

Phosphate Australia Limited

An Australian Resources Company

Phosphate Australia's primary development assets comprise:

- 1. The Highland Plains rock phosphate project in the Northern Territory with an inferred resource of 53 million tonnes at 16% P₂O₅. POZ 100%.**
- 2. The advanced high grade Tuckanarra gold project in the Murchison of WA which has hosted historic production of 125,000 ounces of gold. Resource calculations underway. POZ 100%.**
- 3. Musgrave Project WA, Joint Venture with Anglo American spending \$3 million. Ni-Cu-PGE's. POZ 30% free carried.**



ASX Code: POZ

www.phosphateaustralia.com.au

Annual General Meeting

23 November 2012

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We caution you not to place undue reliance on our forward-looking statements, which speak only as of the date of this presentation, and we undertake no obligation to update this information.

The information in this presentation 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 he is undertaking 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 Richards has consented to the inclusion in this presentation of the matters based on information in the form and context in which it appears.

Board Of Directors

Executive Chairman:
Jim Richards

Non-Executive Director &
Company Secretary:
Grant Mooney

Non-Executive Director:
Mark Thompson

| | |
|--|--------------------|
| Total Shares on Issue | 120,876,250 |
| Options on Issue (\$0.10 to \$0.20 strike) | 1,450,000 |
| Market Capitalisation (undiluted \$0.05 per share) | \$6.0 M |
| Cash on Hand (End Q1 Sept 2012) | \$1.89 M |

MAJOR SHAREHOLDERS

| Holder | Shares | % of Capital | Options |
|----------------------------|------------|--------------|---------|
| Directors | 15,250,000 | 12.6 | nil |
| Andrew James | 20,000,000 | 16.5 | nil |
| Lodestone Equities Limited | 11,000,000 | 9.1 | nil |



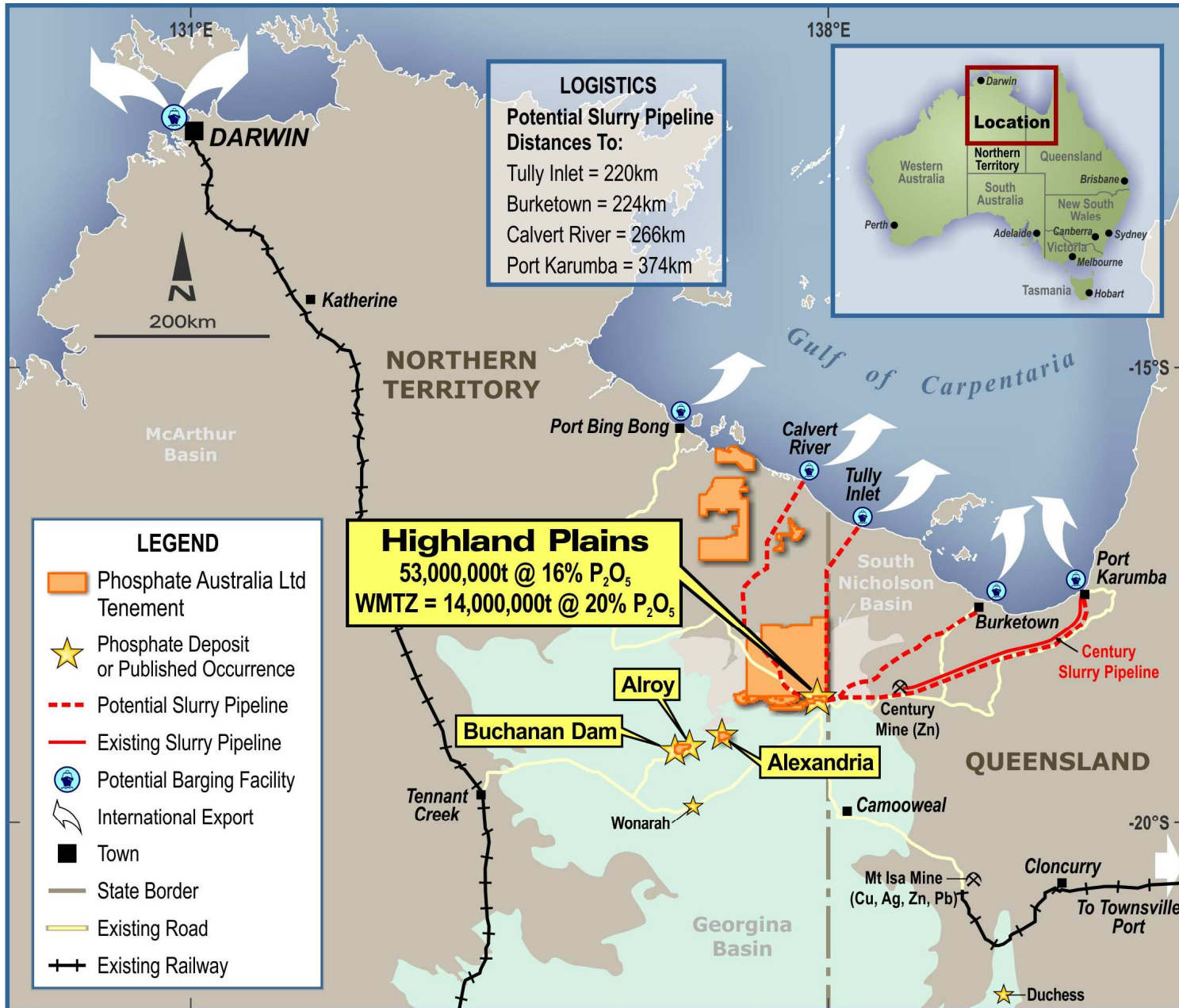
Share Price History – 12 Months

IMPORTANT NOTES:

1. POZ operated projects are 100% owned.
2. All POZ Projects have No non- government royalties



Highland Plains – Phosphate Project Location



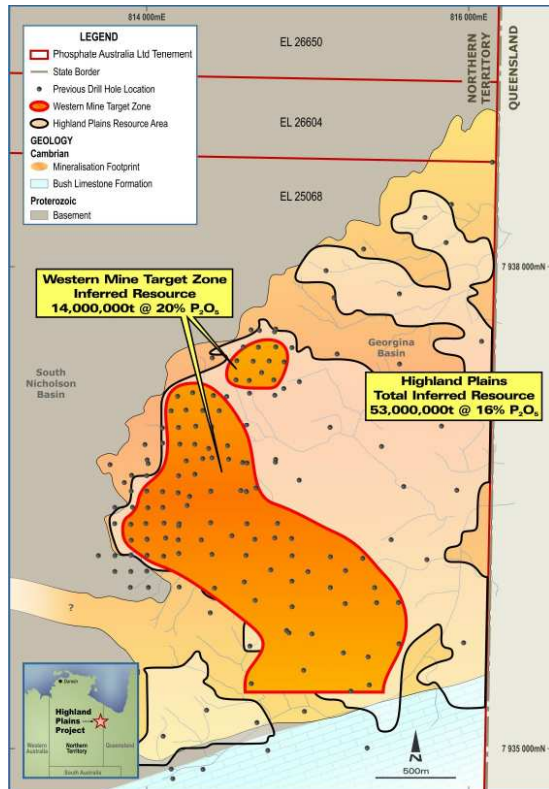
1. POZ Flagship Project at Highland Plains in the NT has a JORC compliant inferred resource of 53,000,000 tonnes @16%P₂O₅

2. Other POZ Phosphate projects in the vicinity with historic drilling intersections include Buchanan Dam, Alroy and Alexandria

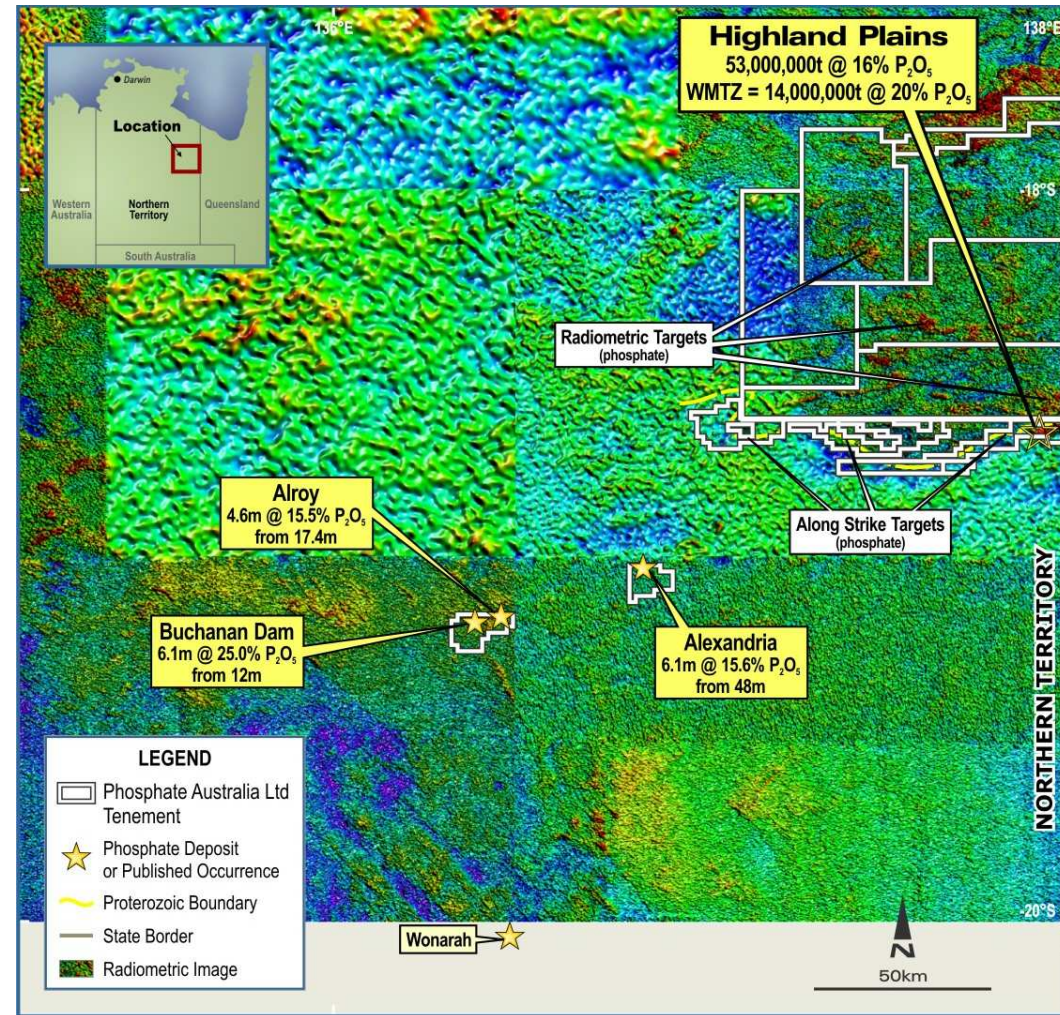
3. Projects owned 100% by POZ with no private royalties

