates for a project treating 3.8 Mtpa of Poison Hill and Molecap Greensand. This scale of operation produces an average of 342,000 tpa of single superphosphate.

CRU had previously been commissioned to investigate potential sale volumes and prices for single superphosphate for the Potash Scoping Study. These values were utilized in this study. A discount on sales revenue was applied for the first 5 years of operation, in recognition of a discount considered necessary to get market penetration.

The Scoping Study is based upon the JORC Indicated Resource quoted for the Dinner Hill area. The Company is planning further drilling to the north and northeast of the current resource, which is expected to result in an increased resource.

RESOURCE

The resource estimate was carried out by John Doepel, Principal Geologist of CRM. It is reported in accordance with the 2012 Edition of the JORC Code.

The Dinner Hill Phosphate Deposit covers two sub-horizontal greensand formations within the Cretaceous Coolyena Group: the Poison Hill Greensand and the Molecap Greensand. Over most of the area of the deposit they are separated by the Gingin Chalk. An average thickness of about 11m of surficial, mostly sandy, cover overlies the greensand units. The greensands contain significant amounts of glauconite and also significant phosphate content in the form of apatite nodules. Figure 3 is an east-west cross-section through the deposit displaying blocks within the resource.

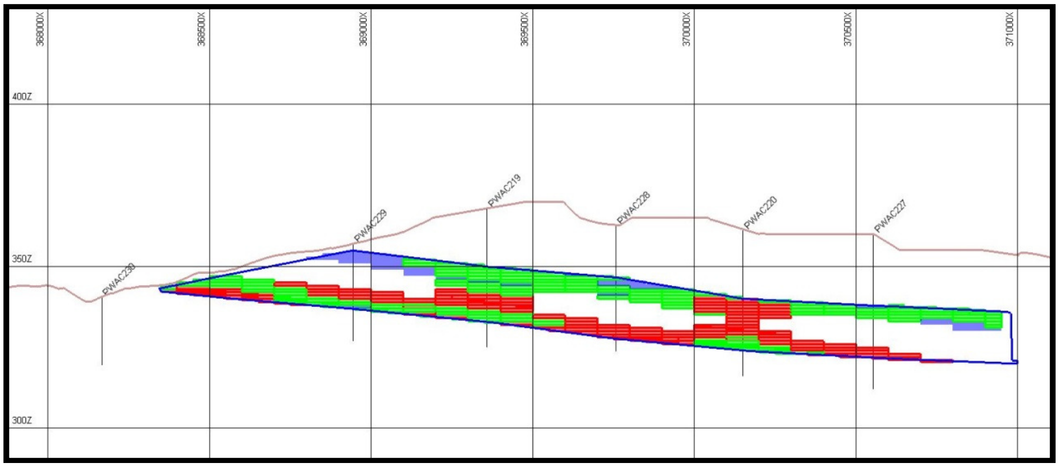

Figure 3: Dinner Hill Deposit OBM – Cross-section 663 8000N

(P_2O_5 Grade: Blue: 1%-1.85%; green 1.85 to 3.0%; red >3.0%. Only blocks with CaO: P_2O_5% <2.5 shown)

The currently drilled portion of the Dinner Hill Deposit covers an area of some 10 square kilometres. An aircore drilling program was carried out in June 2012 to enable the estimation of resources within the greensand units. The program was based on a 400m by 400m grid, with a small area of infill drilling on 200m x 200m spacing. Drill-hole data was used to construct the ore block model and to estimate the resource. The data comprised drill logs, analyses for 87 air-core drill-holes totalling 3516m and 93 dry bulk density samples taken from four PQ diamond holes drilled in August 2012.

The ore block model grades were estimated by geostatistical interpolation using the inverse distance squared method. Parent block sizes were 100m x 100m x 1m vertical. The ore block model was constrained within a 1% P_2O_5 wireframe.

