



ASX Announcement

11 October 2017

COMPANY DETAILS

ABN: 62 147 346 334

PRINCIPAL AND REGISTERED OFFICE

Parkway Minerals NL
Level 1, 675 Murray St.
West Perth WA 6005

POSTAL ADDRESS

PO Box 1088
West Perth WA 6872

W www.parkwayminerals.com.au

E info@parkwayminerals.com.au

P +61 8 9479 5386

F +61 8 9475 0847

ASX CODE

PWN

FRANKFURT CODE

A1JH27

OTC PINK CODE

PWNNY

CORPORATE INFORMATION

11 October 2017

444M Ordinary shares
123M Partly paid shares
17M Listed Options
5M Unlisted options

BOARD OF DIRECTORS

Adrian Griffin

(Non-Executive Chairman)

Patrick McManus

(Managing Director)

Chew Wai Chuen

(Non-Executive Director)

Natalia Streltsova

(Non-Executive Director)

SEPTEMBER 2017 QUARTERLY REPORT

Parkway Minerals (“Parkway” or “The Company”) is pleased to provide an update of activities for the September Quarter.

HIGHLIGHTS

Lake Barlee Project

- 3 Strategic exploration licences granted
- Geophysical survey defines initial drill targets

Dandaragan Trough Project (“DTP”)

- Expanded Resource defined for Dinner Hill
- Exploration Targets reported for Dandaragan Trough
- Process design testwork suggests process improvements possible

Strategic Investment

- PWN owns 7.32 Million Lithium Australia shares

Davenport Resources (19.2 Million shares held, 26%)

- Approvals still in progress for drilling on K llstedt Licence
- Davenport is in the process of purchasing several Mining Licences close to existing Exploration Licences.

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Corporate

- \$850,000 raised via a placement to institutions and sophisticated investors
- Share purchase plan, on same terms, in progress with existing shareholders.

LAKE BARLEE PROJECT

Parkway has a number of exploration licence applications covering Lake Barlee, north-east of Southern Cross in Western Australia (Figure 1). During the quarter 3 applications were granted and the project now consists of 4 ELs and 8 ELAs.

A review of the open file data on Lake Barlee indicated potential for paleochannels to be present. A geophysical survey, prior to drilling, was planned and is in progress after the end of the quarter. Initial results from the seismic survey were released to the ASX today, and are showing development of paleovalleys within the lake, with the lake depth increasing from 25m to 75m. Further results will be available within weeks and will guide a targeted drilling programme, expected to start before the end of the year.

