

---

## **Assay Batch 2: Further High Grade Phosphate Drilling Results Near Surface At Highland Plains**

---

### **1.0 Highlights**

Phosphate Australia Limited (POZ) is pleased to report its batch 2 drilling results from the Company's 100% owned Highland Plains Phosphate Project in the Northern Territory.

The best intersection was from aircore hole HAC020 which included **6 metres at 30.2% P<sub>2</sub>O<sub>5</sub>** as below:

**Table 1: Hole HAC020 Assay Result**

<b>Hole</b>	<b>From (m)</b>	<b>To (m)</b>	<b>Width (m)</b>	<b>P<sub>2</sub>O<sub>5</sub> %</b>	<b>Fe<sub>2</sub>O<sub>3</sub> %</b>	<b>Al<sub>2</sub>O<sub>3</sub> %</b>	<b>CaO %</b>	<b>MgO %</b>	<b>SiO<sub>2</sub> %</b>	<b>CaO:P<sub>2</sub>O<sub>5</sub> Ratio</b>
HAC020	4	15	<b>11</b>	<b>27.2</b>	3.9	4.3	36.6	0.2	21.9	1.34
Includes										
HAC020	5	11	<b>6</b>	<b>30.2</b>	3.1	3.3	40.7	0.1	17.5	1.34

*All assays by XRF, assays are uncut. All holes were vertical aircore.*

Hole HAC020, when viewed with previous POZ results (including HAC001 (**5 metres at 30.5% P<sub>2</sub>O<sub>5</sub>** from 2 metres depth) and historic drilling, further confirms the presence of outstanding near surface high grade phosphate mineralisation.

### **2.0 Drilling Summary**

A summary of drilling is below and shown on Figure 1:

57 aircore/RC holes were drilled for 1093.6 metres  
7 diamond drillholes (HQ) were drilled for 136.2 metres

The POZ drilling program this year has achieved a similar amount of drilling to the historic drill campaign over Highland Plains conducted in 1968 in which 36 aircore holes were drilled for a total of 1,184metres. Drilling has now ceased for the season.

### 3.0 Assay Results – Batch #2

Initial assay results have been received for a further 15 holes. As with the batch #1 results, a number of the holes were drilled into areas of unmineralised Proterozoic material. This is required as a part of the resource definition drilling to define the mineralised boundary and these holes were not mineralised – as expected.

**Table 2: Aircore/RC Drilling Results – Batch#2**

Hole	From (m)	To (m)	Width (m)	P <sub>2</sub> O <sub>5</sub> %	Fe <sub>2</sub> O <sub>3</sub> %	Al <sub>2</sub> O <sub>3</sub> %	CaO %	MgO %	SiO <sub>2</sub> %	CaO:P <sub>2</sub> O <sub>5</sub> Ratio
HAC020	4	15	11	27.2	3.9	4.3	36.6	0.2	21.9	1.34
Includes										
HAC020	5	11	6	30.2	3.1	3.3	40.7	0.1	17.5	1.34
HAC012	3	10	7	15.2	6.9	5.4	20.4	0.2	46.3	1.34
HAC021	11	12	1	16.0	30.3	4.6	20.1	0.2	21.1	1.26
HAC021	12	14	2	Samples not recovered						
HAC024	6	13	7	20.8	4.8	4.6	28.0	0.2	35.7	1.35
HAC031	20	22	2	15.1	16.8	4.6	20.1	0.3	36.0	1.34
HAC17 was drilled on the western edge of the embayment - No assay greater than 10% P <sub>2</sub> O <sub>5</sub>										
HAC34 was drilled close to the edge of the embayment - No assay greater than 10% P <sub>2</sub> O <sub>5</sub>										
HAC005, HAC007, HAC010, HAC011, HAC23B, HAC25, HAC32, HAC33 are all shallow holes interpreted to be in the Proterozoic basement and were not mineralised - as expected										

*All assays by XRF, assays are uncut. All holes were vertical aircore or RC*

### 4.0 Geology and JORC Resource

Initial results are highly encouraging. Historic results and the POZ assay data so far received indicates Highland Plains has multiple areas where high grade phosphate mineralisation occurs over significant intersections close to surface.