Highland Plains – Resource & Potential

- 53 million tonnes at 16% P₂O₅ at Highland Plains (JORC compliant Inferred Resource using 10% cut)
- Further exploration assets include historic drill hits of:
 - Alexandria – 6.1m @ 15.6% P₂O₅ from 48.8m
 - Alroy – 6.4m @ 12.0% P₂O₅ from 16.2m
 - Buchanan Dam – 6.1m @ 25% P₂O₅ from 12.2m



Highland Plains Deposit
Core Drilling at Highland Plains



Other Prospects: Radiometric image of POZ Prospect Areas. Note anomalous areas north and west of Highland Plains

- **Transport Solution:** 3 million tonnes per annum slurry pipeline initiative. Scoping study indicates transport costs estimated from only A\$2.06 to \$3.69 per tonne (pipeline operating costs only – Dec 09).
- **Groundwater Testing:** Pump testing of the best bore (WB02) at approximately 15 litres/second from shallow depths indicates potential yields of at least 25 litres/second with the maximum rate not determined due to capacity limitations of the pumping equipment.
- **Environmental Field Studies:** Initial fauna and flora survey fieldwork has been completed to support the application for a mining license.
- **High Grade End Product:** Extensive flotation testwork has resulted in grades of 32.3% P_2O_5 at 76% recovery from the coarse and fine fractions.



Metallurgy

Flotation Tests: Best float test to date from the **coarse** fraction gives a grade of **37.4% P₂O₅** (upgraded from 23.4% P₂O₅) at **53%** recovery of phosphate

Table 1: Best Metallurgical Results to Date

| | | P ₂ O ₅ % | SiO ₂ % | Al ₂ O ₃ % | Fe ₂ O ₃ % | Recovery P ₂ O ₅ % |
|---------------|---------------------------|---------------------------------|--------------------|----------------------------------|----------------------------------|--|
| Test 1 | Input Material | 23.4 | 30.8 | 4.3 | 4.2 | |
| | Coarse Fraction (>5 um) | 37.4 | 6.3 | 0.5 | 0.7 | 53.1 |
| | Coarse and Fine Fractions | 32.3 | 12.3 | 4.3 | 1.8 | 75.8 |
| Test 2 | Input Material | 25.6 | 26.2 | 3.9 | 4.1 | |
| | Coarse Fraction (>5 um) | 36.5 | 7.6 | 0.7 | 1.0 | 51.0 |
| | Coarse and Fine Fractions | 31.8 | 12.9 | 4.4 | 2.0 | 73.7 |



Highland Plains phosphate has low levels of the contaminants C, S, F, Cl, Cd & U

Logistics

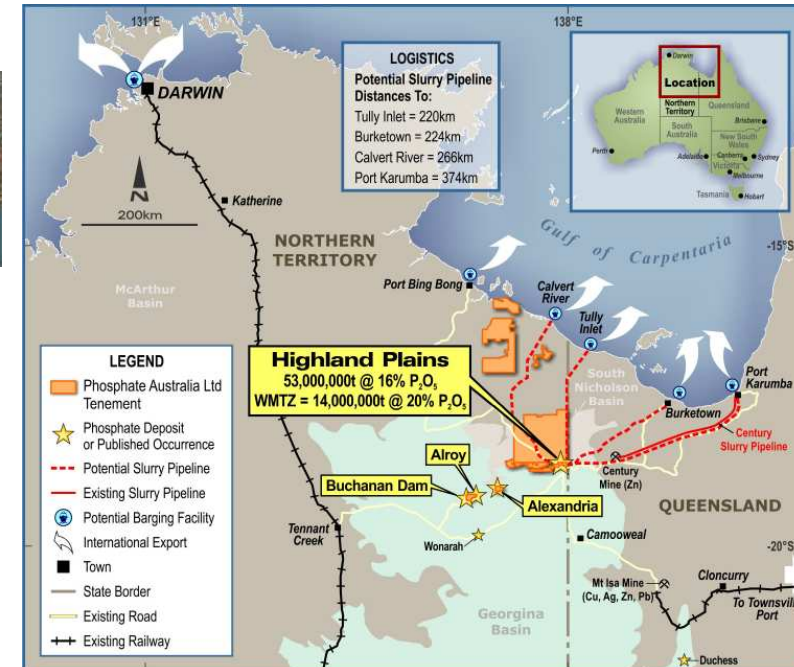
Slurry Pipeline – Mine to Coast

- ✓ CAPEX estimates vary from AUD184 M to AUD226M
- ✓ OPEX estimates vary from A\$2.06/t to A\$3.69/t for a 2 to 3 Mtpa operation
- ✓ CAPEX payback: 2.5 to 3 years.
- ✓ Early hydro geology investigations indicates ample water to support slurry pipeline operation