CRM has restricted the Mineral Resource to those blocks that have a CaO : P_2O_5 ratio of less than 2.5, as metallurgical studies indicate that higher ratios will result in uneconomic acid consumptions during product beneficiation. This was necessary due to the limited selectivity of apatite from chalk by the processing plant. The presence of chalk in the phosphate concentrate limits the phosphate grade of the final product. Further metallurgical work will be required to establish the best conditions to separate chalk from the phosphate. This may increase the resource, by allowing material with a higher CaO : P_2O_5 to have value.

The Indicated Mineral Resource quoted herein represents an update to the previously quoted phosphate resource for Dinner Hill (12 August, 2013). Metallurgical factors have been applied and the resource is not confined to the northern part of area. Table 1 shows the resource summary with an Indicated Mineral Resource of 90Mt at 2.65% P_2O_5 and 3.6% K_2O above a lower cut-off grade of 1.85% P_2O_5.

Appendix 1 is provided to ensure compliancy with the JORC (2012) requirements for the reporting of Mineral Resource estimates.

Lower Cut-off Grade (% P_2O_5)	Tonnes (Mt)	Grade (% P_2O_5)	Grade (% K_2O)	Grade (% CaO)
3.00	3	3.50	3.48	6.11
2.75	34	3.30	3.55	5.76
2.50	47	3.12	3.60	5.43
2.25	62	2.94	3.60	5.08
2.00	79	2.76	3.59	4.73
1.90	87	2.69	3.59	4.60
1.85	90	**2.65**	**3.59**	**4.54**
1.80	93	2.63	3.60	4.48
1.75	97	2.60	3.60	4.43
1.50	111	2.47	3.58	4.19
1.25	123	2.37	3.60	4.01
1.00	131	2.30	3.64	3.90
0.00	132	2.28	3.65	3.88

Note: Figures in the above table have been rounded appropriately in accordance with the Australian JORC code 2012 guidance on mineral resource reporting.

Table 1 Dinner Hill Phosphate Deposit Resource Summary

MINING AND PRIMARY BENEFICIATION

The greensand deposits of the Dandaragan Trough are an unconsolidated mixture of silica, glauconite and apatite, not dissimilar in physical characteristics to mineral sand deposits that are mined close by at Cataby and Eneabba. Mining will be carried out by techniques that are well established in those deposits. Topsoil and overburden will be mined by scrapers, with topsoil being replaced as soon as practical.

Mineralisation will be mined by a bulldozer, which feeds an in-pit slurry unit. The slurry will be pumped to a concentrator, where material will be screened and de-slimed. Plus 0.5 mm material contains the bulk of the phosphate and will be milled prior to being fed to the flotation plant.

As part of the rehabilitation process, flotation tailings and slimes will be de-watered and returned to the mine void, covered with overburden and then contoured and covered with topsoil. It is estimated that it will take approximately 5 years from mining to return to end-use, although this might be slightly longer as operations are established.

PROCESSING

The mined phosphate rich greensands will be treated in a superphosphate processing plant consisting of conventional unit operations, including scrubbing, screening, de-sliming, magnetic separation and flotation to produce phosphate rock containing >30% P_2O_5. The phosphate rock will be acidulated using purchased sulfuric acid to produce SSP containing >18% P_2O_5. A diagram of the process is presented in Figure 2.