All of the drilling data (including historic drilling data) and assay data as it becomes available, will be compiled into a geological model and used to work towards a JORC compliant resource

One of the controls on mineralisation is topography (relief). To enable the Company to better calculate a JORC resource at Highland Plains, POZ earlier in the year flew an airborne LIDAR mapping survey. This data will produce a very accurate topographic map which in conjunction with known drillholes (control points) will greatly assist in geological modeling.

The Board is optimistic that the current data will be sufficient for a JORC resource. However, it must be made clear that this depends on how well the geological model fits the available data and how consistent the POZ data is with the historic data.

## Summary and Look Ahead

POZ has made a very strong start to its Corporate life. Having listed on the ASX on July 1<sup>st</sup> this year, the Board is very pleased with the rapid progress to date.

The Company's Highland Plains phosphate project is producing some extremely exciting high grade assay results. This together with the LIDAR mapping survey, diamond drilling program and historical data puts POZ in a good position as the Company works towards a JORC compliant resource at Highland Plains.

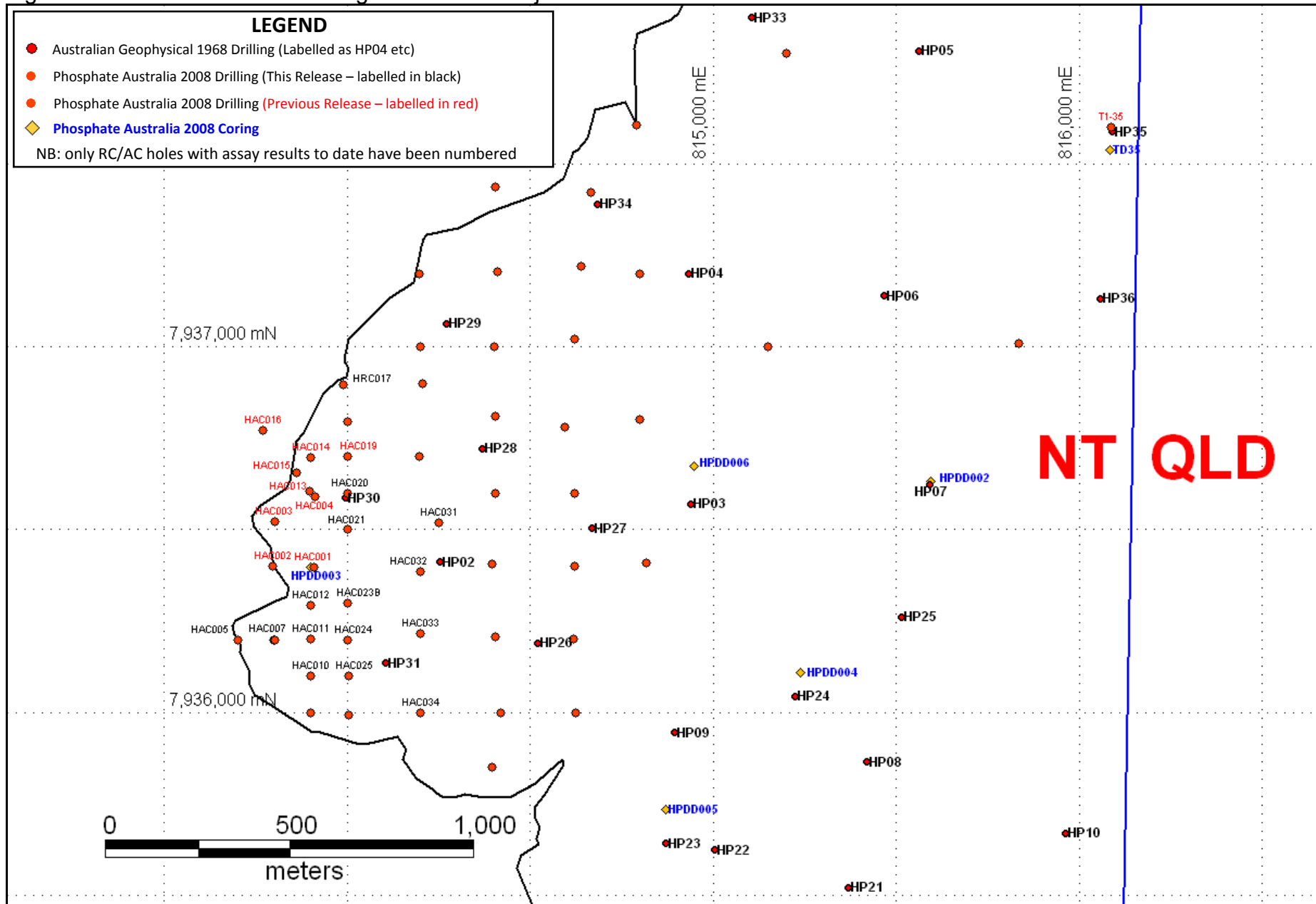
Assay results from the as yet unreported drilling samples will be received and released over the next two months. POZ anticipates re-commencing field operations in March next year, with this work including a substantial drilling program.