Port Karumba



Port Bing Bong



Highland Plains Timeline, OPEX & CAPEX

| Development Timeline | Year 1 | | Year 2 | | Year 3 | | Year 4 | |
|---|--------|----|--------|----|--------|----|--------|----|
| | H1 | H2 | H1 | H2 | H1 | H2 | H1 | H2 |
| Source Strategic Partner/Funding | | | | | | | | |
| Drilling To Increase Resource Base | | | | | | | | |
| Mining Lease Application and Proceed To Grant | | | | | | | | |
| Marketable Product To Potential Off-take Partners | | | | | | | | |
| Metallurgical Feasibility Testwork & Pilot Plant | | | | | | | | |
| Slurry Pipeline, Harging & Hydrographic Feasibility | | | | | | | | |
| Permitting and Clearances | | | | | | | | |
| Bankable Feasibility Study & Financing | | | | | | | | |
| Project Construction & Commissioning | | | | | | | | |
| First Production | | | | | | | | |

| OPEX (see note below) | |
|---------------------------|-----------|
| Activity | A\$/Tonne |
| Mining | 20 |
| Beneficiation | 30 |
| Slurry Pipeline Transport | 4 |
| Barge & Ship Loading | 12 |
| Contingency | 6 |
| Total | 72 |

| CAPEX (see note below) | |
|----------------------------|------------|
| Activity | A\$ |
| Mine Construction | 72 |
| Beneficiation Plant | 90 |
| Road Upgrades | 20 |
| Slurry Pipeline & Handling | 190 |
| Loading Facility & Barges | 30 |
| Contingency | 20 |
| Total | 422 |

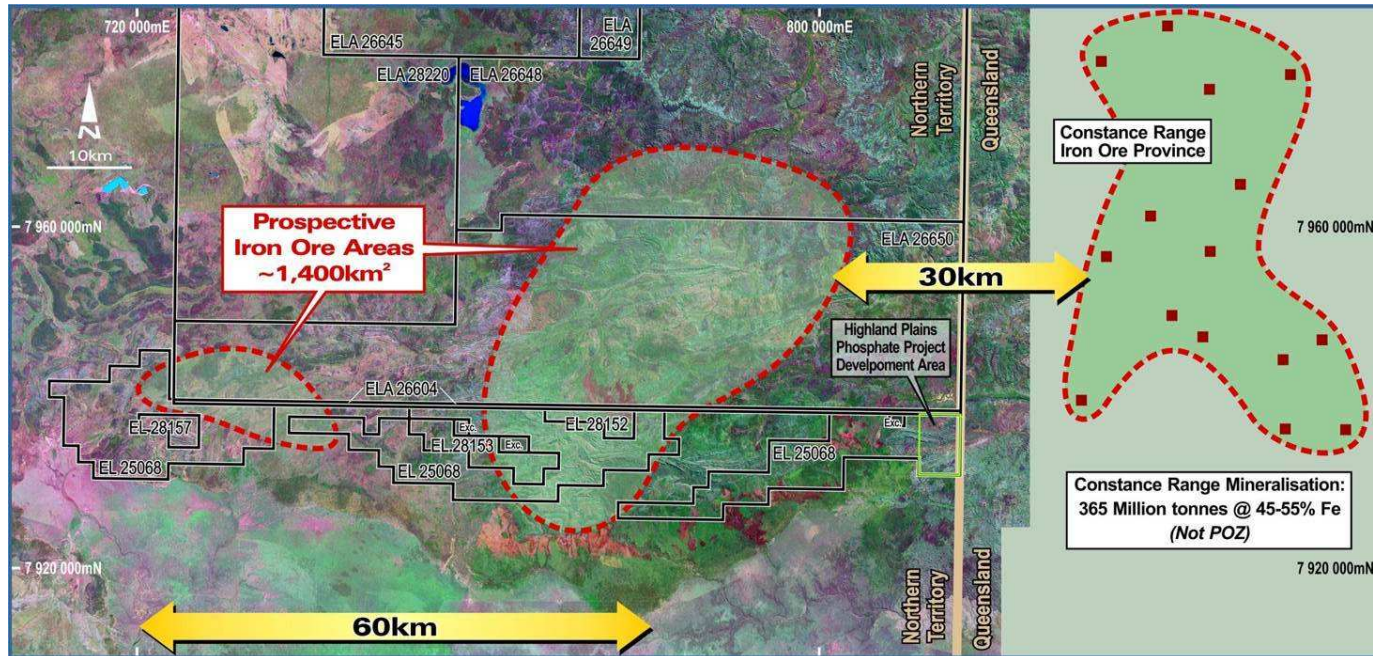
Current Price P₂O₅ - A\$185/t for 32% P₂O₅ FOB Casablanca (source - World Bank Sept 2012)

Note to OPEX and CAPEX figures

The proposed development timeline is conceptual in nature. The numbers are based upon in-house estimates by POZ management and are subject to change depending upon varying circumstances, including financing. These estimates should be independently verified before any investment decisions are made.

The above Opex and Capex numbers are based upon in-house estimates by POZ management or by scoping study where previously announced. These are scoping level estimates and should be independently verified before any investment decisions are made.

