

ASX RELEASE

24 July 2014

ASX Code: POZ



QUARTERLY REPORT

Period Ending 30 June 2014

Summary:

Tuckanarra Gold Project, WA

POZ 100%

- Liaison with the Department of Minerals and Energy (DME) in order to expedite the grant of the Mining Licence Application and the Mining Proposal to allow for mining operations to take place.
- Maiden Indicated and Inferred JORC (2004) resource at Tuckanarra: 2,020,000 tonnes at a grade of 1.55 g/t Au for 100,700 ounces of gold at 0.25g/t Au lower cut off (Table 1 for resource details and breakdown).

Musgrave Cu-Ni-PGE Project, WA

POZ 100%

- Prospective 785.7km² tenement holding. Considerable interest in the area due to the renewed focus on the giant Nebo-Babel Ni-Cu-PGE Project which is only some 14km to the south of POZ tenement E69/3191.
- Manchego Prospect: widespread copper mineralisation at Manchego is encouraging and extends over an area approximately 350 x 400 metres remaining open in all directions.
- POZ is currently seeking a partner(s) to assist with the exploration and development of the Musgrave Project. Discussions are ongoing.

1.0 Tuckanarra Gold Project (WA) Update

POZ 100%

The Tuckanarra Gold Project lies within the West Australian Murchison goldfield (Figure 1) and has previous production of ~125,000 ounces. POZ owns the Tuckanarra Gold Project 100% with no private royalties.

As previously announced, the Company completed a maiden **Indicated and Inferred JORC (2004) resource at Tuckanarra totalling 2,020,000 tonnes @ 1.55 g/t Au for 100,700 ounces** of gold. See Table 1 below for resource details at the cut off grade of 0.25 g/t Au. The resource was calculated by Perth based independent mining industry consultants Ravensgate. For details see POZ ASX Announcement dated 27 December 2012³.

Table 1: Summary of Total Mineral Resources at Tuckanarra

| Resource Category | Tonnes | Grade (g/t) | Ounces Au |
|-------------------|-----------|-------------|-----------|
| Indicated | 1,091,000 | 1.60 | 56,000 |
| Inferred | 929,000 | 1.50 | 44,700 |
| Total | 2,020,000 | 1.55 | 100,700 |

During the quarter the company conducted further field based reconnaissance work on the Tuckanarra leases with a view to additional exploration drilling.

Liaison with the Department of Minerals and Energy (DME) took place in order to expedite the grant of:

1. The Mining Licence Application (M20/527 on Figure 2) and
2. The Mining Proposal to allow for mining operations to take place.

Tuckanarra has significant development advantages including shallow mineralisation, excellent metallurgical recoveries, high grades in part and proximity to third party gold mills (Figure 1).

