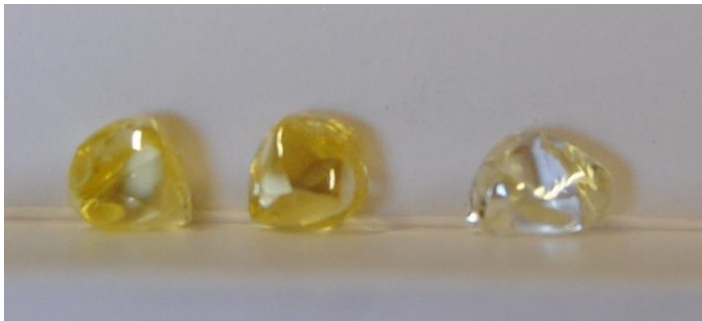




# Phosphate Australia Limited

## Annual General Meeting 2016



ASX Code: POZ

27 October 2016

***This presentation is an overview of the Company prepared with good intention. It is not a prospectus and offers no securities for subscription or sale in any jurisdiction, nor a securities recommendation. All information necessary for investment decisions is not contained herein and investors are encouraged to conduct their own research of Phosphate Australia Limited in conjunction with legal, tax, business and financial consultation.***

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***This presentation may refer to the intention of Phosphate Australia Limited but it does in no way intend to forecast forward looking statements or future matters for the purposes of the Corporations Act or any other law. Future events are subject to risks and uncertainties, and as such results, performance and achievements may in fact differ from those referred to in this presentation.***

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***Research, evaluation and analysis of the business, data and property are encouraged before making financial investments. Any estimates, projections or opinions contained herein may involve subjective judgment, analysis and interpretation, and satisfaction of ones own decisions should be undertaken.***

***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 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.***

***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 2012 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.***

***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.***

**Phosphate Australia Limited (ASX:POZ)** is an Australian focused multi-commodity resources company.

The Company has been listed on the ASX since 2008 and owns various phosphate, gold and diamond mineral projects in the Northern Territory and Western Australia.



# Company Structure (ASX Code – POZ)

## Board Of Directors



**Executive Chairman**  
Jim Richards



**Non-Executive  
Director & Company  
Secretary**  
Grant Mooney

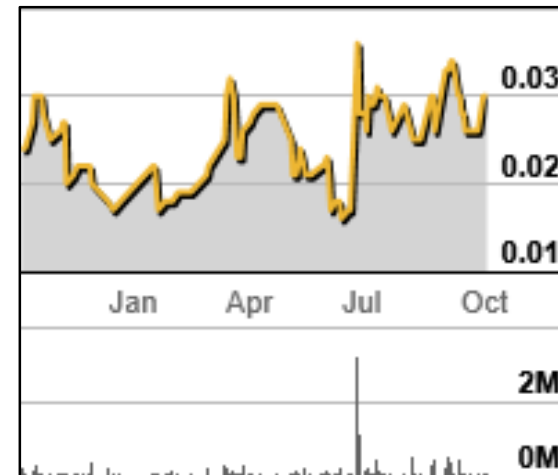


**Non-Executive  
Director**  
Mark Thompson

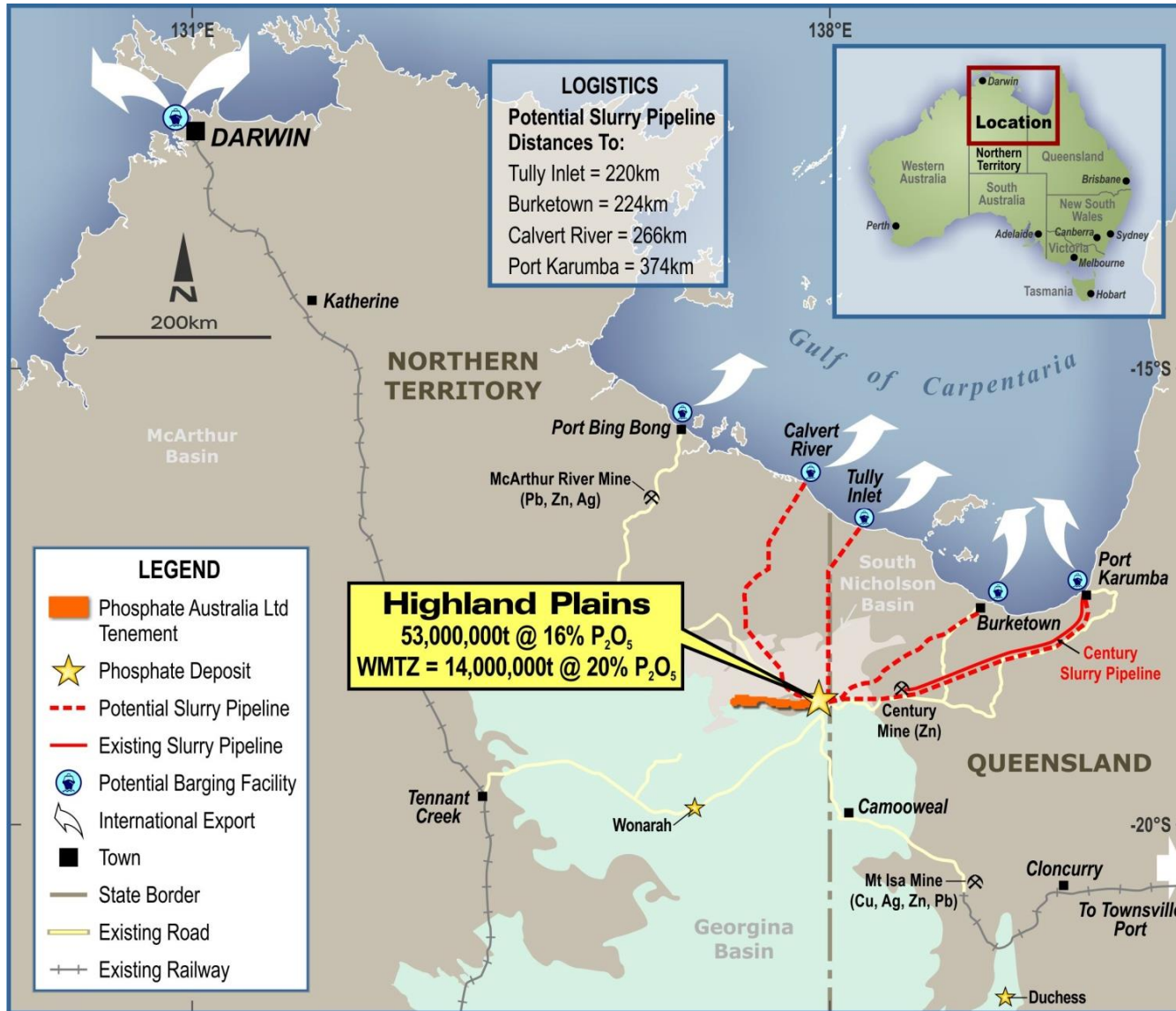
|   |                    |
|---|--------------------|
| <b>Total Shares on Issue</b>                          | <b>161,168,333</b> |
| Market Capitalisation (undiluted at \$0.03 per share) | \$5.0 M            |
| Cash on Hand (30 September 2016)                      | \$2.5 M            |