Nicholson Iron Project (NT): POZ 100%



| MAP LEGEND | |
|---|----------------------------------|
|  | Phosphate Australia Ltd Tenement |
|  | Prospective Iron Ore Areas |

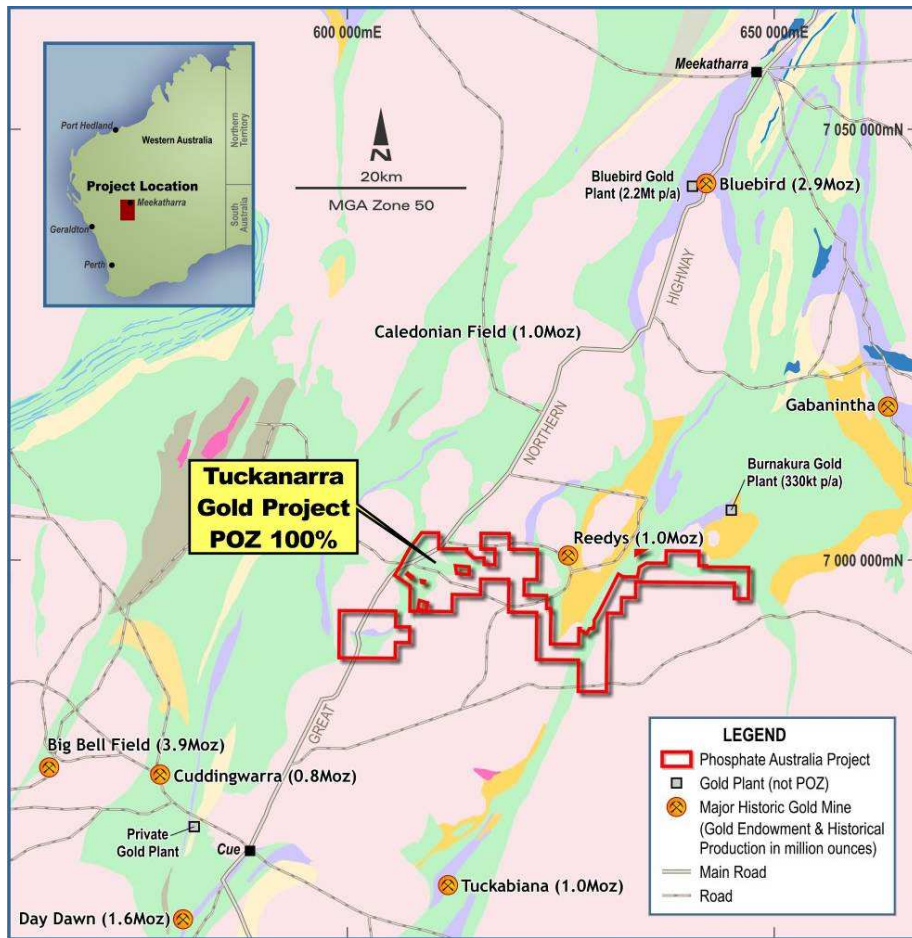
Nicholson Iron Project (NT)

- ◆ Large area of 1,300 km² prospective for Clinton-style oolitic iron mineralisation.
- ◆ Iron ore exploration was conducted in the nearby Constance Range area in Queensland in the early 1960s by BHP. This historical data was prepared before the introduction of the JORC Code and is not a resource. However, 250 million tonnes of iron mineralisation at a grade of 52% iron was reported by BHP from this period (Queensland Government Mining Journal, Spring 2008).
- ◆ POZ has conducted initial helicopter reconnaissance and mapping work and has confirmed the presence of multiple iron rich bodies with sampled grades up to 63.7% Fe (5.1% SiO₂, 1.79% Al₂O₃ and 0.04% P).
- ◆ A one tonne metallurgical sample from one of the POZ mineralised sites beneficiated to up to 59.1% Fe, 7.4% SiO₂, 0.03% P with a 55% recovery.
- ◆ Overall size potential of the iron project in this under-explored region is large.
- ◆ Detailed reports on POZ iron ore sampling of the Nicholson iron project can be found in POZ ASX releases dated 9 June 2010, 29 July 2010 and 10 August 2010.



Iron Ore prospect: terrain and sampling; grades up to 63.7% Fe





Project Milestones

- 100% interest in the historic Tuckanarra Gold Project in the central Murchison, WA. No private royalties
- Historic production ~125,000 ounces
- JORC Resource calculations underway by independent resource consultants
- Permits granted and 3 x drilling programs completed to date
- ◆ Excellent initial metallurgical recoveries of between 94.7% and 99.3% gold (75 micron grind, 48 hour cyanide bottle rolls)
- Situated centrally within the Murchison goldfield with nearby existing gold plants at Burnakura (40 km), Bluebird (on highway), Cue (40 km on highway) and Tuckabiana (planned mill 65 km on highway and haul road) opening up possibilities for toll treatment.

