



ASX Announcement

30 July 2018

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

CORPORATE INFORMATION

30 July 2018

594M Ordinary shares
123M Partly paid shares
17M Listed Options
13M 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)

JUNE 2018 QUARTERLY REPORT

Parkway Minerals ("Parkway" or "The Company") is pleased to provide an update of activities for the June 2018 quarter.

HIGHLIGHTS

Dandaragan Trough Project

- Drilling confirms significant thickness of Molecap greensands at Dambadgee.

Davenport Resources (44.3 Million shares held, 33%)

- Historic Resource reported for 3rd mining licence, Ohmgebirge
 - 149 Mt at 13.5% K₂O, predominantly Silvinite
- \$2.1 M raised.

Strategic Investment

- PWN owns 7.32 Million Lithium Australia shares

Lake Barlee Project

- Drill programme completed.

Fertiliser Markets

- Potash prices are firming, with MOP and SOP 20 to 30% above historic lows

LAKE BARLEE PROJECT

A proof of concept drilling programme was carried out at Lake Barlee. 9 holes were drilled for a total of 728 metres. The drilling confirmed the existence of the deep palaeochannels predicted by prior geophysical survey. Assays were received in late July and are still being reviewed.

LAKE SEABROOK PROJECT

Parkway has applied for exploration licences in the Lake Seabrook area, north of Southern Cross.

DANDARAGAN TROUGH PROJECT

Parkway holds 100% the Dinner Hill Potash and Phosphate Deposit, located some 200km north of Perth in Western Australia, (Figure 1). 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.

A drilling programme was completed on the Dambadgee prospect and the Dinner Hill South area. 40 Holes were drilled for a total of 1788 metres. Several intersections exceeding 40 metre thicknesses of Molecap Greensands were recorded at Dambadgee. Assay results for all the samples are awaited.