| <b>Major Shareholders</b> | <b>Shares</b> | <b>% of Capital</b> |
|---------------------------|---------------|---------------------|
| Directors                 | 43,323,076    | 27.0                |
| Kesli Chemicals Pty Ltd   | 16,629,676    | 10.3                |
| Sir Ron Brierley          | 14,485,373    | 9.0                 |

## Share Price History 12 Months

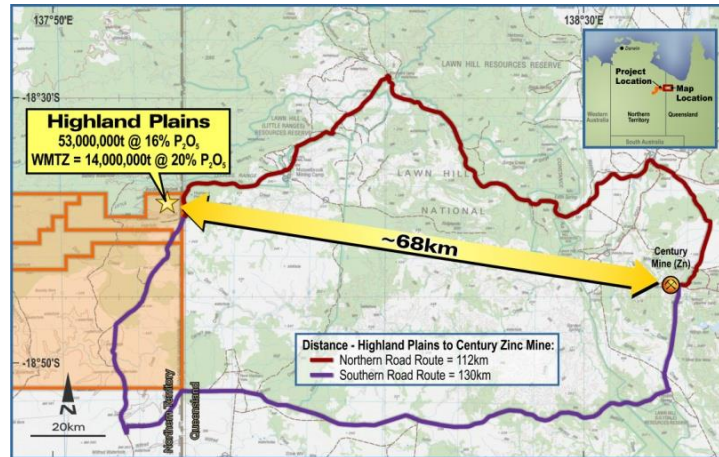
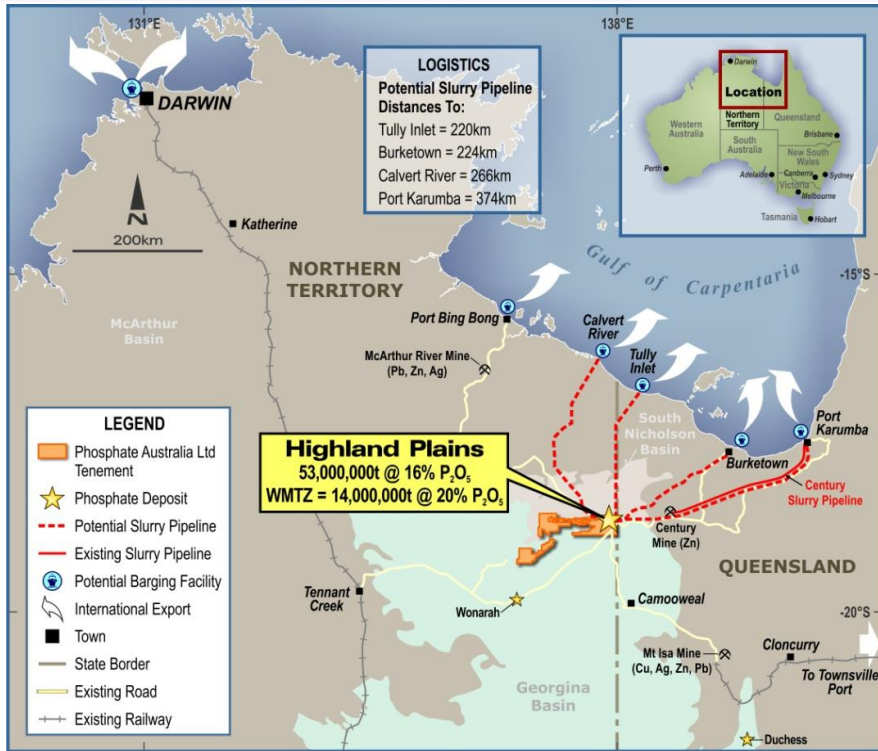


# Highland Plains – Phosphate Project NT

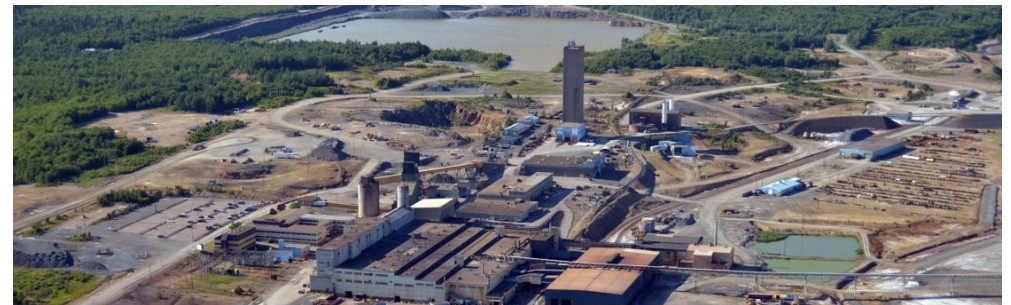


- “ POZ project at Highland Plains in the NT is Australia's closest phosphate deposit to coast and Asian markets
- “ Total JORC (2004) compliant Inferred Resource of **53 million tonnes at 16% P<sub>2</sub>O<sub>5</sub>** with a 10% P<sub>2</sub>O<sub>5</sub> cut
- “ Other nearby POZ phosphate targets with a similar geological setting to Highland Plains
- “ Phosphate Projects owned 100% by POZ with no private royalties