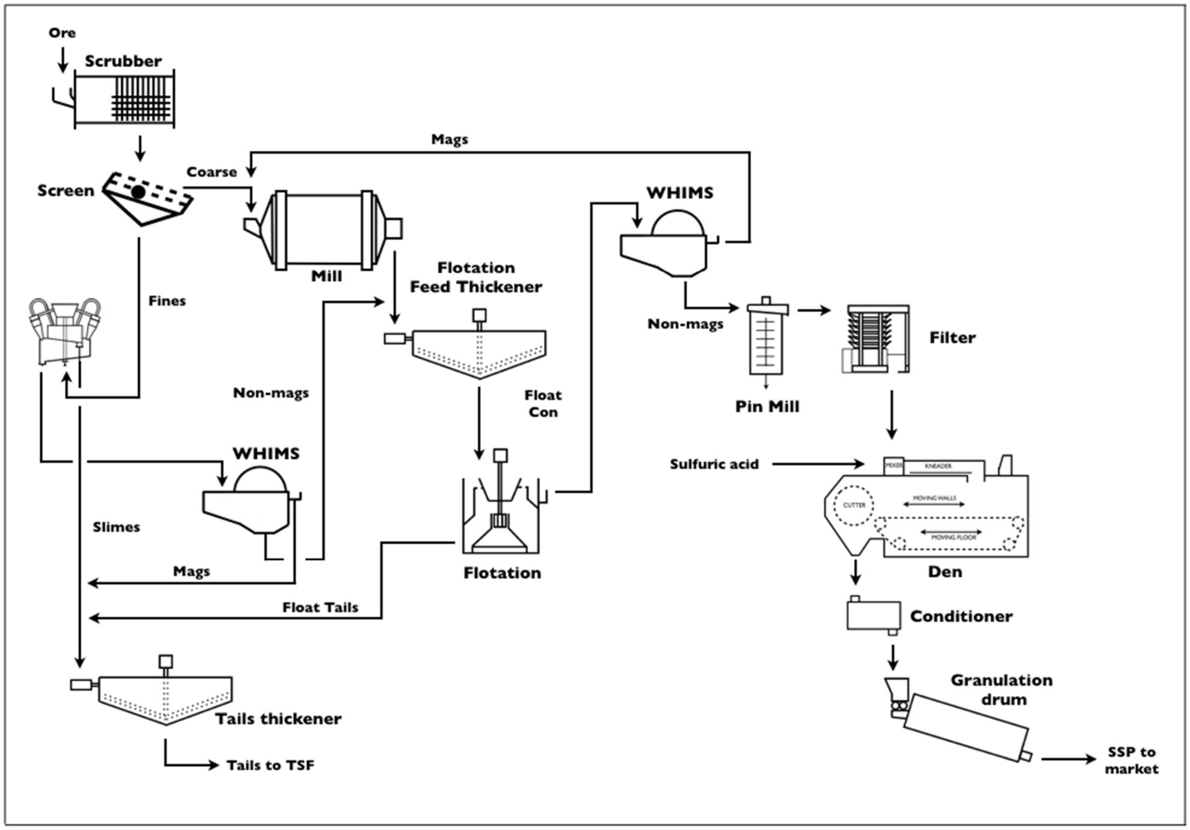

Figure 4 Process Flowsheet

The key operating parameters include:

- Screening at 0.5 mm recovers approximately 63% of the contained phosphate for direct feed to the flotation plant.
- De-sliming and magnetic separation recovers a further 7% of the contained P_2O_5 for direct feed to the flotation plant.
- Flotation and magnetic separation recovers 88% of the phosphate from the flotation feed to the phosphate concentrate.
- Acidulation recovers 100% of the phosphate from the phosphate concentrate to the SSP product
- An overall recovery of 61.3%.

The major attributes of the processing plant include the relatively simple and cheap upgrade of the phosphate mineralisation from an average head grade of 2.65% P_2O_5 to approx. 5.2% P_2O_5 for feed to the flotation plant. This involves a phosphate recovery of 70% to only 36% of the mass. These processing steps, which include screening, de-sliming and magnetic separation, are low cost and relatively easy to operate. The significant upgrade allows for relatively small downstream processing units.

The main reagents required include sulfuric acid, for the acidulation process, and fatty acid, for flotation. The reagents will be delivered to site by road from Kwinana. Slimes will contain a significant fraction of calcite present in the mineralisation. Neutralization of excess gas scrubber water will be effectively managed by reaction with part of the slimes material.

TAILINGS

Tailings from the process are benign consisting of un-reacted calcite, goethite, silica and glauconite. A small volume of acidic liquor, generated from the acidulation plant off-gas scrubber, will be neutralized with limestone tailings prior to disposal. Tailings from the plant will be pumped to a tailings storage facility. Tailings will be dewatered then returned to the pit as back fill.