POZ demountable camp at Highland Plains



ANDREW JAMES  
Managing Director

Figure 1: Drillhole Collar Plan of Highland Plains Project



**Table 3: Aircore/RC Drilling Collar File**

HOLE #	DRILL TYPE	NORTHING	EASTING	TOTAL DEPTH
HAC001	AC	7936396	813907	15
HAC002	AC	7936399	813797	8
HAC003	AC	7936521	813801	1
HAC004	AC	7936590	813910	10
HAC005	AC	7936200	813700	3
HAC007	AC	7936200	813800	6
HAC008	AC	7936200	813802	3
HAC009	AC	7936000	813900	2
HAC010	AC	7936101	813901	3
HAC011	AC	7936201	813901	5
HAC012	AC	7936295	813900	12
HAC013	AC	7936606	813896	15
HAC014	AC	7936696	813901	15
HAC015	AC	7936657	813860	24
HAC016	AC	7936772	813769	10
HRC017	RC	7936895	813990	21
HRC018	RC	7936795	814000	13
HAC019	AC	7936700	814000	14
HAC020	AC	7936600	814000	22
HAC021	AC	7936500	814000	18
HAC023B	AC	7936300	814000	4
HAC024	AC	7936200	814000	15
HAC025	AC	7936102	814002	2
HAC026	AC	7935995	814003	4
HRC027	RC	7937200	814195	25
HRC028	RC	7937000	814200	31
HRC029	RC	7936900	814205	24
HAC030	AC	7936700	814195	19
HAC031	AC	7936520	814250	30
HAC032	AC	7936385	814200	6.5
HAC033	AC	7936215	814200	3
HAC034	AC	7936000	814200	25
HRC035	RC	7937435	814405	22
HRC036	RC	7937205	814410	31
HRC037	RC	7936999	814400	37
HRC038	RC	7936810	814405	26
HRC039	RC	7936599	814405	22
HRC040	RC	7936405	814395	35
HRC041	RC	7936207	814403	34
HRC042	RC	7936000	814420	31
HRC043	RC	7935850	814395	16
HAC044	AC	7937422	814666	26
HAC045	AC	7937220	814639	7
HRC046	RC	7937020	814620	25
HRC047	RC	7936780	814594	29
HRC048	RC	7936600	814620	40
HRC049	RC	7936400	814620	41
HRC050	RC	7936201	814618	22

**Table 3: Aircore/RC Drilling Collar File (continued)**

<b>HOLE #</b>	<b>DRILL TYPE</b>	<b>NORTHING</b>	<b>EASTING</b>	<b>TOTAL DEPTH</b>
HRC051	RC	7935999	814623	13
HAC052	AC	7937604	814791	9
HAC053	AC	7937200	814800	36
HAC054	AC	7936800	814800	18
HAC055	AC	7936409	814818	49
HAC056	AC	7937010	815835	43.1
HAC057	AC	7937000	815148	27
HAC058	AC	7937800	815200	10
T1-35	RC	7937600	816088	36
<b>Total</b>				<b>1093.6</b>

*NB: HAC 006 & HAC022 - not drilled*

*The information in this report that relates to Exploration Results, Mineral Resources or Ore Reserves is based on information compiled by Mr Jim Richards and Ms Lisa Wells, who are both Members of The Australasian Institute of Mining and Metallurgy. Mr Richards and Ms Wells are both Directors of POZ and Ms Wells is also a full time employee. Both Mr Richards and Ms Wells 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 Competent Persons as defined in the 2004 Edition of the Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves. Mr Richards and Ms Wells both consent to the inclusion in the report of the matters based on the information in the form and context in which it appears.*