# Highland Plains – Proximity to Century Mine Infrastructure



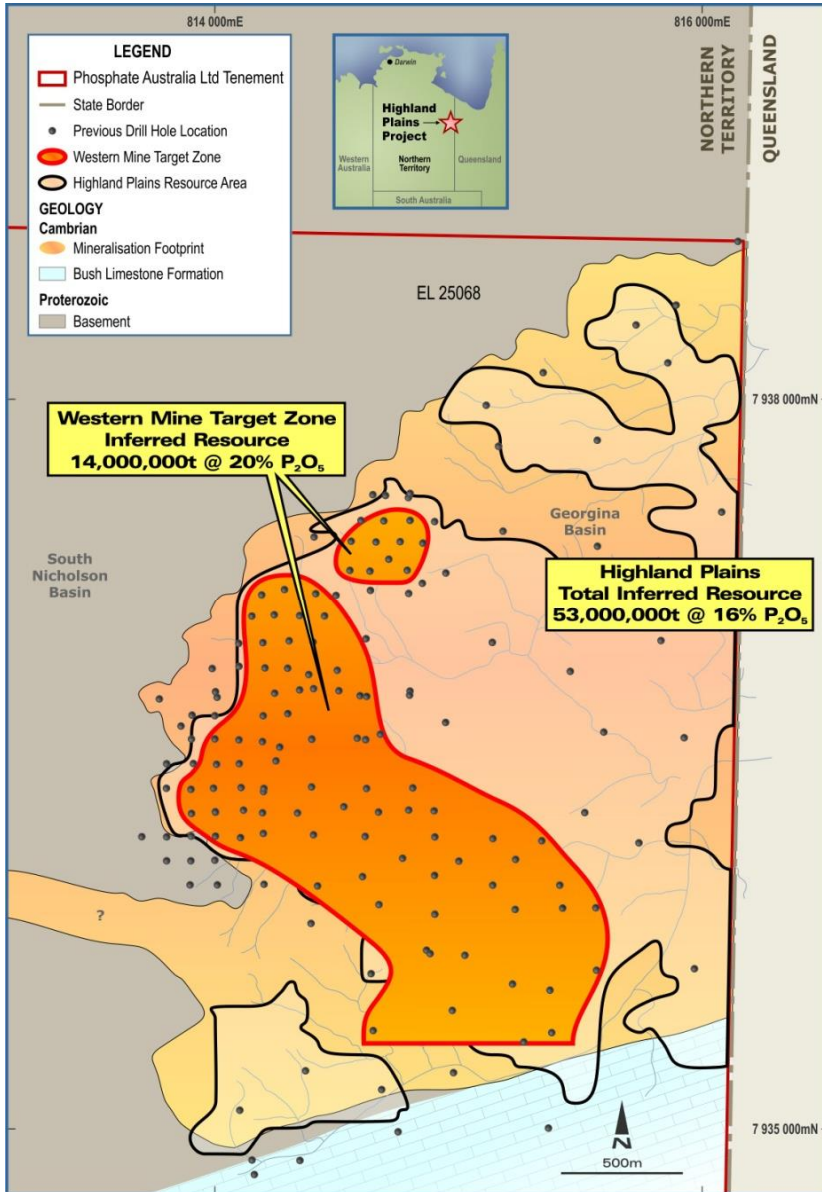
Century Zinc Mine Plant & Infrastructure



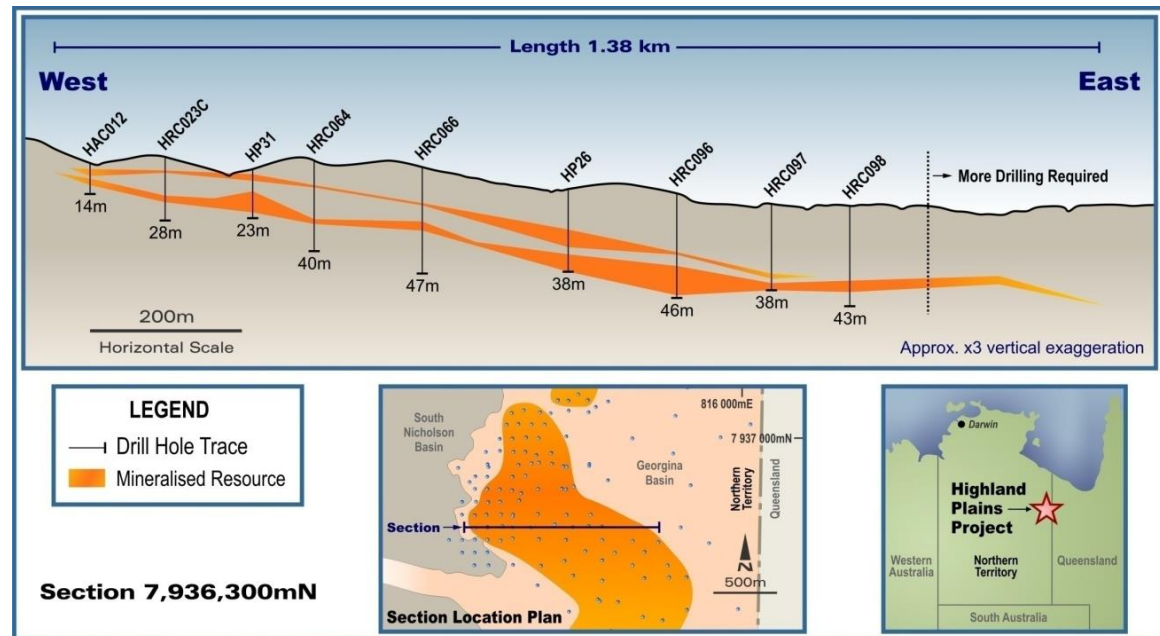
- “ The Century Zinc Mine is only 68km from Highland Plains.
- “ Century has a grinding and beneficiation plant and a slurry pipeline to the coast at Port Karumba.
- “ At Port Karumba there are existing port facilities including slurry de-watering, bulk storage and operational barging.
- “ Century has ended all production.
- “ POZ is interested in utilising the Century infrastructure.