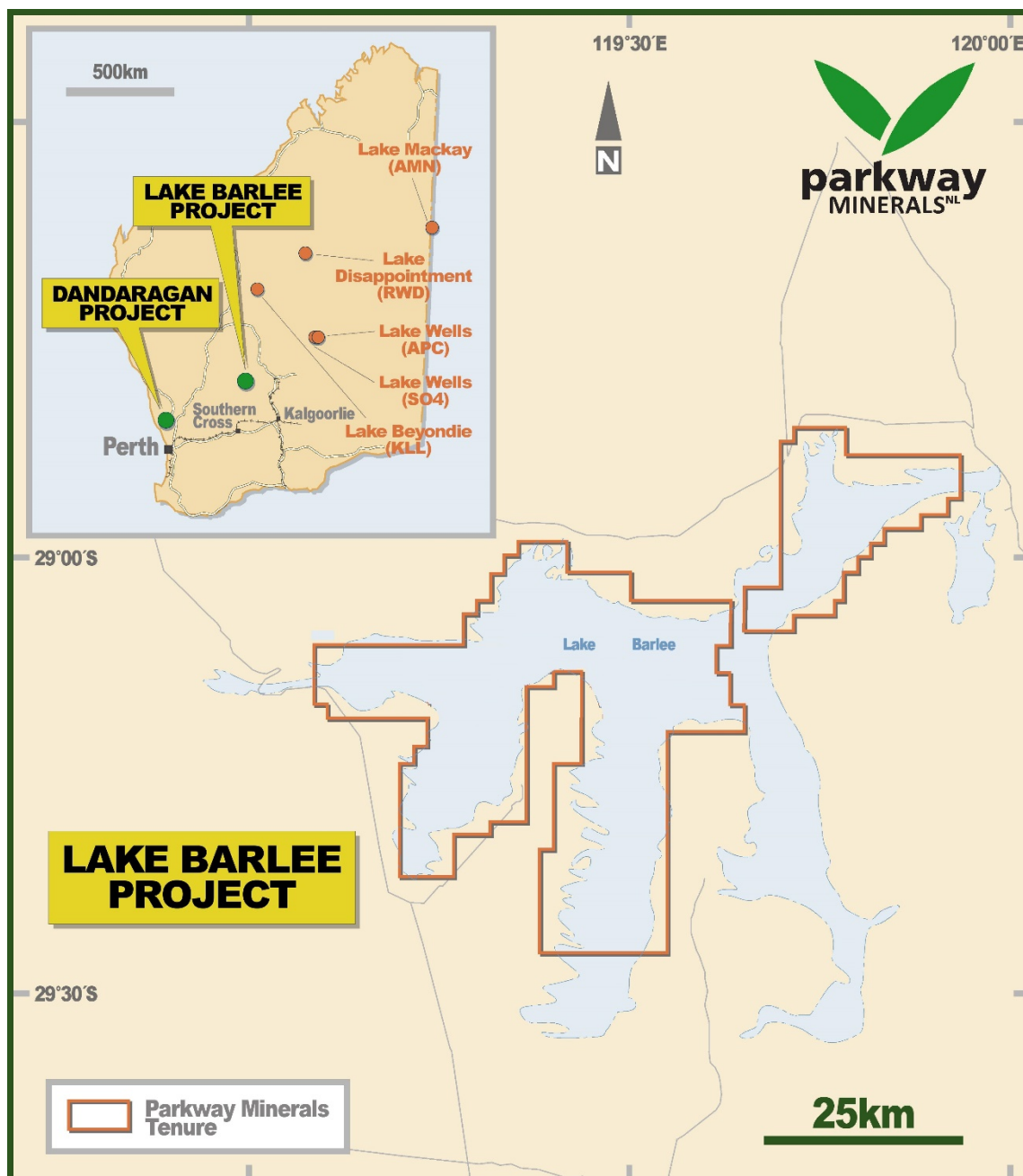


Figure 1 Lake Barlee Project area.

DANDARAGAN TROUGH PROJECT

Parkway has continued to advance the Dinner Hill Potash and Phosphate Deposit, located some 200km north of Perth in Western Australia, (Figure 2). Dinner Hill forms part of the larger Dandaragan Trough Project (DTP), where Parkway holds over 1,000km² of exploration tenure. Sedimentary rocks within the trough contain glauconite, a potash rich mica, and phosphate nodules. The objective is to produce phosphate and potash fertilisers and a range of valuable by-products from the phosphate and glauconite present within the sediments of the Dandaragan Trough. The Dinner Hill Project covers some +332 km² within the DTP.