INFRASTRUCTURE

For the purpose of the scoping study, the processing facility is assumed to be located between the towns of Moora and Dandaragan in Western Australia, both towns are approximately 170 km north of Perth. It will be well positioned with respect to road and rail access and located within 30 km of the electricity utility corridor. The following infrastructure has been accounted for in the capital and operating cost estimates:

- The processing plant power demand will be supplied from the South West Interconnecting Network (SWIN). The site can be serviced from existing transmission infrastructure at Moora or Cataby.
- Western Power’s Mid West Energy Project (MWEP) will increase electrical capacity in the Mid-West from the current 150 MW to 680 MW by 2018. This will provide for the power draw required in future plant expansions.
- Make-up water will be supplied from local borefields. Water will be recovered from the tailings facility.
- The main imported reagents will be delivered to site in bulk on sealed road.
- SSP final product will be delivered to Moora on sealed road and delivered to Geraldton or Kwinana on the existing rail.

CAPITAL COST

The capital cost for the project was estimated by Strategic Metallurgy and based on information contained in the Dandaragan Trough Potash Project Scoping Study Report (Potash Scoping Study), budget quotations and process design criteria provided by Strategic Metallurgy in early 2013. Equipment costs were factored using standard industry techniques. The costing was based on a design package prepared by Strategic Metallurgy Pty Ltd with a nominal throughput rate of 3.8 Mtpa of mineralisation. The design package comprised:

- A complete set of flowsheets for the process,
- Process design criteria based on the nominal throughput rate; and
- A report detailing the testwork supporting the process design.

The accuracy of the estimate is considered to be +/- 35%, which is appropriate for a Scoping Study.

	A$ millions
Process Plant	$72.9
Infrastructure	$34.7
Indirect costs (including contingency)	$36.7
TOTAL	$144.2

Table 2: Capital Cost Estimate

OPERATING COST

The operating costs for the projects were estimated from first principles based on the Process Design Criteria in Strategic Metallurgy's design package. Contained in the operating costs are estimates for:

- Personnel Requirements
- Reagent Consumption and Consumables
- Power Consumption
- Maintenance Materials

	A$/tonne of feed	A$/tonne of product
Mining and Rehabilitation (including overburden)	$8.79	$97.75
Process Plant (including transport of reagents)	$13.25	$147.25
Railing and project shipping	$3.62	$40.19
TOTALS	$25.66	$285.19

Table 3: Operating Cost Estimate

The friable nature of the greensands and low stripping ratio allows for very low mining costs and the well-established infrastructure and relatively short distance to market allows for low transportation costs. These significant advantages more than off-set the relatively low insitu grade.

ENVIRONMENT AND PERMITTING

Land use in the Dandaragan Trough region is principally farming, and the Company's tenements are exclusively within freehold land and road reserves.

A desktop study was completed over the Dinner Hill area (proposed mine site) and a broader region in the east of the Project Area (proposed plant site). The study objectives were to identify any key environmental issues associated with the sites.

Environmental constraints consistent with the locality were identified as typical for an agricultural region of Western Australia. As most of the mining site land use is agricultural and pastoral, constraints are likely to be localised to stands of remnant vegetation. These are typically managed by rehabilitation methods well established at other mining operations in the region.

There is flexibility in the processing plant site, so it can be located to manage the environmental impacts, consistent with good planning practice.

MARKETING AND PRODUCT PRICING

CRU was commissioned by Potash West in November 2012 to undertake a marketing and pricing study for products generated from the K-Max study, which included data for SSP. CRU is a respected, independent research company with deep expertise in the fertiliser industry and in the supply, demand and pricing of fertiliser products.

At a mining rate of 3.8 Mtpa and metallurgical recovery of 61.3%, an average of 342,157 tpa, SSP, at a grade of 18.1% P_2O_5, will be produced annually. The CRU recommended sales prices (US$/tonne) for SSP over the duration of the project are listed in Table 4 and are based on SSP containing 18-20% P_2O_5. These prices are listed as CFR and, as such, domestic and international transportation costs have been taken into account in the economic analysis.

In addition, a discount on sales revenue was applied for the first 5 years of operation, in recognition of a discount considered necessary to obtain market penetration. It is anticipated that sales volumes and prices will be refined and better defined as part of the feasibility study. For this study, it was assumed that 100,000 tpa SSP would be sold on the domestic market with the remainder sold on the international market.