# Highland Plains – Resource & Potential



- ◆ Total JORC (2004) compliant Inferred Resource: **53 million tonnes at 16% P<sub>2</sub>O<sub>5</sub>** with a 10% P<sub>2</sub>O<sub>5</sub> cut
- ◆ The Western Mine Target Zone (WMTZ) is shallower and has a higher grade JORC Inferred Resource of **14 million tonnes at 20% P<sub>2</sub>O<sub>5</sub>** with a 15% P<sub>2</sub>O<sub>5</sub> cut (a sub-set of the Total resource)
- ◆ This resource was calculated by Perth based independent mining industry consultants Cube Consulting

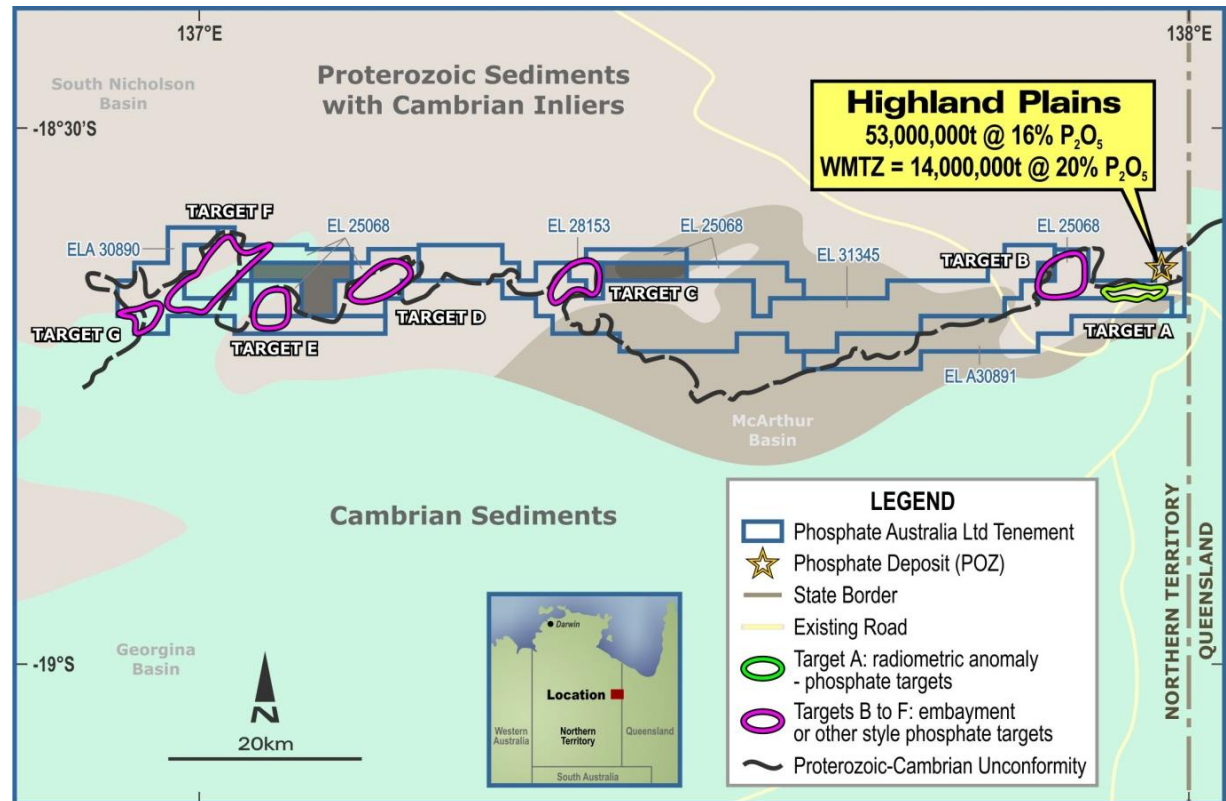


## Targeting Further Major Phosphate Deposits

“ 792 km<sup>2</sup> of tenements prospective for phosphate deposits.

“ Along strike targets (B to G) due west from Highland Plains in embayments following the Proterozoic unconformity. Same setting as the Highland Plains deposit. These targets are undrilled.

## Regional Phosphate Drill Targets





- “ Positive metallurgical testwork results has established a method of beneficiation with excellent recoveries.
- “ Best flotation test to date gives a grade of **32.3% P<sub>2</sub>O<sub>5</sub> (upgraded from 23.4% P<sub>2</sub>O<sub>5</sub>) at 76% recovery** of phosphate

Extensive laboratory flotation testwork has been carried out with a metallurgical flowsheet established

**Table 1: Best Metallurgical Results to Date**

|               |                           | P <sub>2</sub> O <sub>5</sub> % | SiO <sub>2</sub> % | Al <sub>2</sub> O <sub>3</sub> % | Fe <sub>2</sub> O <sub>3</sub> % | Recovery P <sub>2</sub> O <sub>5</sub> % |
|---------------|---------------------------|---------------------------------|--------------------|----------------------------------|----------------------------------|--|
| <b>Test 1</b> | 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                                     |
| <b>Test 2</b> | 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

Minor Element Assays (average using 22.9% P<sub>2</sub>O<sub>5</sub> cut off)

| C %  | S %  | F %  | Cl ppm | Cd ppm | U ppm |
|------|------|------|--------|--------|-------|
| 0.20 | 0.06 | 1.82 | 112    | 4      | 38    |

Minor element Lead values averaged 190ppm on selected samples (P<sub>2</sub>O<sub>5</sub> grade of 14.9%). This anomalism generally occurs in parts of the base of the phosphate beds and could be mitigated through selective mining practices and/or metallurgical separation.