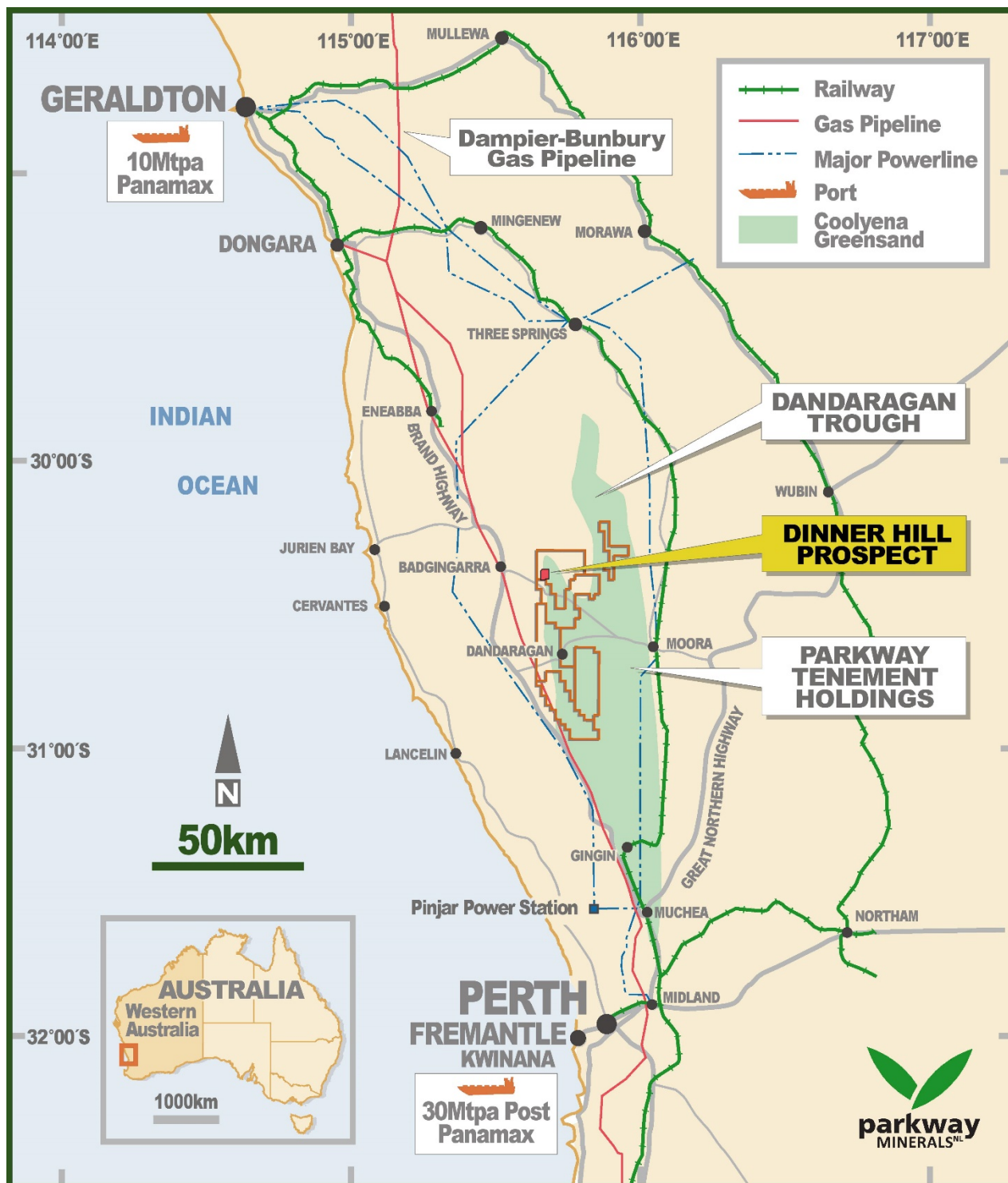


Figure 2: Location plan, Dandaragan Trough Project

The DTP has unique advantages of excellent connectivity to transport facilities, infrastructure and proximity to local and regional markets. It is located within an easy drive from Perth, and is less than 200km from two major bulk export ports, Kwinana and Geraldton. It is well situated in relation to major project infrastructure, and significant local and regional markets for its products.