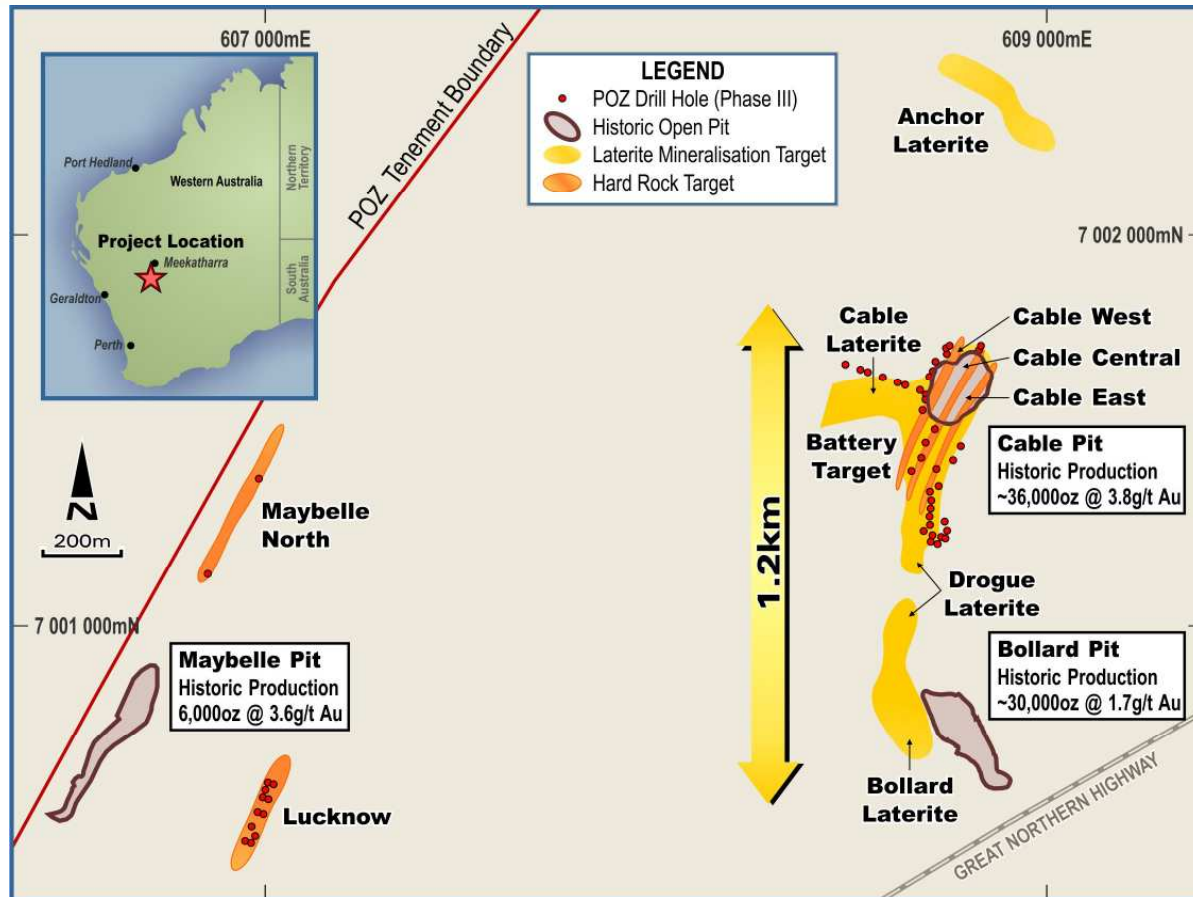


**Bottle
Dump
Open Pit**

**Maybelle
Open Pit**



**POZ aircore hole
PAC 142, 6-
7metres - native
gold on aircore
drill chips.
Assayed at 776g/t
Au**



Prospects & Metallurgy

- ◆ Cable, Bollard, Maybelle & Lucknow Prospects are lines of historic workings and open pits which was last worked in 1993 when the gold price was around US\$330/ounce.
- ◆ Initial metallurgical recoveries of between 94.7% and 99.3% gold at a 75 micron grind for 48 hour cyanide bottle rolls.
- ◆ Potential for gravity circuit recoveries of between 53.4% and 75.6% gold at the high grade Cable West vein.
- ◆ Resource modelling and metallurgical test work. Pit optimisation and mine planning to follow.
- ◆ The Tuckanarra gold project continues to progress well. The shallow and in parts high grade mineralisation, excellent initial metallurgical recoveries and the proximity of various third party gold processing mills, give the Company considerable confidence in this project.