Year	Sales price (US$/t)	Discount	Exchange rate	Sales Price A$/t
1	$350	10%	0.90	$350
2	$350	8%	0.90	$358
3	$350	6%	0.90	$366
4	$350	4%	0.90	$373
5	$350	2%	0.90	$381
6-20	$350	0%	0.90	$389
Averages	$350	-	0.90	$383

Table 4: Single Superphosphate, sales prices and discounts

POTENTIAL IMPROVEMENTS

The processing flow sheet was developed by a systematic test work approach on limited samples. A composite was subject to a flow sheet test work to determine the overall metallurgical recovery to form the basis of the economic model for this scoping study. The work program identified a number of areas in which further work would produce improvements to the project.

Areas of improvement include:

- Determination of processing options to treat the chalk, which would significantly increase the resource volume and grade and reduce the mining strip ratio. The next phase of work will aim to identify process options to viably process the phosphate containing chalk.
- Phosphate loss to the fines is significant. Optimisation work on the de-sliming process should see improvements in phosphate recovery.
- Phosphate loss to the glauconite containing magnetic concentrate is also significant. The losses have not been identified as magnetic phosphate or entrainment of non-magnetic phosphate. Processing options such as cleaner - re-cleaner magnetic separation in conjunction with milling may significantly increase the separation of glauconite from apatite, which would see improvements in phosphate recovery.

Synergies exist for the production of phosphate, potash and other commodities with the implementation of side-by-side phosphate and K-Max plants. Recovering phosphate from the coarse mineralisation, which is waste to the K-Max plant, and recovering potash and other valuable commodities from the magnetic concentrate and slimes, which is waste to the phosphate plant, maximizes the revenues from the mined greensands. It is expected that the overall phosphate production would be higher (>50%) compared to a stand-alone K-Max plant, and the downstream processing costs to produce SSP from the K-Max plant are expected to be lower. The economics will be verified in due course.

FINANCIAL MODEL

A high level production model was developed based on yields achieved in testwork, operating and capital costs estimates from Strategic Metallurgy and selling prices and volumes from CRU. Capital and operating costs and sales revenues have been derived in A$.

Financial results are presented in Table 5:

NPV_8	$218 M
Capital costs	$144 M
Opex, per tonne of product	285
Revenue, per tonne of product	383
Capital Payback, yrs	4.0
IRR%	26.2
Mine Life, based on Dinner Hill Resource	20 years

Table 5: Financial results, summary

This analysis shows a robust project, with significant potential to increase scale as market acceptance and penetration is achieved.

For further information contact:

Potash West NL
Patrick McManus
Managing Director
Tel: +61 (08) 9479 5386
info@potashwest.com.au
Web: www.potashwest.com.au

Media:

Professional Public Relations
Colin Hay
Tel: +61 (08) 9388 0944

About Potash West

Potash West (ASX:PWN) is an exploration company focused on developing potassium-rich glauconite deposits in West Australia's Perth Basin. The Company aims to define a substantial resource base and investigate how best to recover potash from the mineral. The project is well situated in relation to infrastructure, with close access to rail, power and gas. A successful commercial outcome will allow the Company to become a major contributor to the potash and phosphate markets at a time of heightened demand.

The Company has a major land holding over one of the world's largest known glauconite deposits, with exploration licenses and applications covering an area of 2,700km^2*. Previous exploration indicates glauconite sediments are widespread for more than 150km along strike and 30km in width. Current JORC complaint Indicated Mineral Resources stand at 241Mt at 3.0%* K_2O*, including 120Mt at 4.6%* K_2O *amenable to processing by the K-Max process and 90Mt at 2.65%* P_2O_5 *of phosphate mineralisation.*

Cautionary Statement:

The scoping referred to in this report is based on low-level technical and economic assessments and is insufficient to support any estimation of Ore Reserves or to provide assurance of an economic development case at this stage, or to provide certainty that the conclusions of the Scoping Study will be realised.