Dandaragan Trough new Exploration Targets

As a result of further drilling and process design testwork Exploration Targets were announced for the Dandaragan Trough Project area, and are shown in Table 1:

Table 1 Dandaragan Trough Fertiliser Project: Exploration Targets

Project Area	Phosphate Tonnage (Mt)	Phosphate Grade P ₂ O ₅	Potash Tonnage (Mt)	Potash Grade K ₂ O%
Badgingarra Road	60 to 100	2 to 3	600 to 900	4 to 5
Dambadgee West	300 to 350	1.5 to 2	2000 to 2750	3 to 4
Dambadgee	200 to 250	1.5 to 2.5	1200 to 1500	3 to 3.5
Attunga	30 to 45	1.5 to 2	750 to 1000	3.5 to 4
Dinner Hill	250 to 300	1.5 to 1.8	800 to 1600	3.8 to 4.4
Totals	840 to 1045	1.5 to 2.2	5350 to 7750	3.3 to 4.1

The phosphate Exploration Targets total between 0.8 and 1.05 billion tonnes at an average grade of between 1.5% and 2.2% P₂O₅. The potash Exploration Targets total between 5.4 and 7.8 billion tonnes at an average grade of between 3.3% and 4.1% K₂O. The potential quantities and grades of the targets are conceptual in nature, as there has been insufficient exploration to estimate Mineral Resources over their areas and as it is uncertain if further exploration will result in the estimation of one or more Mineral Resources. The Exploration Targets were reported to the ASX on 26 September (Dinner Hill) and 28 September (balance of Dandaragan Trough).

Dinner Hill Resource Statement

The resources for the Dinner Hill project were recalculated during the period, and reported to ASX on 26 September. The resources cover an area of approximately 52 km² and are shown in table 2.

DINNER HILL RESOURCE**Table 2 Dinner Hill Deposit: Resource Summary**

Resource	Category	Tonnes (Mt)	P ₂ O ₅ (%)	K ₂ O (%)
Phosphate	Indicated	160	2.45	
	Inferred	470	1.7	
	Total	630	1.85	
Potash				
Potash Resources included within the Phosphate Resource area	Indicated	160		4.2
	Inferred	470		4.4
	Total	630		4.4
Potash Resource outside the Phosphate Resource area	Indicated	50		2.65
	Inferred	230		2.6
	Total	280		2.6
Total Potash Resources	Indicated	210		3.8
	Inferred	700		3.8
	Totals	910		3.8

Note: Totals may differ from sum of individual items due to rounding

Dinner Hill Prefeasibility Study (PFS)

Process design testwork has been completed, with Florida based Kemworks Technology Inc (**Kemworks**). Kemworks. This work was reported on 31 August 2017, and confirmed that a simpler, lower energy flowsheet was likely to produce a similar metallurgical result, in terms of grade and recovery. Further testwork is required to confirm this.

DAVENPORT RESOURCES

Parkway owns 19.6 million shares of Davenport Resources (**DAV**), which holds exploration licences in the South Harz region of Germany (Figure 3). The South Harz region has a long history of potash mining, dating back to the late 1890s. Extensive exploration work and R&D was carried out in the period from the 1960s to the 1980s. This work confirmed that substantial potash deposits still remain in this region

Davenport is in the process of acquiring 3 Mining Licences from BVVG, a federal government department responsible for disposing assets of the former GDR. Refer ASX announcement 16 August. These licences, Mülhausen-Nohra, Ebeleben and Omhgebirge, have been extensively drilled over a number of campaigns (Figure 4) and the data has been well preserved .