Figure 1: Tuckanarra Gold Project Location, Tenements & Regional Gold Plants

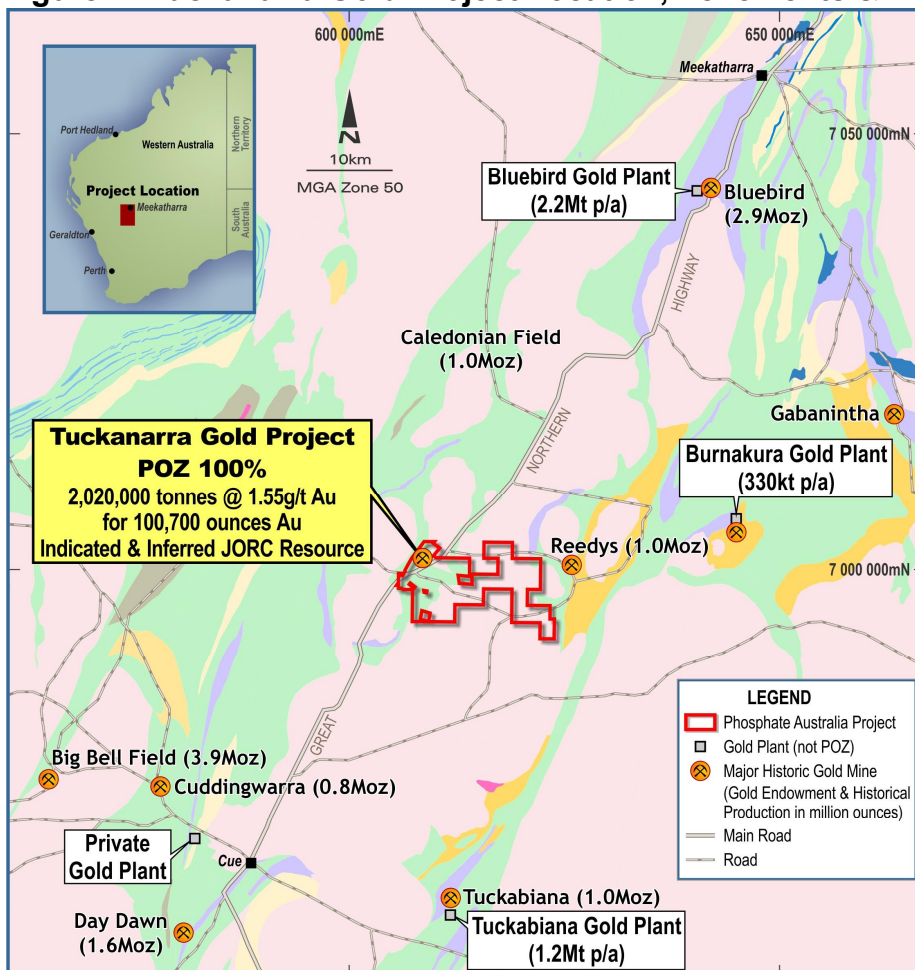
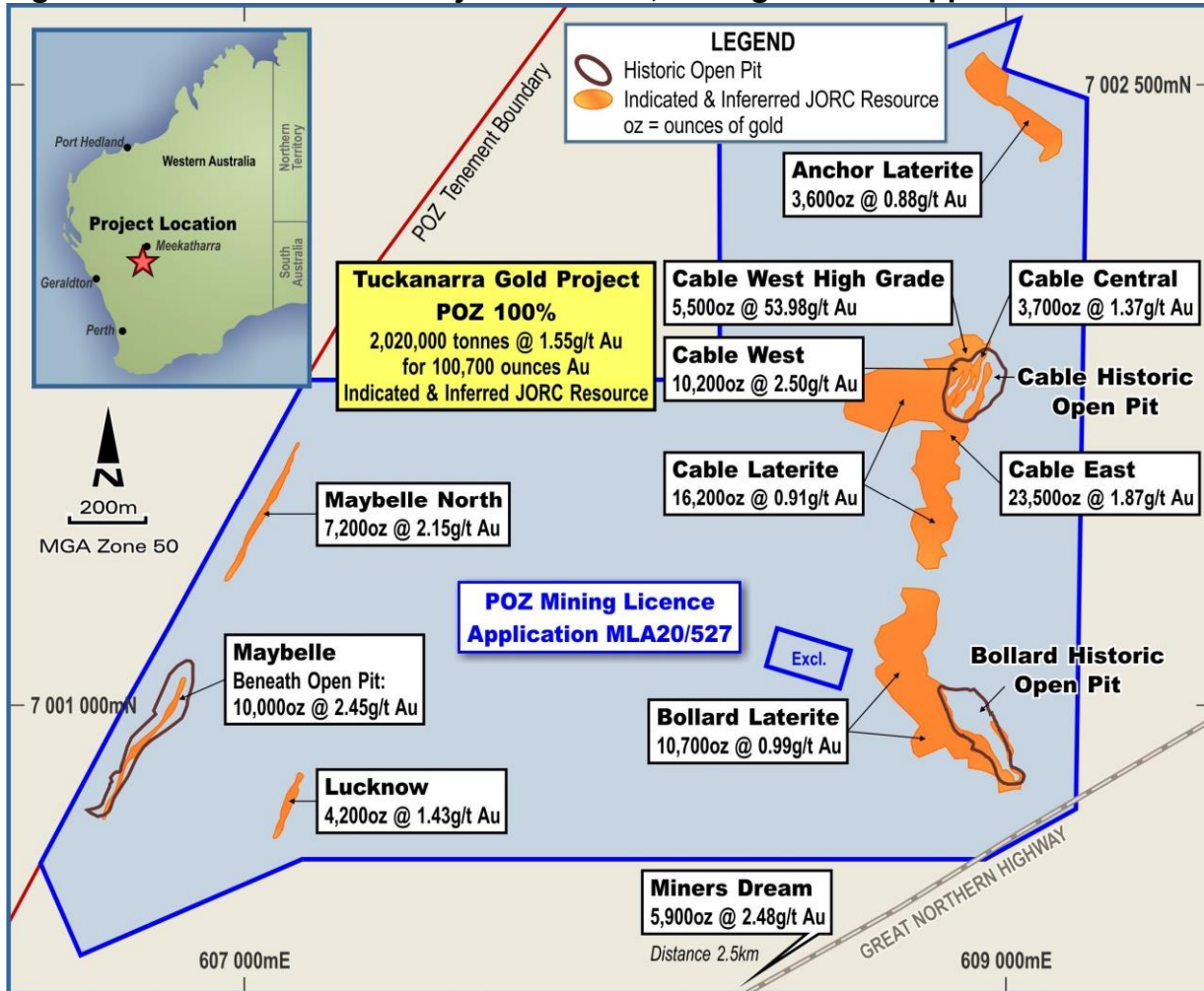