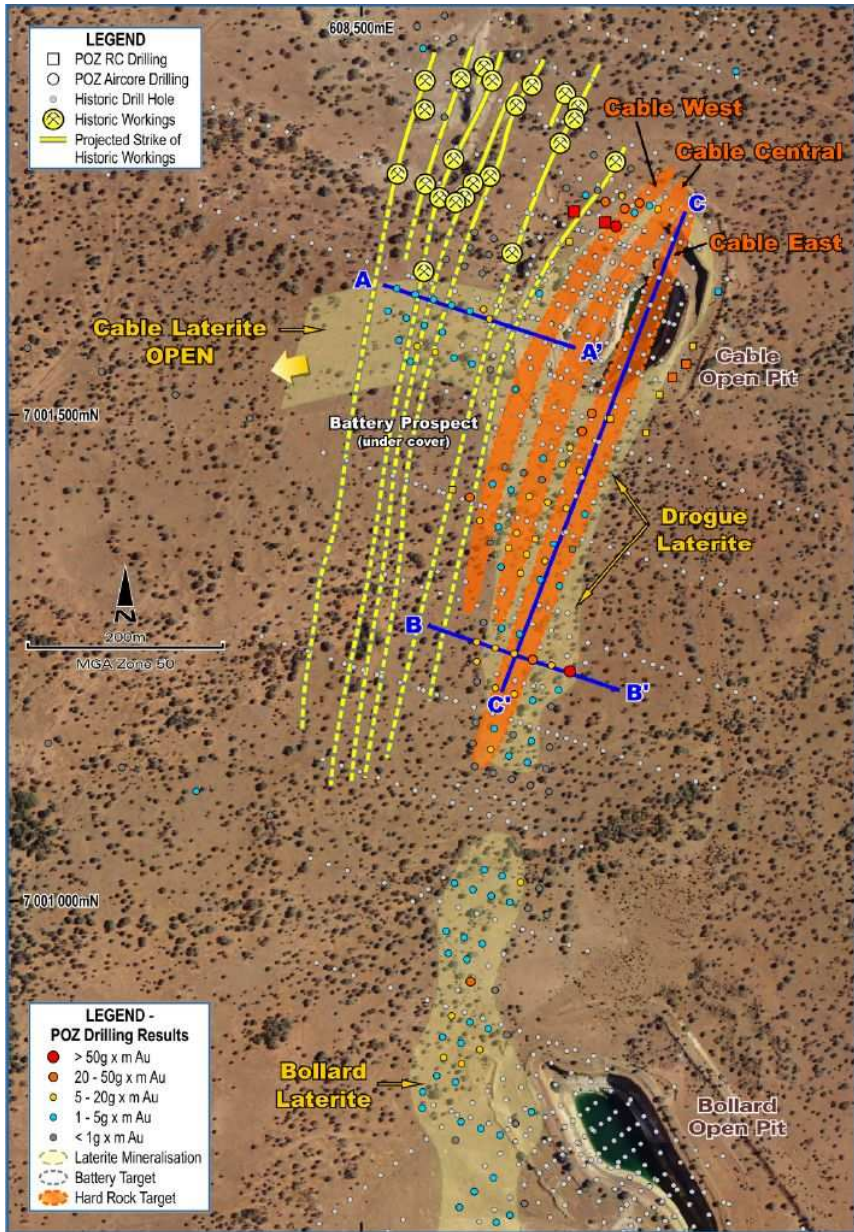


**Bollard
Open Pit**

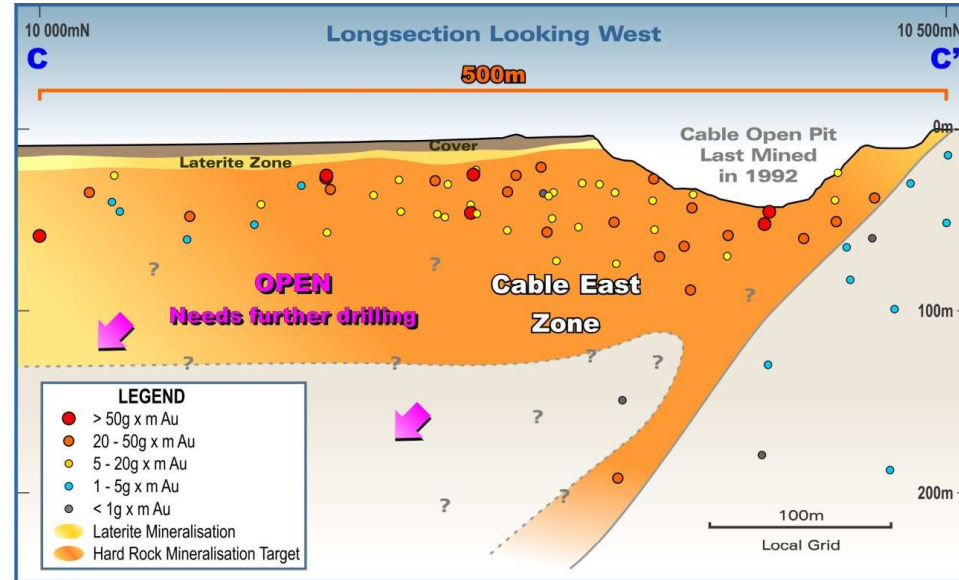


**Drilling
at Cable
Open Pit**

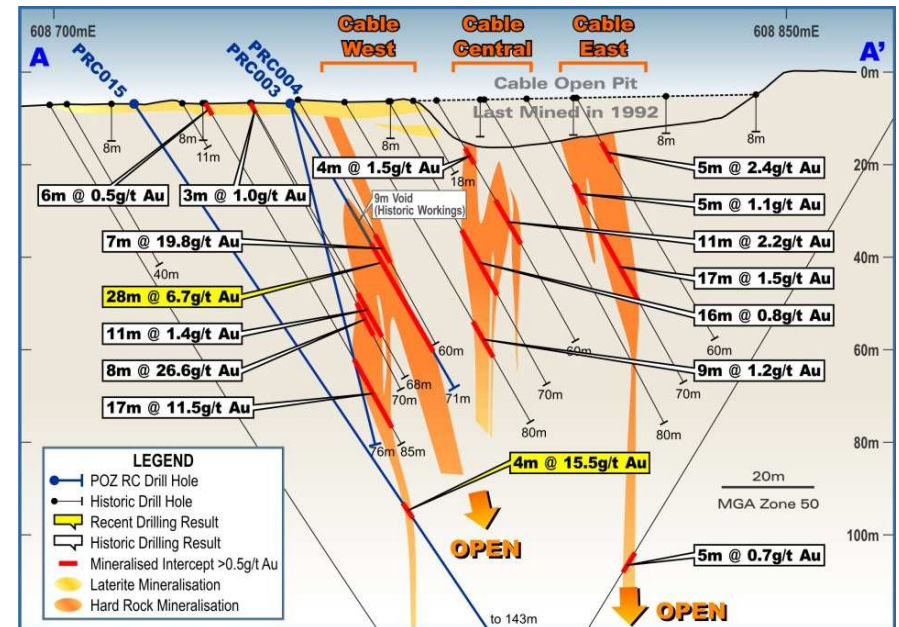
Tuckanarra – Cable East and Cable West

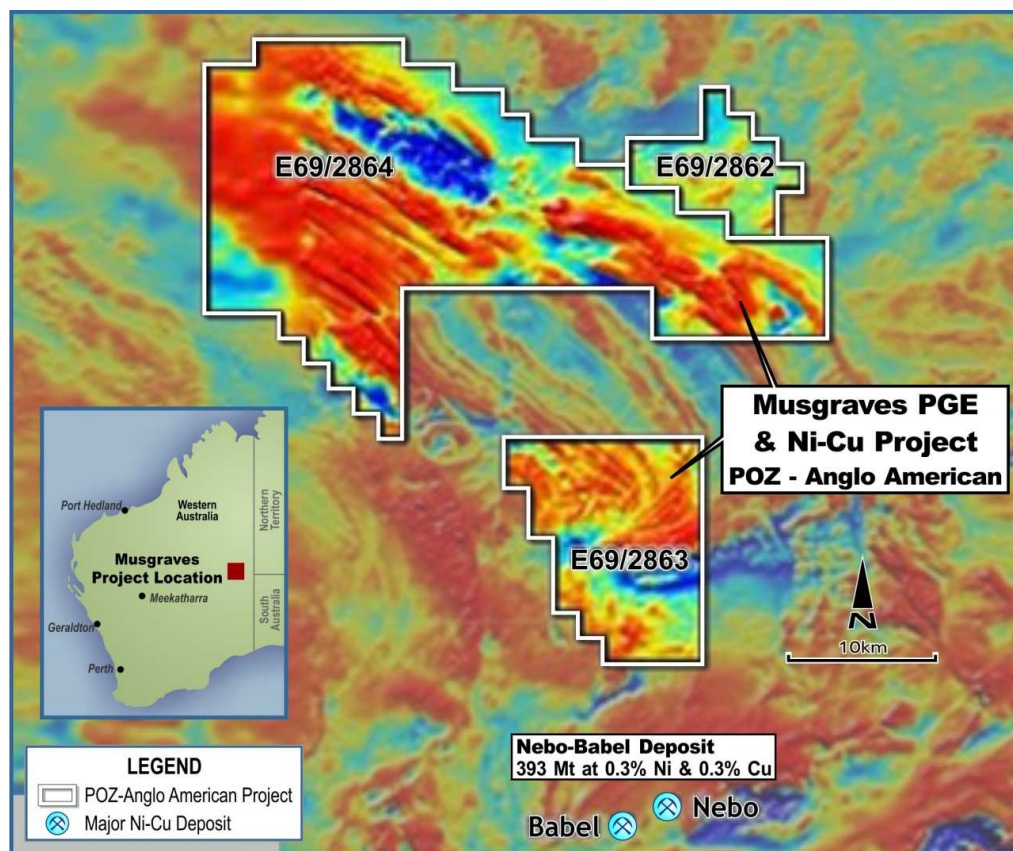


Cable East Vein is a continuous 500m long mineralised structure. Hole PAC084 intersected the Cable East vein just south of the Cable open pit and returned **12metres @ 3.28 g/t Au** from 16m to end of hole



Cable West Vein is a very strongly mineralised structure with very high grades in part and the potential for a true width of up to 10 metres. POZ drillhole PRC004 (Phase 1 program) **28m at 6.7g/t Au** from 25m





Musgrave Project (WA) Anglo-American Farm in:

- In April 2012, POZ entered into a Farm-In agreement for its Musgrave Project with Anglo American Exploration (Australia) Pty Ltd (“Anglo American”) Pty Ltd, a wholly owned subsidiary of Anglo American Plc, one of the world’s largest mining groups.
- Anglo American has the right to earn 70% in a JV, must spend \$3 million and is required to complete a minimum 5,000 metres drilling. POZ then free carried through JV until completion of BFS.
- Prospective for PGE’s and Ni-Cu. PGE assays at surface of up to 3.4 g/t (mainly platinum), 10’s of km of strike potential. The BHP Billiton Ltd controlled Nebo-Babel deposit (393 Mt at 0.3% nickel and 0.3% copper) remains the most significant discovery in the region to date.
- Anglo has now flown its proprietary SPECTREM EM Survey and identified a number of bedrock conductors have been identified and recommended for follow up drilling.
- Anglo American is leading negotiations with the Ngaanyatjaraku Land Council to finalise an Access Agreement for the tenements which are located within Aboriginal Reserve lands. The aim of Anglo American is to follow up these SPECTREM anomalies once ground access has been secured.



POZ Executive Chairman Jim Richards sampling PGE–magnetite outcrop on the POZ Musgrave Project: four samples averaged 2.4g/t PGE+Au (Pt dominant)

Thank You