POZ Products from fines WHIMS testing. Iron rich residue on left. Samples to right are the non-magnetic fractions (phosphate rich)



# Highland Plains Development Timeline

| 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                                    |        |    |        |    |        |    |        |    |



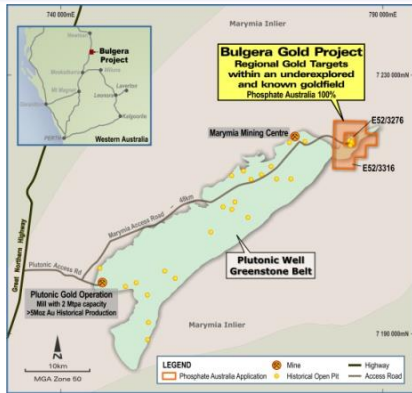
**Current Price P<sub>2</sub>O<sub>5</sub> - US\$110 or AS\$142.8/t for 32% P<sub>2</sub>O<sub>5</sub>**  
 (70%BPL) FAS Casablanca (source - World Bank Sept 2016).  
 Conversion A\$1.00=US\$0.77

**Note**

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.



# Bulgera Gold Project, WA

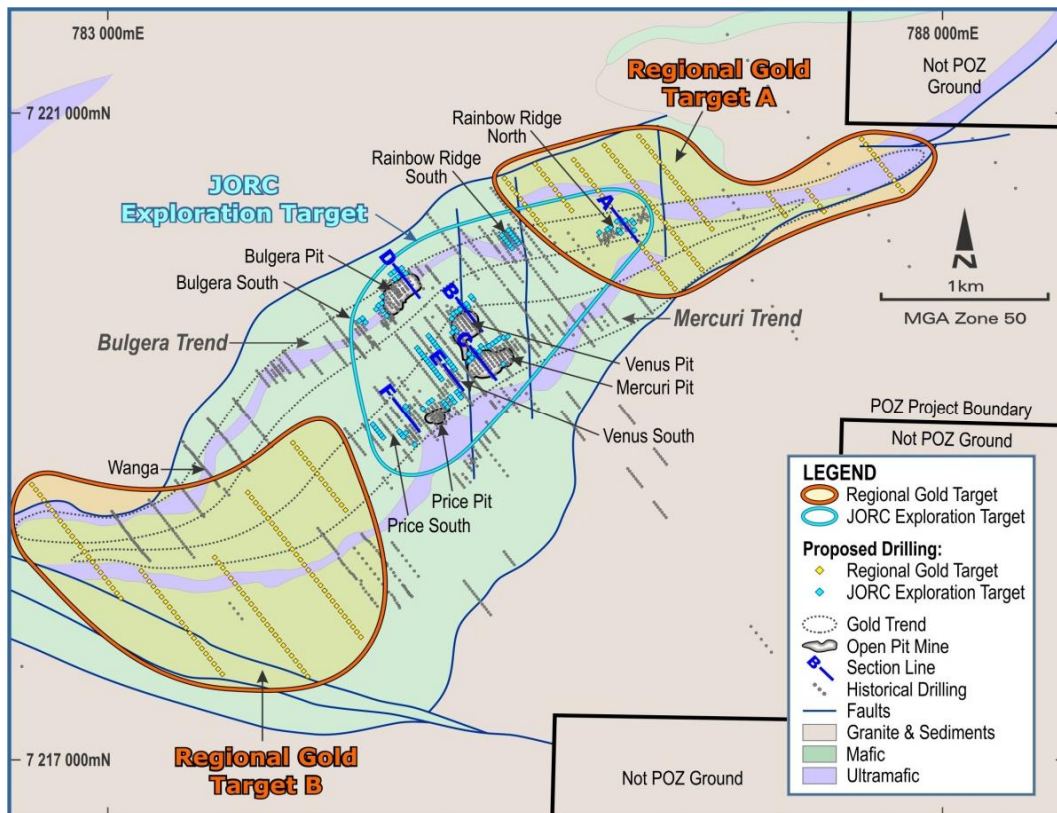


“100% interest in the Bulgera Gold Project over 37.3 km<sup>2</sup> in the multi-million ounce producing Plutonic Well greenstone belt of Western Australia.