The use of the word "ore" in the context of this report does not support the definition of "Ore Reserves" as defined by the 2012 Edition of the 'Australasian Code for reporting of Exploration Results, Mineral Resources and Ore Reserves. The word 'ore' is used in this report to give an indication of quality and quantity of mineralised material that would be fed to the processing plant and it is not to be assumed that 'ore ' will provide assurance of an economic development case at this stage, or to provide certainty that the conclusions of the scoping study will be realized.

Competent Person's Statement:
The metallurgical information in this report is based on information compiled by Gary Johnson, who is a Member of the Australasian Institute of Mining and Metallurgy. Mr Johnson has sufficient experience relevant to the activity being undertaken 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". Mr Johnson is a consultant to the mining industry. This report is issued with Mr Johnson's consent as to the form and context in which the results appear.

The geological information in this report which relates to Mineral Resources is based upon information compiled by Mr J.J.G. Doepel, B.Sc. (Hons), GradDipForSc, Dip Teach, Principal Geologist of Continental Resource Management Pty Ltd. Mr Doepel is a member of the Australasian Institute of Mining and Metallurgy and has sufficient expertise and experience which is relevant to the style of mineralisation and to the 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". Mr Doepel consents to the inclusion in the report of the matters based on his information in the form and context in which they appear.

The information in this report that relates to Exploration Results is based on information compiled by Lindsay Cahill, who is a member of the Australasian Institute of Mining and Metallurgy and the Australian Institute of Geoscientists. Mr Cahill is a consultant to the mining industry, and has sufficient experience relevant to the style of mineralisation and type of deposit under consideration. He is qualified as a Competent Person as defined in the 2012 edition of the "Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves. This report is issued with Mr Cahill's consent as to the form and context in which the exploration results appears.

APPENDIX 1 - JORC CODE, 2012 EDITION – TABLE 1

Section 1 Sampling Techniques and Data

Criteria	Commentary
Sampling techniques	• Air-core drilling was used to obtain 1m samples from target horizons; • 3kg sub-samples were split by rotary splitter or by scoop sampling. Sub-sample size 3 to 4kg.
Drilling techniques	• Vertical NQ Air-core
Drill sample recovery	• Clay content of moist greensands ensured total recovery and retention of all size fractions; • Holes were conditioned at completion and cyclone opened and cleaned before next hole drilled
Logging	• All intervals geologically logged directly into a field computer using a database designed to capture relevant data including, oxidation, grainsize, rounding, sorting, mineralisation, hardness, colour and stratigraphic unit. All logging sample layouts are photographed and chip trays stored for future reference.
Sub-sampling techniques and sample preparation	• Duplicate field splits at a 1:18 ratio returned R^2 correlation coefficient of 0.96 for P_2O_5 indicating robustness of sampling process; • Sample preparation by Genalysis Laboratory Services Pty Ltd via drying and total pulverisation
Quality of assay data and laboratory tests	• Analysis by Genalysis Laboratory Services Pty Ltd by Phosphate Major Element Suite FB1 method (XRF after lithium borate fusion); • Two alternate phosphate standards were submitted with samples at a 1:18 ratio. For the P_2O_5 analyses the respective means of the analytical results of the standards were 9.74% and 4.94% as against the nominal standard means of 9.72% and 4.94%.
Verification of sampling and assaying	• Sampling and logging verified by site visits by Exploration Manager and Independent Consultant. Logging checked against major element assays and sample photography; • Assay entry by digital capture of laboratory files, with later verification of significant intervals against original files.
Location of data points	• Holes located by GPS; • Grid MGA_GDA94, Zone 50; • Elevation data is based on a topographic contour set produced from SRTM imagery at 5m vertical resolution.
Data spacing and distribution	• 1m samples collected and analysed throughout mineralized horizons; • Geological continuity across deposit; • Grade continuity over 1100m in $20^o/300^o$ orientation and 750m in $110^o/290^o$ orientation. As the holes were drilled on 400m spacing the geological and grade continuity is appropriate for the estimation procedure and the resource classification.