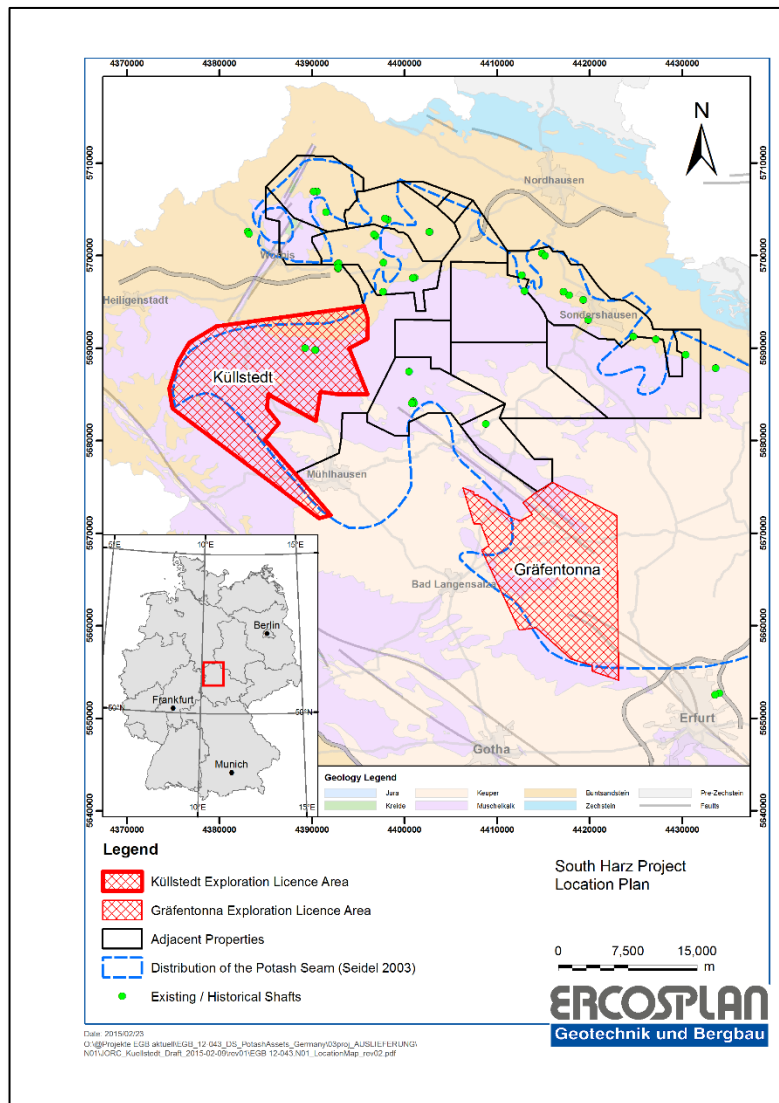


Figure 3: South Harz Project Location

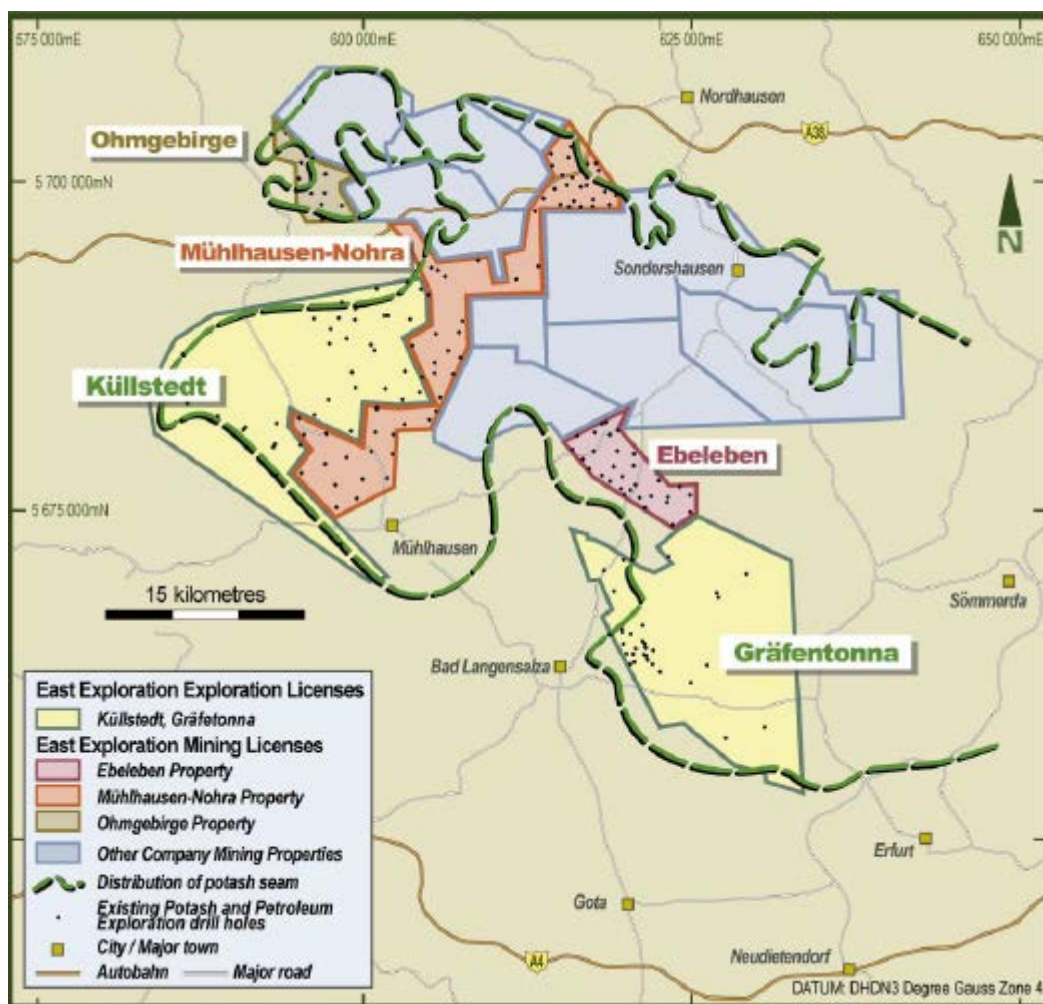


Figure 4: Location of additional mining licences

SHAREHOLDINGS

Parkway owns shares in the following ASX listed Companies:

- Lithium Australia (ASX LIT) 7.32 M
- Davenport (ASX:DAV) 19.2 M,
- Davenport (ASX:DAV) 17.9 M milestone 1 shares (refer PWN announcement 18 August 2015)
- Davenport (ASX:DAV) 17.9 M milestone 2 shares (refer PWN announcement 18 August 2015)

CORPORATE

\$850,000 was raised from existing shareholders and clients of JB Advisory. The issue price was 1 cent. A share purchase plan is in progress to allow shareholders to participate at the same price. This will see Parkway well funded to several milestones in the Lake Barlee project and at Dandaragan Trough.

Parkway monitors activities and opportunities that may be relevant to the Company’s objectives. This may include expanding or changing the scope of existing projects or engaging with third parties on other projects. If a proposal advances, details would be announced in accordance with the Company’s continuous disclosure obligations.

ANNOUNCEMENTS

The following ASX announcements were made during the quarter:

29/09/2017	Appendix 4G
29/09/2017	Annual Report to shareholders-
28/09/2017	Revision New Exploration Targets for Dandaragan Trough
28/09/2017	New Exploration Targets-Dandaragan Trough Fertiliser Project