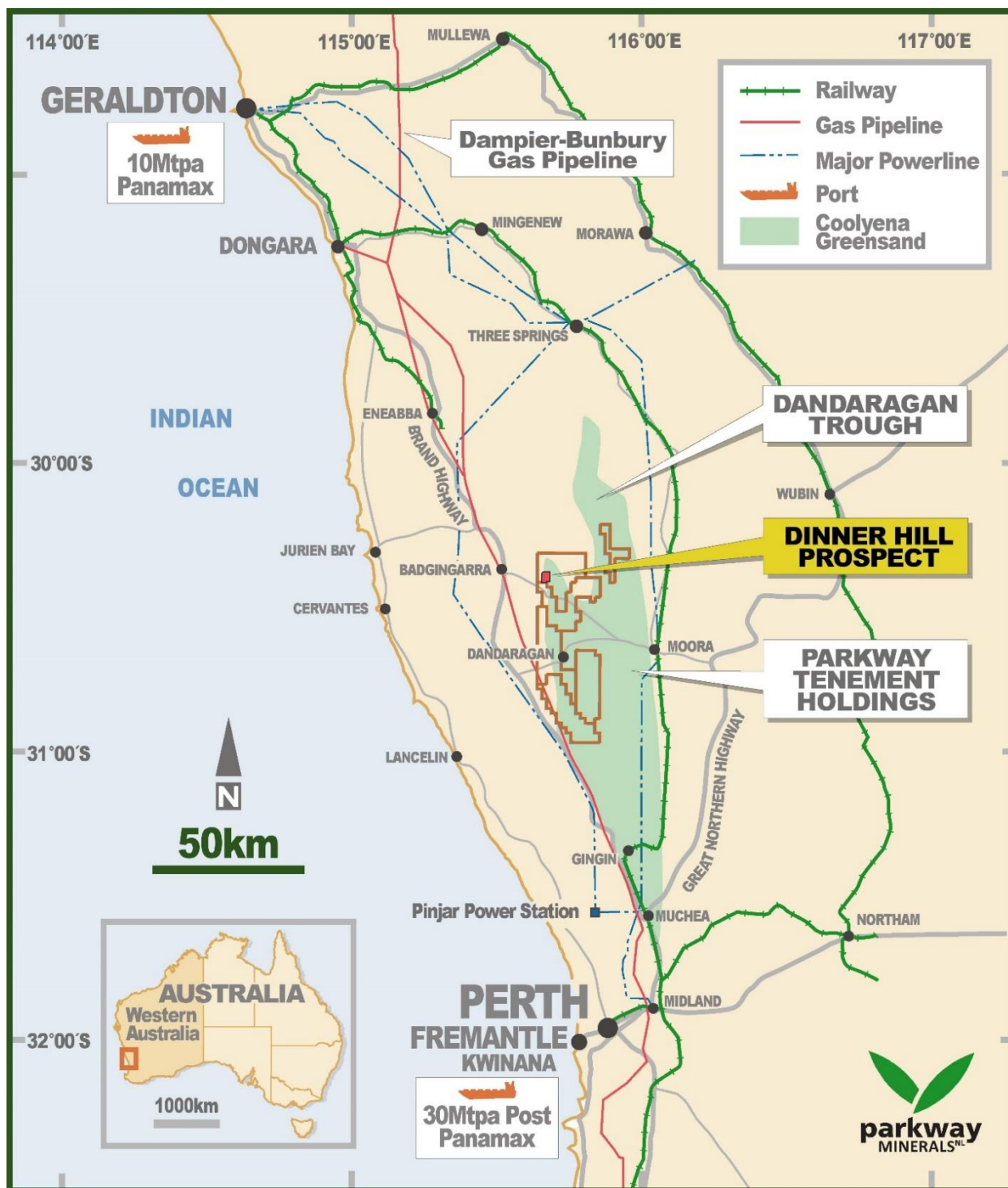


Figure 1: Location plan, Dandaragan Trough Project

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.

Dinner Hill Resource Statement

The resources for the Dinner Hill project were recalculated during September 2017 and reported to ASX on 26 September. The resources cover an area of approximately 52 km² and are shown in table 1.

DINNER HILL RESOURCE

Table1 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

DAVENPORT RESOURCES

Davenport Resources (DAV) is focused on the development of the South Harz potash field in Thuringia, Central Germany. Davenport owns 2 exploration licences and 3 mining licences (figs 2 & 3). The mining licences were purchased from the German Government in late 2017 (ASX release 25 October 2017) and are perpetual, with no expenditure or royalty commitments. The mining licences were subject to detailed drilling in 1960s and 80s, when the field was owned by the Government of East Germany. Data from over 100 drill holes is available. Review of the drill data is in progress and has allowed reporting of significant historic (Soviet era) resources. Historic Resources were reported on the Ohmgebirge licence (refer ASX Announcement 18 June 2018). This has added to the Historic Resource inventory on the Mülhausen-Nohra and Ebeleben Licences

Review of Ebeleben drilling data has allowed the estimation of a JORC Inferred Resource of 324 M tonnes of Silvinite at 15.6% K₂O, with additional Carnallite resources present. A similar programme is in progress for Mülhausen-Nohra.