Criteria	Commentary
Orientation of data in relation to geological structure	• Vertical drilling through virtually horizontal stratigraphy resulted in intersected thickness equivalent to true thickness.
Sample security	• Samples transported from site to laboratory by Potash West staff.
Audits or reviews	• Sample techniques, logs, and data reviewed positively by independent consultant geologist.

Section 2 Reporting of Exploration Results

Criteria	Commentary
Mineral tenement and land tenure status	• The deposit is within E70/3987 held by Richmond Resources Pty Ltd. A deed is place between Richmond Resources and Potash West, whereby Potash West holds the rights to the glauconite and phosphate minerals and to any by-products produced processing these minerals. • The tenement was granted on 26/07/2011 for a period of five years. The required expenditure has been met for the first two years. • The deposit is beneath farm land owned by Roseville Nominees, with whom compensation agreements have been signed, with the mineral sub-surface rights subsequently being granted both above and below 30m below surface.
Exploration done by other parties	• No exploration work was carried out in the area of the deposit prior to that by Potash West.
Geology	• The phosphate is present as fluorapatite nodules and grains concentrated within particular horizons of horizontal greensand and chalk formations.
Drill hole Information	• See Appendix 2.

Section 3 Estimation and Reporting of Mineral Resources

Criteria	Commentary
Database integrity	• Assay data copied digitally from laboratory files; significant intersections checked; Micromine drill-hole verification performed.
Site visits	• Competent person visited site during drilling programmes in June and august 2012.
Geological interpretation	• High degree of confidence in geological interpretation as stratigraphy is both visually and chemically distinct and continuous.
Dimensions	• Resource has north-south length of 1200m and east-west length of 2850m. Minimum depth is 5m and maximum depth is 50m with majority of resource between 20m and 40m below surface; • Mineralisation is closed to west by topography and tenure; open to north and to east; and of low grade to south.

Estimation and modelling techniques	• Estimation of P_2O_5 ore block grades by IS2 within 1% P_2O_5 wireframe using Micromine software; • Block size 100m x 100m x 1m vertical (sample spacing 400m x 400m x 1m); • Search criteria 1100m to 20°; plunge 0°; 650m to 110°; dip 0.7° to 110°; and 2.5m vertical; • Geological boundaries checked against grade shell; • No previous estimates or mine production records available; • No upper cuts as no outlying values; • OBM grades validated by comparison with assay values.
Moisture	• Tonnages estimated on dry basis.
Cut-off parameters	• Estimate initially reported above a range of grades. Final report grade of above 1.85% P_2O_5 selected on basis of on-going Potash West studies; • $CaO:P_2O_5$ ratio <2.5.
Mining factors or assumptions	• Topsoil and overburden to be mined by scrapers and mineralisation to be mined by bulldozer feeding in-pit slurry unit.
Metallurgical factors or assumptions	• The processing route is conventional, consisting of wet scrubbing, screening, desliming, magnetic separation, flotation, and reaction with sulphuric acid to produce single superphosphate.
Environmental factors or assumptions	• Waste and de-watered flotation tailings and slimes to be returned to mine-void and covered with stored topsoil.
Bulk density	• Density determinations carried out on 93 PQ core samples by Metallurgy Pty Ltd and reported as dry densities; • Poison Hill Greensand: 12 samples, median SG 1.45, mean SG 1.55, SG of 1.50 used; • Gingin Chalk: 7 samples, median SG 1.53, mean SG 1.50, SG of 1.50 used; • Molecap Greensand: 68 samples, median SG 1.64, mean SG 1.64, SG of 1.63 used; • Nodule horizon: 6 samples, median SG 1.81, mean SG 1.80, SG of 1.80 used.
Classification	• Classified as Indicated Resource as it is the Competent Person's view that the drill-holes from which resource is estimated clearly define both geological and grade continuity throughout the resource; and that the density data adequately reflects that of the deposit.
Discussion of relative accuracy / confidence	• The relative accuracy of the Mineral Resource estimate is reflected in the reporting of the Mineral Resource as per the guidelines of the 2012 JORC Code.