26/09/2017	Update of Resources and Exploration Target for Dinner Hill
21/09/2017	Share Purchase Plan
20/09/2017	Notice under s708A, Information under LR3.10.5A, Appendix 3B
20/09/2017	Reinstatement to Official Quotation
20/09/2017	Placement of \$850,000 for Lake Barlee Exploration
19/09/2017	Suspension from Official Quotation
18/09/2017	Update on Davenport Resources
14/09/2017	Trading Halt
05/09/2017	Amended Announcement on Dinner Hill Phosphate Process Design
31/08/2017	Improvements to Phosphate Fertiliser Process Flowsheet
15/08/2017	Company Secretary Change
26/07/2017	Quarterly Activities and Cashflow Reports

The following announcements were made subsequent to 30 September 2017:

3/10/2017	Lake Barlee Exploration Update
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CASH ON HAND

At 30 September 2017, \$2.16million cash was available.

For further information contact:

Parkway Minerals NL:

Patrick McManus

Managing Director

Tel: +61 (08) 9479 5386

Email: info@parkwayminerals.com.au

Web: www.parkwayminerals.com.au

About Parkway Minerals

Parkway Minerals (ASX: PWN) is a company focused on developing fertiliser feedstock projects. The Company holds 1,900km² of exploration licenses and applications over Lake Barlee, where it is exploring a sulphate of potash project from the brines in the lake, north of Southern Cross in Western Australia.