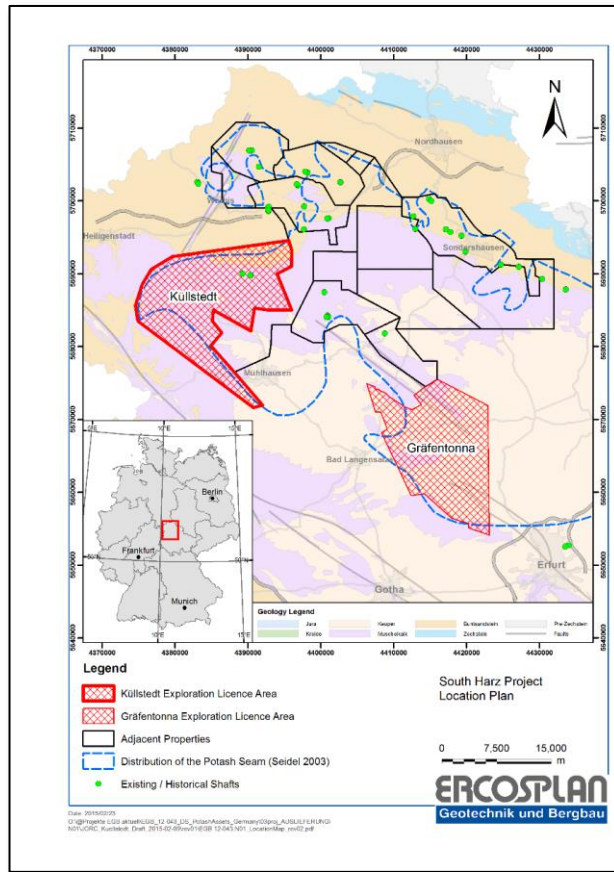


Figure 2: South Harz Project Location

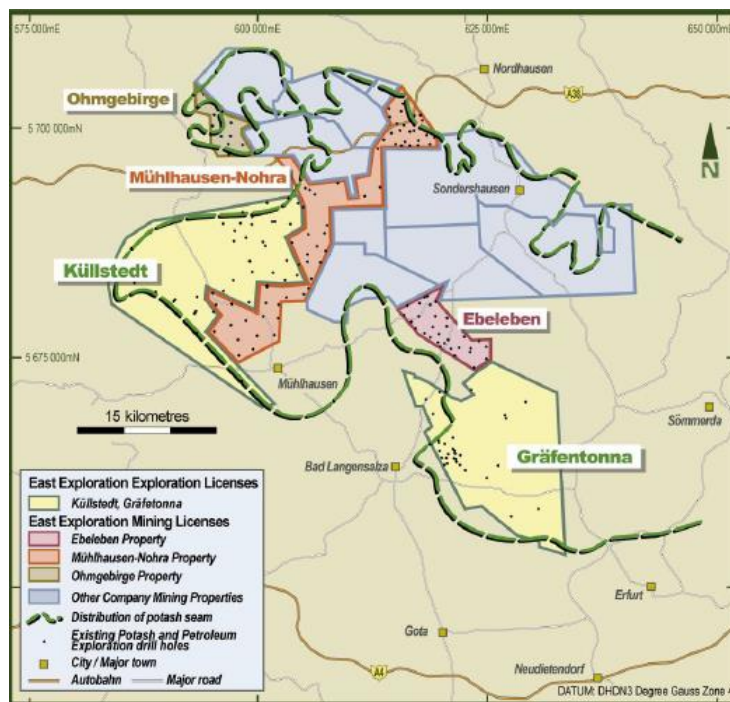


Figure 3: Location of mining and exploration licences

SHAREHOLDINGS

Parkway owns shares in the following ASX listed Companies:

- Lithium Australia (ASX: LIT) 7.32 M
- Davenport (ASX: DAV) 44.3 M

Parkway participating in a Davenport capital raising, purchasing an additional 7.2 M shares at 7c.

CORPORATE

Parkway completed a \$500K capital raising, used to maintain our shareholding in Davenport Resources.

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:

29/06/2018	s708A Notice, Appendix 3B & Appendix 3Y's
25/06/2018	Reinstatement to Official Quotation
25/06/2018	Parkway Minerals Completes Private Placement
21/06/2018	Suspension from Official Quotation
19/06/2018	Proactive Investors Parkway Minerals Interview
19/06/2018	Trading Halt
06/06/2018	PWN Announces Commencement of Brine Drilling on Lake Barlee
31/05/2018	Potassium Recovery Patent Granted for Parkway Minerals

The following ASX announcements were made after the close of the period:

24/07/2018	Becoming a substantial holder
12/07/2018	Notice of General Meeting/Proxy Form
10/07/2018	Change in substantial holding for DAV

CASH ON HAND

At 30 June 2018, \$1.16 million 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

Peter Nesveda

Investor Relations

+61 (0) 412 357 375

peter.nesveda@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. 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 44.3M shares (33%) 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

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 June 2018

Consolidated statement of cash flows	Current quarter \$A'000	Year to date (12 months) \$A'000
1. Cash flows from operating activities		
1.1 Receipts from customers	(18)	13
1.2 Payments for		
(a) exploration & evaluation	(323)	(776)
(b) development		
(c) production		
(d) staff costs	(79)	(431)
(e) administration and corporate costs	(88)	(765)
1.3 Dividends received (see note 3)		
1.4 Interest received	13	21
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)	-	88
1.9 Net cash from / (used in) operating activities	(495)	(1,850)

2. Cash flows from investing activities		
2.1 Payments to acquire:		
(a) property, plant and equipment	-	(98)
(b) tenements (see item 10)		
(c) investments	(500)	(500)
(d) other non-current assets		

Consolidated statement of cash flows	Current quarter \$A'000	Year to date (12 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	(500)	(598)

3. Cash flows from financing activities		
3.1 Proceeds from issues of shares	431	1,808
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)	(53)	(76)
3.10 Net cash from / (used in) financing activities	378	1,732

4. Net increase / (decrease) in cash and cash equivalents for the period		
4.1 Cash and cash equivalents at beginning of period	1,782	1,881
4.2 Net cash from / (used in) operating activities (item 1.9 above)	(495)	(1,850)
4.3 Net cash from / (used in) investing activities (item 2.6 above)	(500)	(598)
4.4 Net cash from / (used in) financing activities (item 3.10 above)	378	1,732
4.5 Effect of movement in exchange rates on cash held		
4.6 Cash and cash equivalents at end of period	1,165	1,165

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	745	132
5.2 Call deposits	420	1,650
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)	1,165	1,782

6. Payments to directors of the entity and their associates

- 6.1 Aggregate amount of payments to these parties included in item 1.2
- 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

**Current quarter
\$A'000**

79

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

7. Payments to related entities of the entity and their associates

- 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

**Current quarter
\$A'000**

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	333
9.2 Development	
9.3 Production	
9.4 Staff costs	108
9.5 Administration and corporate costs	71
9.6 Other (provide details if material)	
9.7 Total estimated cash outflows	512

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	E29/1003 E29/1027 E70/5102 E77/2529 E77/2532 E77/2533 E77/2537	Application	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: 30 July 2018

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.