



Highland Plains Phosphate Project

It's Time

Jim Richards – Executive Chairman



ASX Code: POZ

Northern Territory Resources Week
August 2015

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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 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.

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.

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

Phosphate Australia's 100% owned phosphate assets are:

1. The **Highland Plains** rock phosphate project in the Northern Territory with a **JORC Inferred Resource of 53 million tonnes at 16% P_2O_5**
2. Other phosphate projects in the vicinity of Highland Plains require exploration drilling

The Project is targeting the production and sale of 1 to 3 million tonnes per annum of premium grade rock phosphate using a slurry pipeline for transport to produce the lowest OPEX cost export product in Australia

Board Of Directors



Executive Chairman
Jim Richards



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

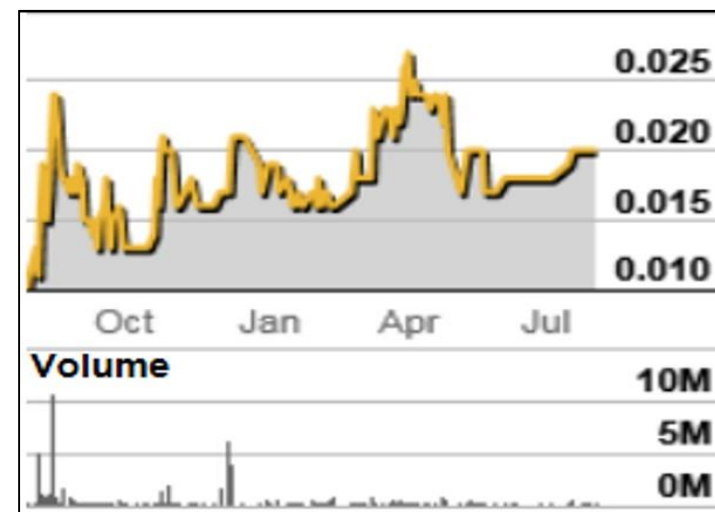


**Non-Executive
Director**
Mark Thompson

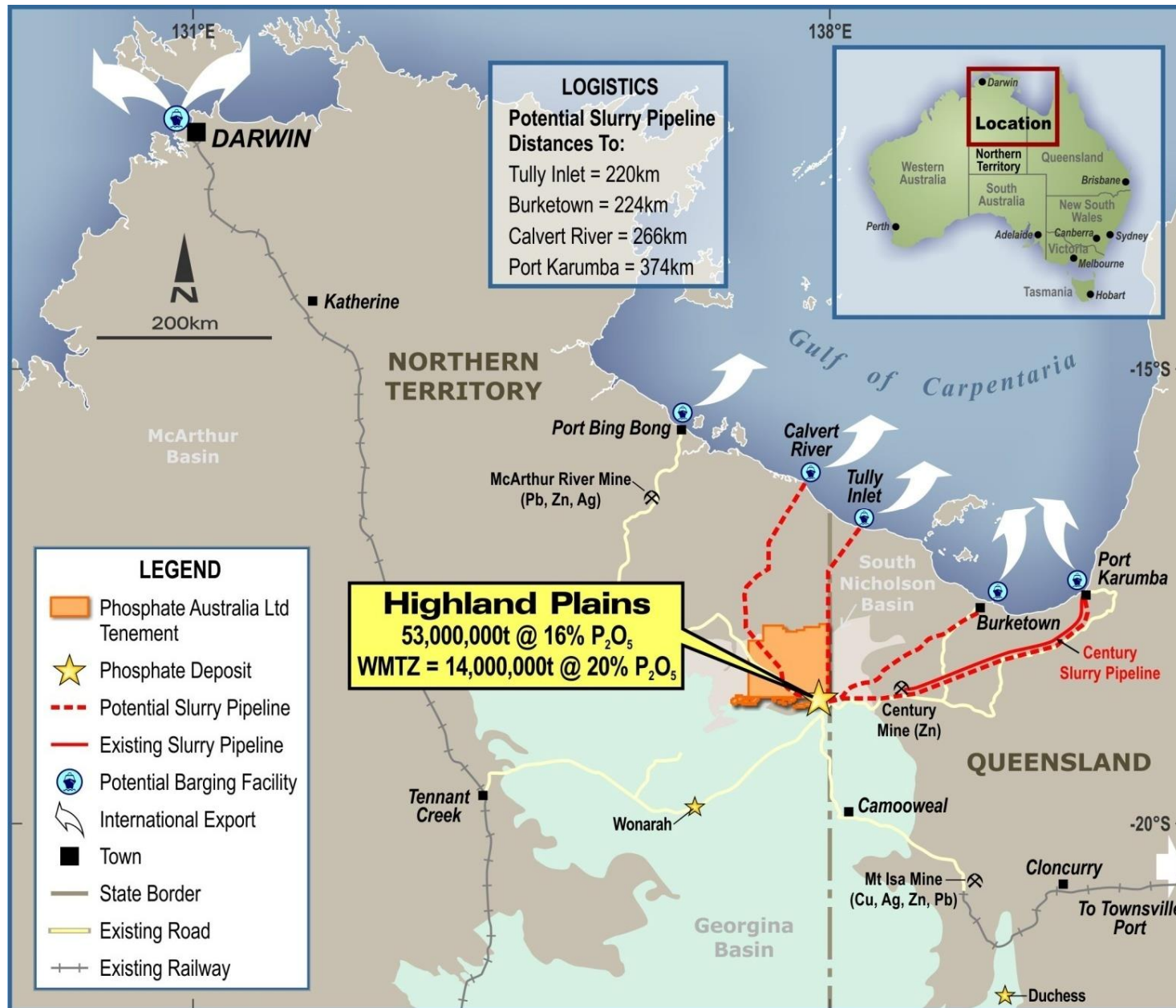
Total Shares on Issue	161,168,333
Market Capitalisation (undiluted at \$0.019 per share)	\$3.0 M
Cash on Hand (30 June 2015)	\$3.6 M