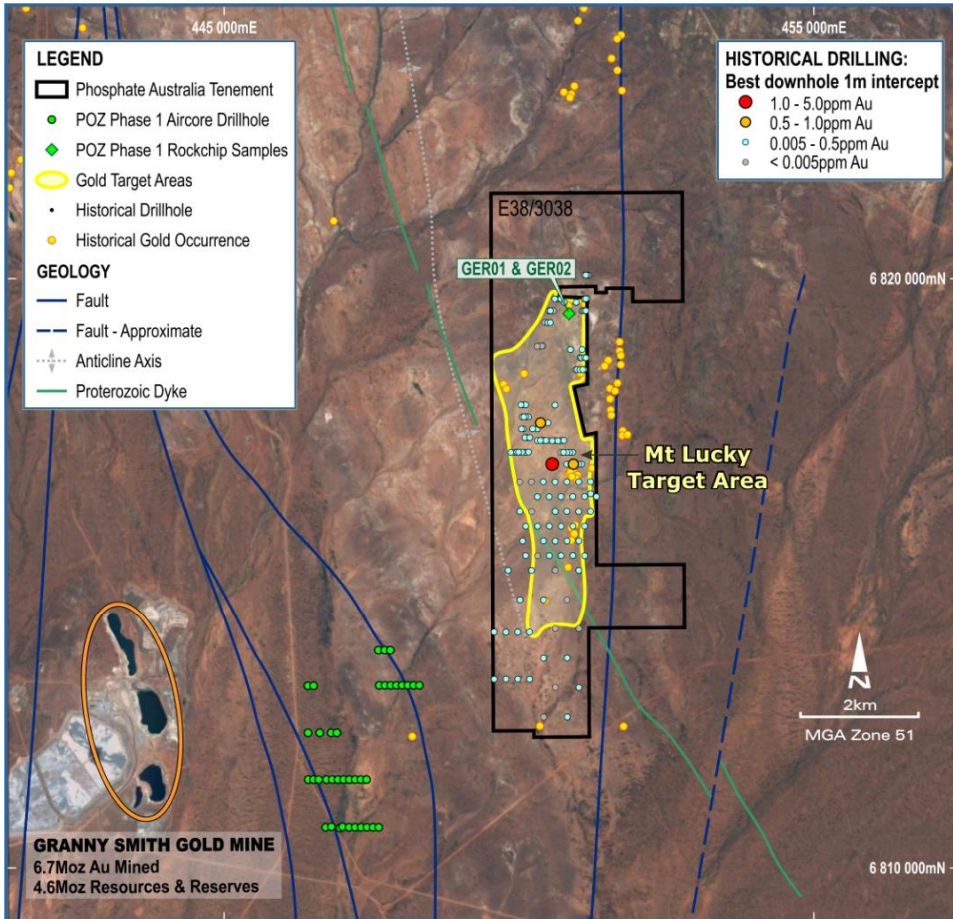
“Bulgera was last mined in 2004 by Barrick Gold of Australia.

“Shallow gold drilling targets have been identified within this underexplored greenstone belt.

“Bulgera is just 10km from the Marymia gold mine and only 48km by existing haul road to the currently active Plutonic Gold treatment plant where previous Bulgera production was milled.



# Laverton Gold Project, WA



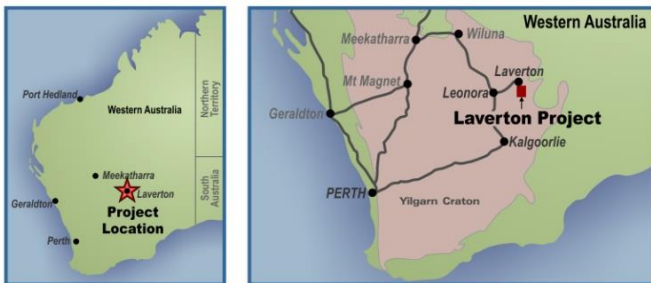
“100% interest in E38/3038 over 54.2 km<sup>2</sup> in the highly-endowed Laverton gold district.

“Artisanal gold workings scattered across tenement.

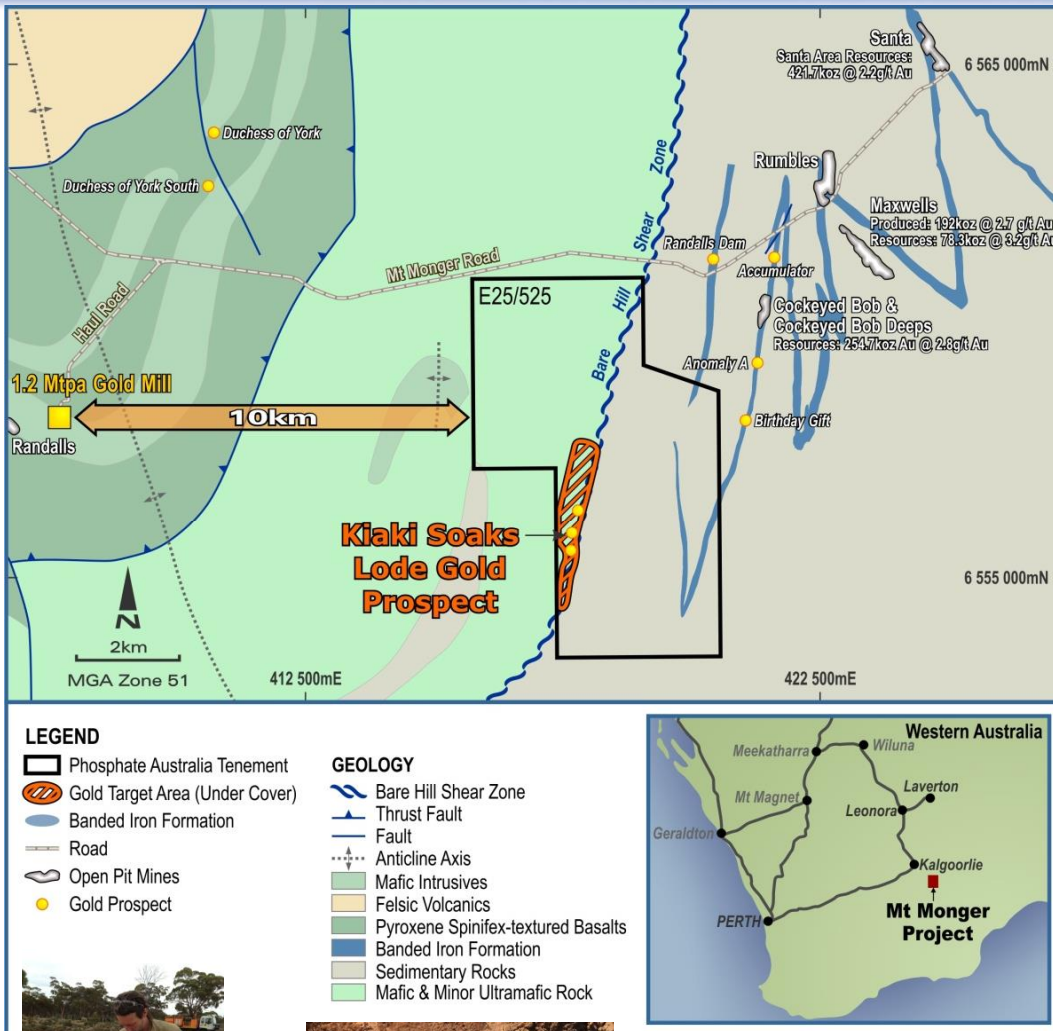
“Targets within 6km of the Granny Smith gold mine.