Figure 2: Tuckanarra Gold Project Location, Mining Licence Application M20/257



2.0 Musgrave Project, WA

POZ 100%

The Musgrave Project lies in the relatively unexplored Musgrave Province of Western Australia. This consists of two 100% POZ held tenements, E69/2864 (granted) and E69/3191 (application) for a total area of 785.7km².

2.1 Musgrave Titano-Magnetite Rock (TMR) Project

The POZ tenements are highly prospective for large tonnages of an unusual type of layered titaniferous-magnetite rock (TMR) which previous sampling has confirmed contains iron, titanium, vanadium, gold, platinum, palladium and rhodium. The setting is analogous to that of the Merensky Reef of the Bushveldt Igneous Complex in South Africa which hosts major PGE deposits².

POZ is currently seeking a partner(s) to assist with the exploration and development of the Musgrave Project. Discussions are ongoing.

2.2 Musgrave Manchego Copper-Nickel-PGE Prospect

The Manchego Prospect was discovered in 2013 by drilling an airborne electro-magnetic geophysical (AEM) anomaly. A total of 15 RC drill holes for 2,154 metres have been drilled in two phases since August 2013.

The widespread nature of the copper mineralisation at Manchego is encouraging and now extends over an area approximately 350 x 400 metres and remains open in all directions.

For full drilling results refer to the POZ ASX Releases dated 28 October 2013 and 3 January 2014³.

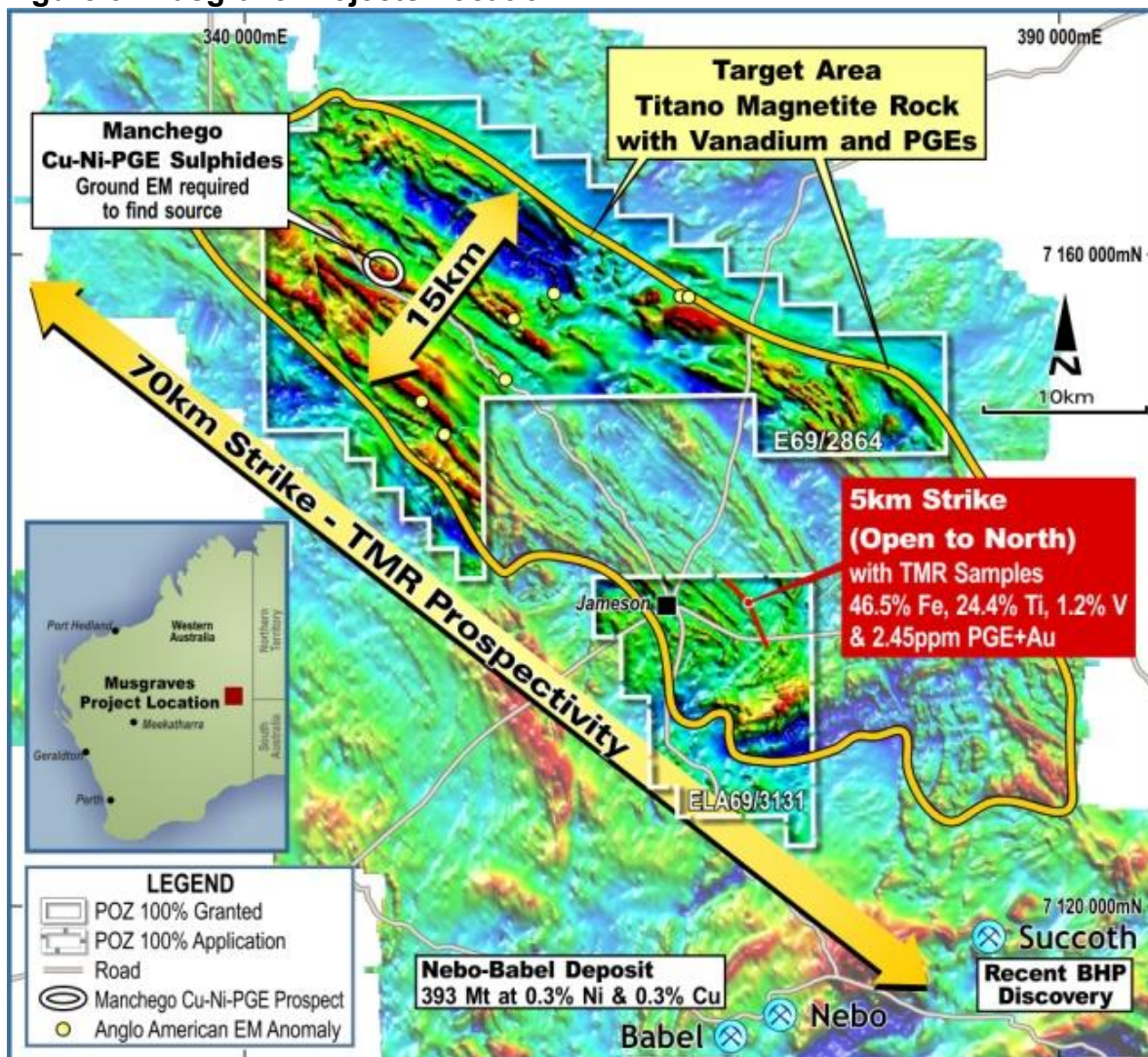
Phase 2 Drilling Highlights:

MRC 056 with 7 metres at 0.25% Cu from 150 metres.

MRC 054 with 26 metres at 0.16% Cu from 102 metres.

MRC 052 with 3 metres at 0.46ppm Pt+Pd+Au and 725 ppm Ni, which includes 1 metre at 0.20% Cu, 0.14% Ni and 1.0 ppm Pt+Pd+Au from 105 metres.

Figure 3: Musgrave Projects Location



3.0 Highland Plains Phosphate Project (Northern Territory) Update

The Highland Plains Phosphate Project has a JORC (2004) compliant Inferred Resource of 53 million tonnes at 16% P₂O₅, (POZ ASX release dated 31 March 2009³). Substantial drilling and scoping study work has been done at Highland Plains with proposed solutions for beneficiation to higher grades and product transport logistics using a slurry pipeline. The project is 100% owned by POZ.

The Company is actively seeking partners for the Highland Plains Project.

6.0 Summary and Outlook

At the 100% owned Tuckanarra Gold Project, the Company is now close to the grant of both the Mining Licence Application (M20/527) and Mining Proposal to allow for mining operations to take place.

The Company has a very prospective 785.7km² tenement holding in the Musgrave region of Western Australia. There is considerable interest in the area due to the renewed focus on the giant Nebo-Babel Ni-Cu-PGE Project which is only some 14km to the south of POZ tenement E69/3191. POZ is currently seeking a partner to assist in exploring its 100% owned Musgrave Project.

The Company is continuing to pursue various options to progress the Highland Plains Phosphate Project.

The Company has a cash balance of \$1.70 million (30 June 2014).

Jim Richards
Executive Chairman

Enquiries To: Mr Jim Richards +61 8 9422 9555

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

² Howard, HM et al, The Geology of the West Musgrave Province and the Bentley Supergroup. GSWA Record 2011/4 p63-5.

³ The Company is not aware of any new information or data that materially affects the information included in the previous announcement (JORC 2004) and that all of the previous assumptions and technical parameters underpinning the estimates in the previous announcement have not materially changed.

The information in this report that relates to previously reported Exploration Results for the Phase 2 Musgrave Project, Manchego drilling 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 2012 Edition of the Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves (the JORC Code). 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.

The information in this report that relates to previously reported Exploration Results for the Musgrave TMR Project, 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 (the JORC Code). 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.