Major Shareholders	Shares	% of Capital
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



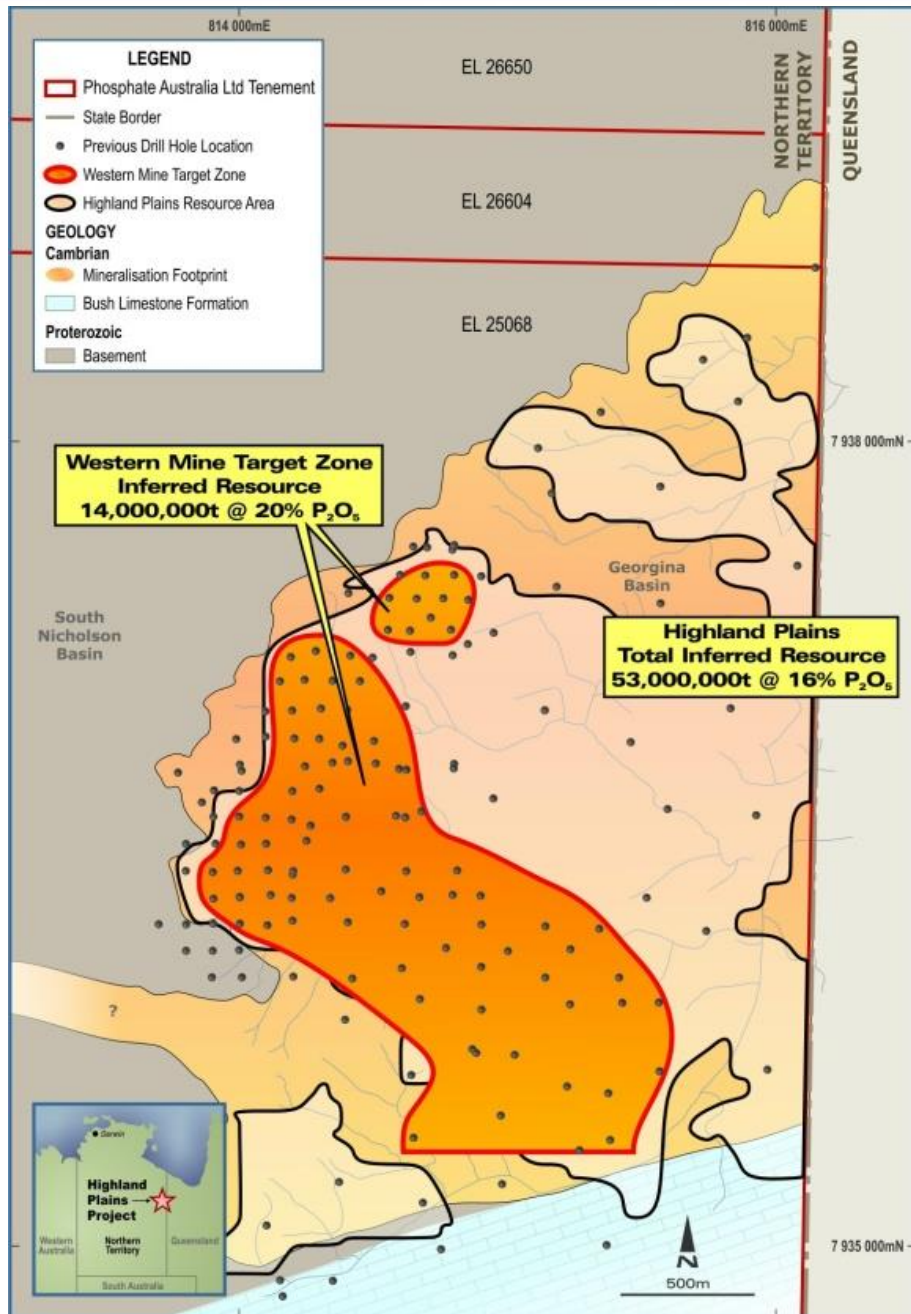
Highland Plains – Phosphate Project Location