“Various under-cover gold targets identified, soil sampling survey planned.

“Excellent low-cost opportunity for gold discovery near operating mill.



# Mount Monger Gold Project, WA

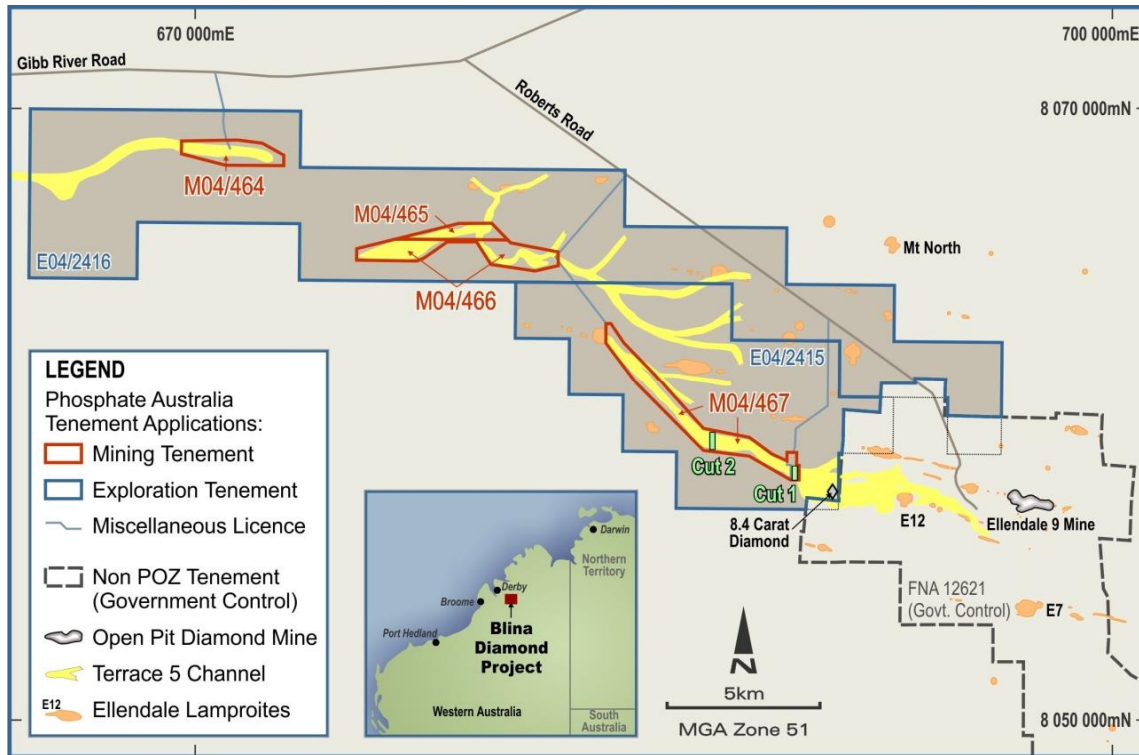


“ 100% interest in the Mount Monger Gold Project over 26.6 km<sup>2</sup> situated in an active gold mining district and is only 11km east of the 1.2Mtpa Randalls gold mill.

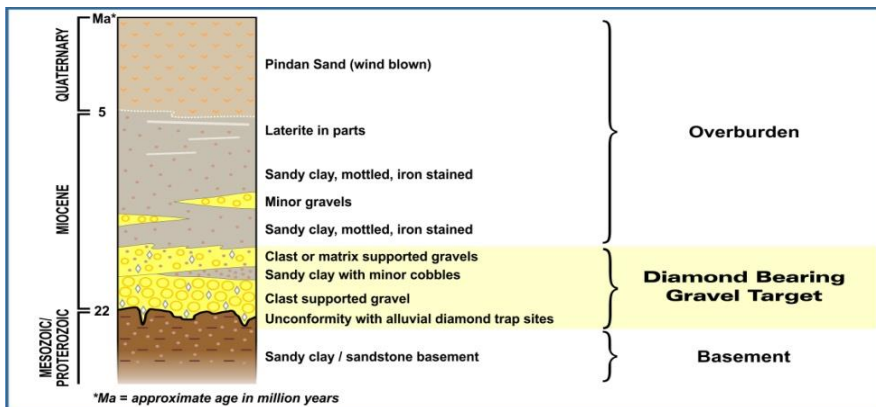
“ In March 2016, POZ conducted an 87 hole, 2,344m aircore drilling campaign which confirmed a lode gold target with 350 metres of strike at the Kiaki Soaks Prospect which has the potential to host significant gold mineralisation.

“ The Company has been awarded \$80,000 by the WA government's Exploration Incentive Scheme (EIS) for further exploration drilling.

