

Manchego Cu-Ni-PGE Prospect, Musgrave WA: Phase 2 Drilling Completed

Manchego Cu-Ni-PGE Prospect Phase 2 Drilling Completed

The Phase 2 RC drilling program at the Manchego Cu-Ni-PGE Prospect in the Musgrave region of WA has now been completed. A total of 6 new holes and one extended hole for 1,198 metres has been drilled. Results from this Phase 2 drilling program will be released once they are available and have been assessed.

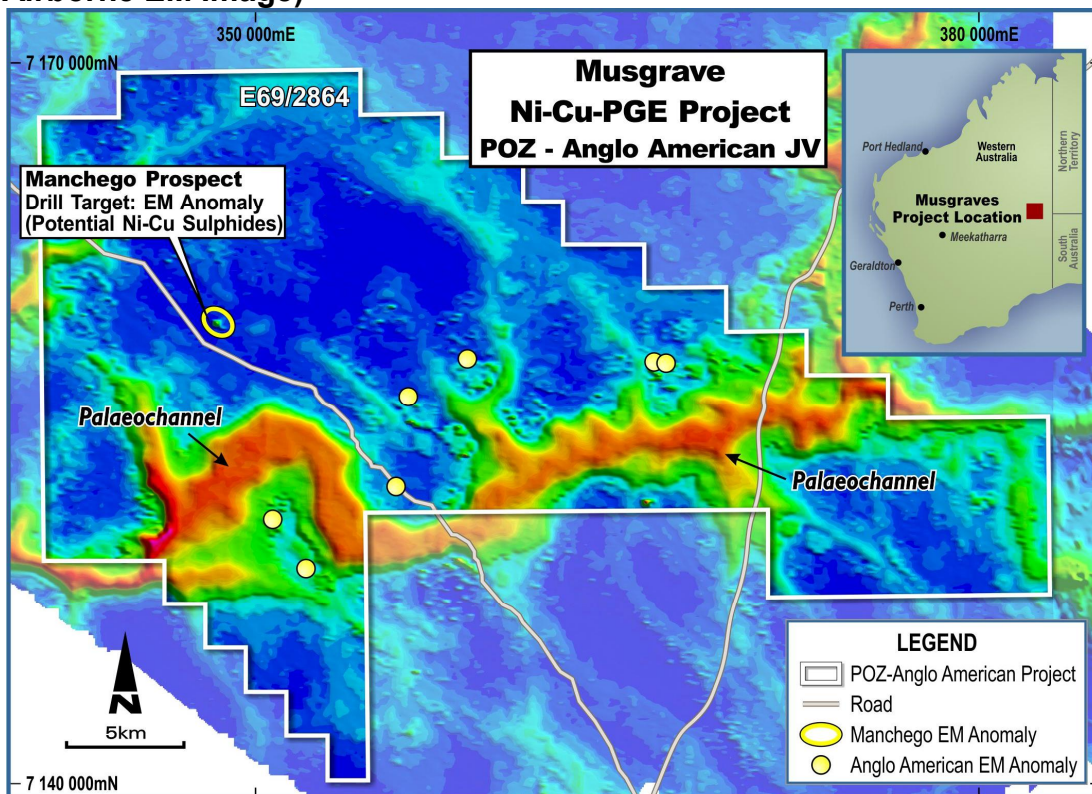
Background to the Manchego Cu-Ni-PGE Prospect, Musgraves WA

Phosphate Australia Limited (POZ) has a Farm-In Agreement with Anglo American, one of the world's largest mining groups. The Farm-In covers exploration licence E69/2864 (an area of 619km²) and Anglo American has the right to earn 70%. POZ is then free carried through the JV until completion of a bankable feasibility.

The farm-in area is mainly underlain by the Giles Complex (~1,075 million years), one of the largest layered mafic-ultramafic complexes in the world. Similar large intrusive complexes elsewhere host magmatic Ni-Cu-PGE deposits (e.g. Voiseys Bay, Canada).¹

For further details regarding the Manchego Cu-Ni-PGE Prospect see POZ ASX Release dated 28 Oct 2013 available at www.phosphateaustralia.com.au/

Figure 1: POZ-Anglo American JV Area including Manchego Prospect (SPECTREM Airborne EM Image)



Jim Richards BSc. (hons) Geology, MAusIMM, MAIG
Executive Chairman

Enquiries: Mr Jim Richards, Executive Chairman, 08 9422 9555

¹ Neumann, N, Fraser, G 2007, Geochronological Synthesis and Time Space plots for Proterozoic Australia: AGSO Record p208.

The information in this report that relates to Exploration Results, Mineral Resources or ore reserves is based on information compiled by Mr Jim Richards who is a Member of The Australasian Institute of Mining and Metallurgy. Mr Richards is a Director of POZ. Mr Richards has sufficient experience which is relevant to the style of mineralisation and type of deposit under consideration and to the activity which he is undertaking to qualify as Competent Person as defined in the 2004 Edition of the Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves. Mr Richards consents to the inclusion in the report of the matters based on the information in the form and context in which it appears.