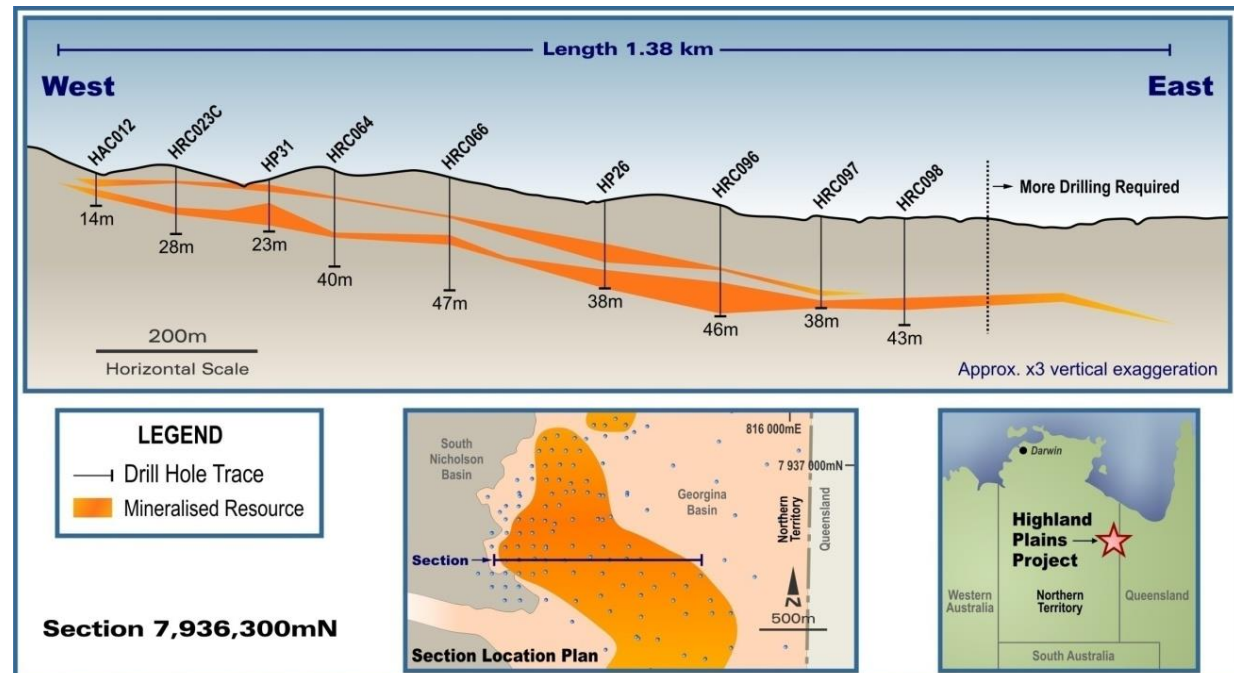
1. POZ Flagship Project at Highland Plains in the NT is Australia's closest phosphate deposit to coast and Asian markets
2. Multiple transport and logistics options
3. Other nearby POZ phosphate targets with a similar geological setting to Highland Plains
4. Phosphate Projects owned 100% by POZ with no private royalties