# Blina Diamond Project, WA

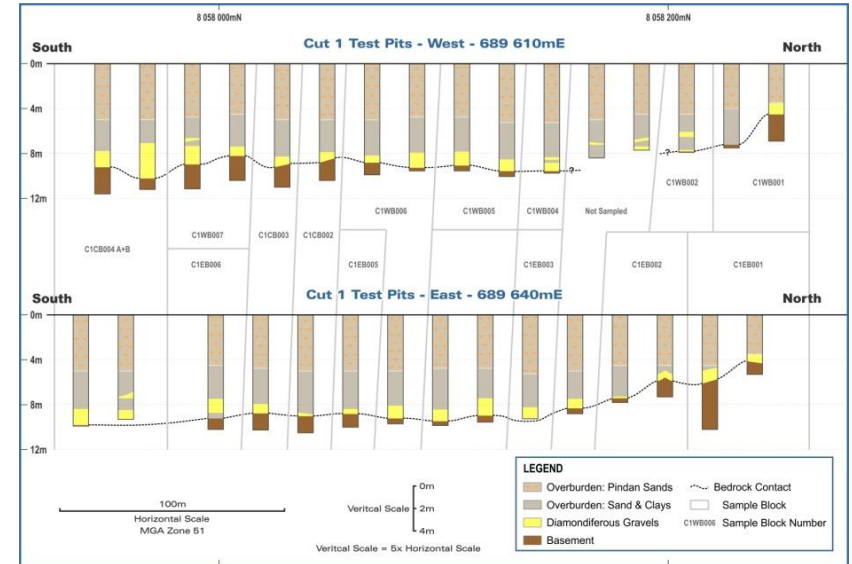
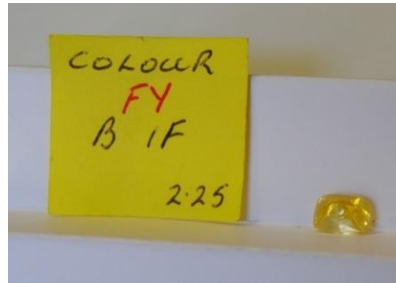
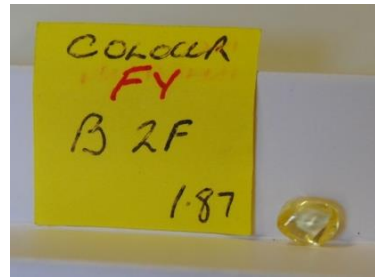
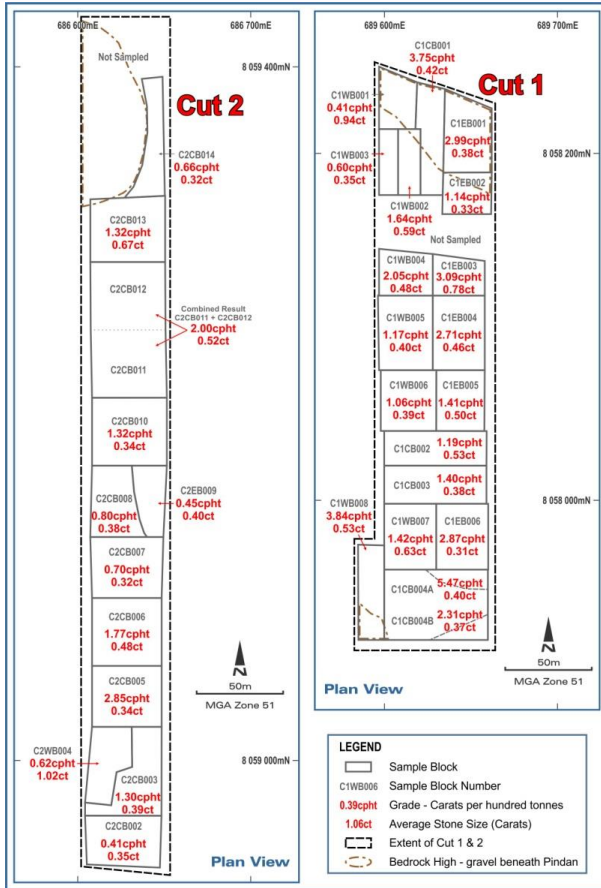


- “ The Blina Diamond Project in the Ellendale Region of Western Australia is 100% owned by POZ.
- “ Two exploration lease applications for 167.1 km<sup>2</sup>.
- “ Four mining lease applications.
- “ 40km strike of diamondiferous Terrace 5 alluvial gravels to target.
- “ Historic bulk sampling which recovered fancy yellow diamonds for which the Ellendale Field is renowned.



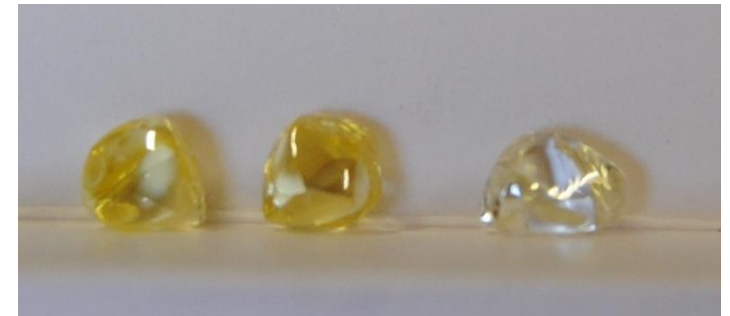
- “ POZ is targeting high grade, low tonnage alluvial deposits in bedrock trap sites.
- “ Aboriginal permitting is currently underway. The outcome of this process is as yet unknown.

# Blina Diamonds Historic Bulk Sample Results



| Cut          | Volume (m <sup>3</sup> )  | Tonnes (t)    | Size Distribution* |              | Number Diamonds | Total Carats | Average Size (ct) | Grade ct/100m <sup>3</sup> | Grade ct/100t | Largest Diamond ct |
|--------------|---------------------------|---------------|--------------------|--------------|-----------------|--------------|-------------------|----------------------------|---------------|--------------------|
|              |                           |               | +3.35mm            | - 3.35mm     |                 |              |                   |                            |               |                    |
| C1           | 22,006                    | 40,445        | 676                | 1,698        | 2,363           | 959.2        | 0.41              | 4.36                       | 2.37          | 5.92               |
| C2           | 18,607                    | 31,605        | 336                | 757          | 1,093           | 472.3        | 0.43              | 2.71                       | 1.49          | 7.00               |
| <b>Total</b> | <b>40,613<sup>A</sup></b> | <b>72,050</b> | <b>1,012</b>       | <b>2,455</b> | <b>3,456</b>    | <b>1,432</b> | <b>0.42</b>       | <b>3.53</b>                | <b>2.00</b>   | <b>7.00</b>        |

Diamonds shown were mined from the adjacent Ellendale Mining Lease and represent the type of high quality rough being targeted by POZ





## **Phosphate Australia Limited (ASX: POZ)**

An Australian focused multi-commodity resources company



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