The Company has a major land holding over one of the world's largest known glauconite deposits, with exploration licenses and applications covering an area of over 1,050km² in the greensand deposits of the Dandaragan Trough, in Western Australia's Perth Basin. The area is prospective for both phosphate and potash. Previous exploration indicates glauconite sediments are widespread for more than 150km along strike and 30km in width. A pre-feasibility study is in progress for stage 1, production of phosphate fertilisers. The project is well situated in relation to infrastructure, with close access to rail, power and gas. A successful commercial outcome will allow the Company to become a major contributor to the potash and phosphate markets at a time of heightened regional demand.

The Company owns 19.25M shares (26%) of Davenport Resources, which owns a potash exploration project in the South Harz region of Thuringia, in Central Germany. The region has been a potash producing area for over 100 years.

Competent Person's Statement:***Dandaragan Trough Project***

The production targets and other information in this announcement that relate to Mineral Resources, are based on, and fairly represent, the Mineral Resource and supporting documentation extracted from the reports which have been prepared by a Competent Person in compliance with the JORC Code (2012) and released to ASX by the Company on 26 September 2017 and 28 September 2017. Parkway Minerals confirms that it is not aware of any new information or data that materially affect the information included in the original announcements. All material assumptions and technical parameters underpinning the Mineral Resource estimate in those previous ASX releases continue to apply and have not materially changed. The Company further confirms that the form and context in which the Competent Person's findings are presented have not been materially modified from the original market announcement.

Appendix 5B

Mining exploration entity and oil and gas exploration entity quarterly report

Introduced 01/07/96 Origin Appendix 8 Amended 01/07/97, 01/07/98, 30/09/01, 01/06/10, 17/12/10, 01/05/13, 01/09/16

Name of entity

Parkway Minerals NL

ABN

62 147 346 334

Quarter ended ("current quarter")

30 September 2017

Consolidated statement of cash flows	Current quarter \$A'000	Year to date (3 months) \$A'000
1. Cash flows from operating activities		
1.1 Receipts from customers	1	1
1.2 Payments for		
(a) exploration & evaluation	(151)	(151)
(b) development		
(c) production		
(d) staff costs	(76)	(76)
(e) administration and corporate costs	(259)	(259)
1.3 Dividends received (see note 3)		
1.4 Interest received	2	2
1.5 Interest and other costs of finance paid		
1.6 Income taxes paid		
1.7 Research and development refunds	-	-
1.8 Other (provide details if material)		
1.9 Net cash from / (used in) operating activities	(483)	(483)

2. Cash flows from investing activities		
2.1 Payments to acquire:		
(a) property, plant and equipment	(86)	(86)
(b) tenements (see item 10)		
(c) investments		
(d) other non-current assets		

Consolidated statement of cash flows		Current quarter \$A'000	Year to date (3 months) \$A'000
2.2	Proceeds from the disposal of:		
	(a) property, plant and equipment		
	(b) tenements (see item 10)		
	(c) investments		
	(d) other non-current assets		
2.3	Cash flows from loans to other entities		
2.4	Dividends received (see note 3)		
2.5	Other (provide details if material)		
2.6	Net cash from / (used in) investing activities	(86)	(86)

3.	Cash flows from financing activities		
3.1	Proceeds from issues of shares	850	850
3.2	Proceeds from issue of convertible notes		
3.3	Proceeds from exercise of share options		
3.4	Transaction costs related to issues of shares, convertible notes or options		
3.5	Proceeds from borrowings		
3.6	Repayment of borrowings		
3.7	Transaction costs related to loans and borrowings		
3.8	Dividends paid		
3.9	Other (Equity Raising Costs)	-	-
3.10	Net cash from / (used in) financing activities	850	850