The previously reported resource estimations for the Tuckanarra Gold Project Area deposits, including the Anchor, Bollard, Cable, Drogue, Maybelle, Maybelle North and Miners Dream deposits, were carried out by Mr Craig Harvey utilizing resource drilling data sets provided by Phosphate Australia Limited. Mr Harvey is a Principal Consultant with Ravensgate Mining Industry Consultants and is also a Member of the Geological Society of Southern Africa. Mr Harvey has sufficient experience which is relevant to the style of mineralisation and type of deposits under consideration and to the activity undertaken 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 Harvey also consents to the inclusion in the report of the resource estimation matters for these deposits based on the reporting information in the form and context in which it appears.

The Information in this report that relates to Mineral Resources is based on information compiled by Rick Adams and Ted Hansen who are members of the Australasian Institute of Mining and Metallurgy (AusIMM). Rick Adams and Ted Hansen are directors of Cube Consulting Pty Ltd. And have sufficient experience which is relevant to the style of mineralisation and type of deposit under consideration and to the activity which they are undertaking to qualify as a competent Person as defined in the December 2004 Edition of the Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves+ (the JORC Code). Rick Adams and Ted Hansen consent to the inclusion in this report of the Information, in the form and context in which it appears.

Appendix A - Interests In Mining Tenements

Table 1: Western Australia

| Lease | Mineral Field | Location | Status | Held at end of quarter % | Acquired during the quarter % | Disposed of during the quarter % | Beneficial interests in farm-in or farm-out agreements at the end of the quarter |
|----------|---------------|------------|-------------|--------------------------|-------------------------------|----------------------------------|--|
| E20/782 | WA Aus | Tuckanarra | Granted | 100% | 0% | n/a | |
| E20/783 | WA Aus | Tuckanarra | Granted | 100% | 0% | n/a | |
| E51/1614 | WA Aus | Weld Range | Application | 100% | 0% | n/a | |
| E69/2820 | WA Aus | Wiluna | Granted | 100% | 0% | n/a | Alloy Resources Limited have a Joint Venture Option Agreement to acquire 80% |
| E69/2864 | WA Aus | Musgraves | Granted | 100% | 0% | n/a | Anglo American have recently withdrawn from JV |
| E69/3191 | WA Aus | Musgraves | Application | 100% | 0% | n/a | |
| P20/2180 | WA Aus | Tuckanarra | Granted | 100% | 0% | n/a | |
| P20/2181 | WA Aus | Tuckanarra | Granted | 100% | 0% | n/a | |
| P20/2182 | WA Aus | Tuckanarra | Granted | 100% | 0% | n/a | |
| P20/2183 | WA Aus | Tuckanarra | Granted | 100% | 0% | n/a | |
| P20/2184 | WA Aus | Tuckanarra | Granted | 100% | 0% | n/a | |
| P20/2185 | WA Aus | Tuckanarra | Granted | 100% | 0% | n/a | |

Table 2: Northern Territory

| Lease | Mineral Field | Location | Status | Held at end of quarter % | Acquired during the quarter % | Disposed of during the quarter % | Beneficial interests in farm-in or farm-out agreements at the end of the quarter |
|---------|---------------|-----------------|-------------|--------------------------|-------------------------------|----------------------------------|--|
| EL25600 | NT Aus | Alroy | Granted | 100% | 0% | 0% | |
| EL26646 | NT Aus | Murphy | Application | 100% | 0% | 0% | |
| EL25068 | NT Aus | Highland Plains | Granted | 100% | 0% | 0% | JIMPEC have a Joint Venture Option Agreement to acquire 80% of the iron ore and manganese rights |
| EL28152 | NT Aus | Nicholson | Granted | 100% | 0% | 0% | |
| EL28153 | NT Aus | Nicholson | Granted | 100% | 0% | 0% | |
| EL28157 | NT Aus | Nicholson | Granted | 100% | 0% | 0% | |
| EL26604 | NT Aus | Nicholson | Application | 100% | 0% | 0% | |
| EL26645 | NT Aus | Nicholson | Application | 100% | 0% | 0% | |
| EL26648 | NT Aus | Nicholson | Application | 100% | 0% | 0% | |
| EL26649 | NT Aus | Nicholson | Application | 100% | 0% | 0% | |
| EL26650 | NT Aus | Nicholson | Application | 100% | 0% | 0% | |
| EL27854 | NT Aus | Manganese | Application | 100% | 0% | 0% | |
| EL27855 | NT Aus | Manganese | Application | 100% | 0% | 0% | |
| EL27856 | NT Aus | Manganese | Application | 100% | 0% | 0% | |
| EL28220 | NT Aus | Nicholson | Application | 100% | 0% | 0% | |