Highland Plains – Resource & Potential



- ◆ Total JORC (2004) compliant Inferred Resource: **53 million tonnes at 16% P_2O_5** with a 10% P_2O_5 cut
- ◆ The Western Mine Target Zone (WMTZ) is shallower and has a higher grade JORC Inferred Resource of **14 million tonnes at 20% P_2O_5** with a 15% P_2O_5 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

- ◆ 8,088 km² of tenements prospective for phosphate deposits.
- ◆ Along strike targets (A to D) due west from Highland Plains in embayments following the Proterozoic unconformity. Same setting as the Highland Plains deposit.
- ◆ Radiometric targets (F to K) prospective for phosphate mineralisation from surface. These are potential Cambrian phosphate inliers within the Proterozoic
- ◆ Radiometric phosphate target (E) adjacent to Highland Plains

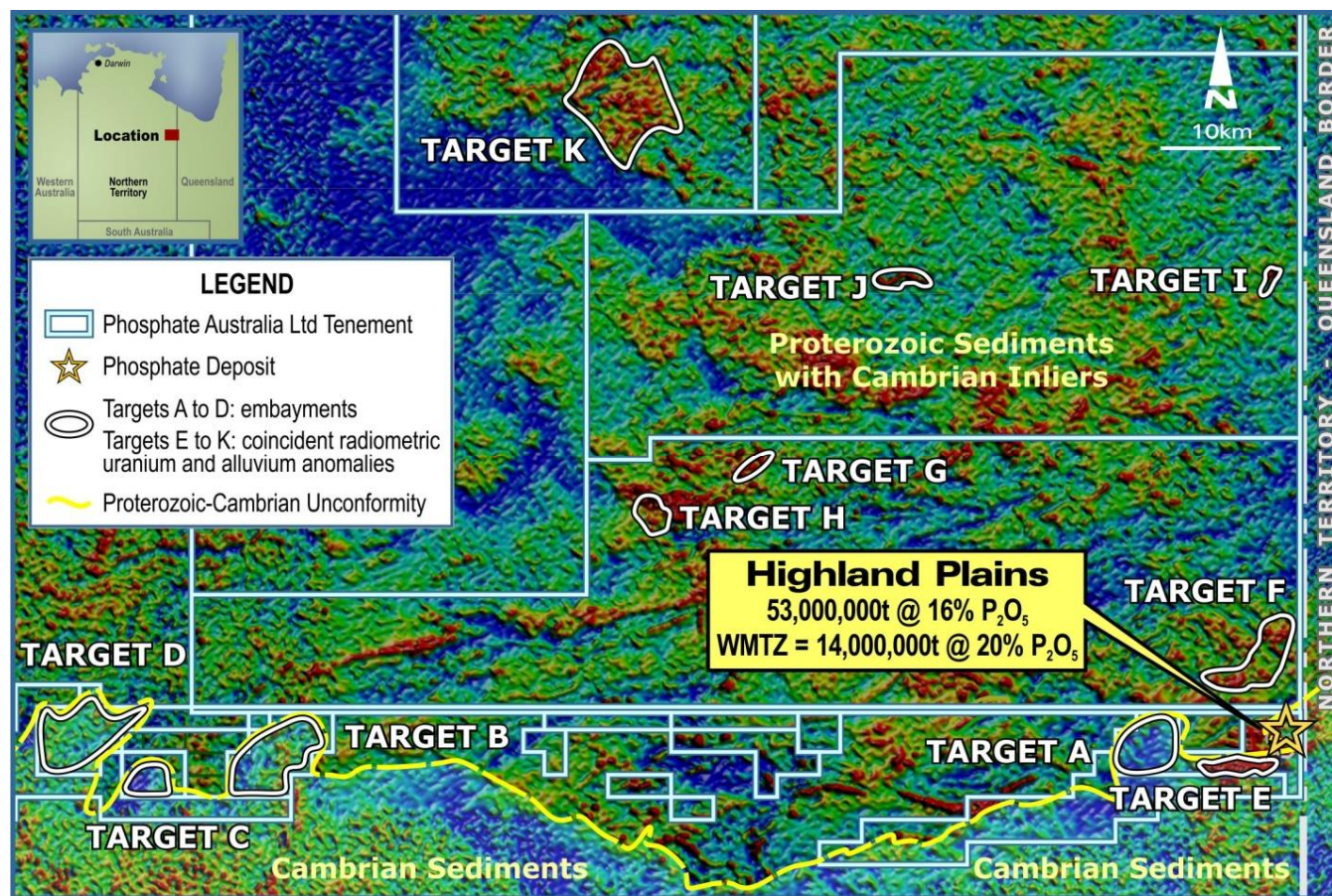


Image: uranium radiometrics



- Positive metallurgical testwork results has established a method of beneficiation with excellent recoveries.
- Best flotation test to date gives a grade of **32.3% P₂O₅ (upgraded from 23.4% P₂O₅) 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 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