4.	Net increase / (decrease) in cash and cash equivalents for the period		
4.1	Cash and cash equivalents at beginning of period	1,881	1,881
4.2	Net cash from / (used in) operating activities (item 1.9 above)	(483)	(483)
4.3	Net cash from / (used in) investing activities (item 2.6 above)	(86)	(86)
4.4	Net cash from / (used in) financing activities (item 3.10 above)	850	850
4.5	Effect of movement in exchange rates on cash held		
4.6	Cash and cash equivalents at end of period	2,162	2,162

5. Reconciliation of cash and cash equivalents at the end of the quarter (as shown in the consolidated statement of cash flows) to the related items in the accounts	Current quarter \$A'000	Previous quarter \$A'000
5.1 Bank balances	2,162	1,881
5.2 Call deposits		
5.3 Bank overdrafts		
5.4 Other (provide details)		
5.5 Cash and cash equivalents at end of quarter (should equal item 4.6 above)	2,162	1,881

6. Payments to directors of the entity and their associates	Current quarter \$A'000
6.1 Aggregate amount of payments to these parties included in item 1.2	76
6.2 Aggregate amount of cash flow from loans to these parties included in item 2.3	
6.3 Include below any explanation necessary to understand the transactions included in items 6.1 and 6.2	

Item 1.23 relates to Directors Remuneration, Directors Fees and Superannuation Contributions.

7. Payments to related entities of the entity and their associates	Current quarter \$A'000
7.1 Aggregate amount of payments to these parties included in item 1.2	
7.2 Aggregate amount of cash flow from loans to these parties included in item 2.3	
7.3 Include below any explanation necessary to understand the transactions included in items 7.1 and 7.2	

Mining exploration entity and oil and gas exploration entity quarterly report

8. Financing facilities available <i>Add notes as necessary for an understanding of the position</i>	Total facility amount at quarter end \$A'000	Amount drawn at quarter end \$A'000
8.1 Loan facilities		
8.2 Credit standby arrangements		
8.3 Other (please specify)		
8.4 Include below a description of each facility above, including the lender, interest rate and whether it is secured or unsecured. If any additional facilities have been entered into or are proposed to be entered into after quarter end, include details of those facilities as well.		

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9. Estimated cash outflows for next quarter	\$A'000
9.1 Exploration and evaluation	251
9.2 Development	
9.3 Production	
9.4 Staff costs	84
9.5 Administration and corporate costs	195
9.6 Other (provide details if material)	
9.7 Total estimated cash outflows	530

10. Changes in tenements (items 2.1(b) and 2.2(b) above)	Tenement reference and location	Nature of interest	Interest at beginning of quarter	Interest at end of quarter
10.1 Interests in mining tenements and petroleum tenements lapsed, relinquished or reduced	-	-	-	-
10.2 Interests in mining tenements and petroleum tenements acquired or increased	E29/985 E77/2409 E57/1051	Granted	0%	100%
	E29/1003 E29/1027	Applications	0%	0%

Compliance statement

- 1 This statement has been prepared in accordance with accounting standards and policies which comply with Listing Rule 19.11A.
- 2 This statement gives a true and fair view of the matters disclosed.

Sign here:



(Director/~~Company secretary~~)

Date: 11 October 2017

Print name: Patrick McManus

Notes

1. The quarterly report provides a basis for informing the market how the entity's activities have been financed for the past quarter and the effect on its cash position. An entity that wishes to disclose additional information is encouraged to do so, in a note or notes included in or attached to this report.
2. If this quarterly report has been prepared in accordance with Australian Accounting Standards, the definitions in, and provisions of, AASB 6: Exploration for and Evaluation of Mineral Resources and AASB 107: Statement of Cash Flows apply to this report. If this quarterly report has been prepared in accordance with other accounting standards agreed by ASX pursuant to Listing Rule 19.11A, the corresponding equivalent standards apply to this report.
3. Dividends received may be classified either as cash flows from operating activities or cash flows from investing activities, depending on the accounting policy of the entity.