
TUCKANARRA GOLD PROJECT

Maiden Drilling Program Commences

- The maiden drilling has now commenced at Phosphate Australia Limited's (POZ) 100% owned Tuckanarra gold project in the Murchison area of Western Australia.
- POZ's Tuckanarra gold project has historic production of approximately 125,000 ounces and was last mined in 1993.
- Approximately 2000 metres of RC and 6000 metres of aircore drilling is planned to be completed by mid February.
- POZ is conducting resource definition drilling on shallow mineralisation in the Cable - Drogue - Bollard area as well as exploration drilling on the Alifa exploration target (ASX Release 15 August 2011).
- The Company is on track for an initial resource estimate by May 2012.
- The Project is situated centrally within the Murchison goldfield with nearby existing gold plants at Burnakura (40 kilometres), Bluebird (on highway), Cue (40 kilometres on highway) and Tuckabiana (planned mill 65 kilometres on highway and haul road) opening up possibilities for nearby toll treatment.

Jim Richards
Chairman

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.

Figure 1: Tuckanarra Gold Project Location

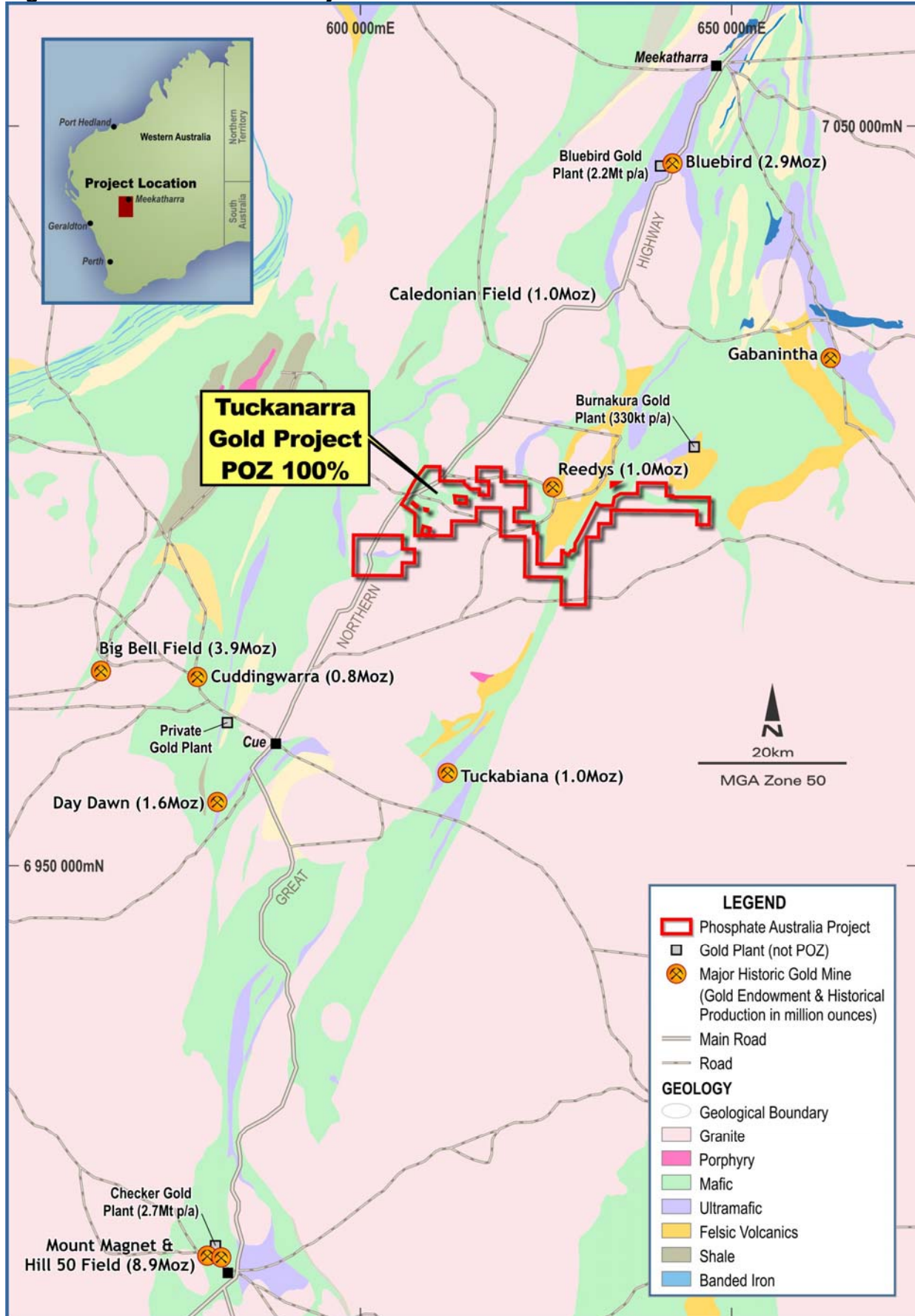


Figure 2: Tuckanarra Drilling Targets Cable-Drogue-Bollard