Minor Element Assays (average using 22.9% P₂O₅ cut off)

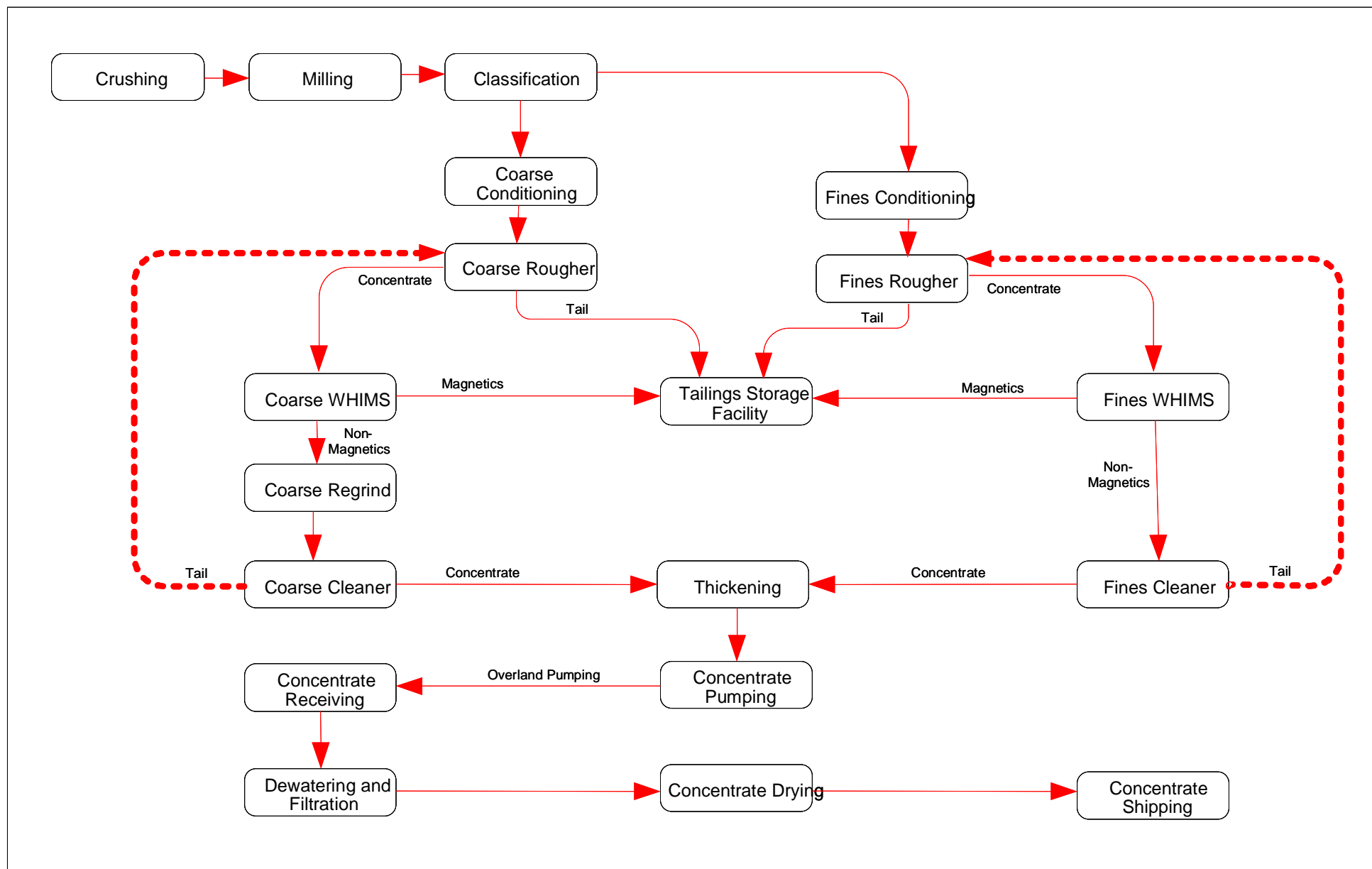
C %	S %	F %	Cl ppm	Cd ppm	U ppm
0.20	0.06	1.82	112	4	38

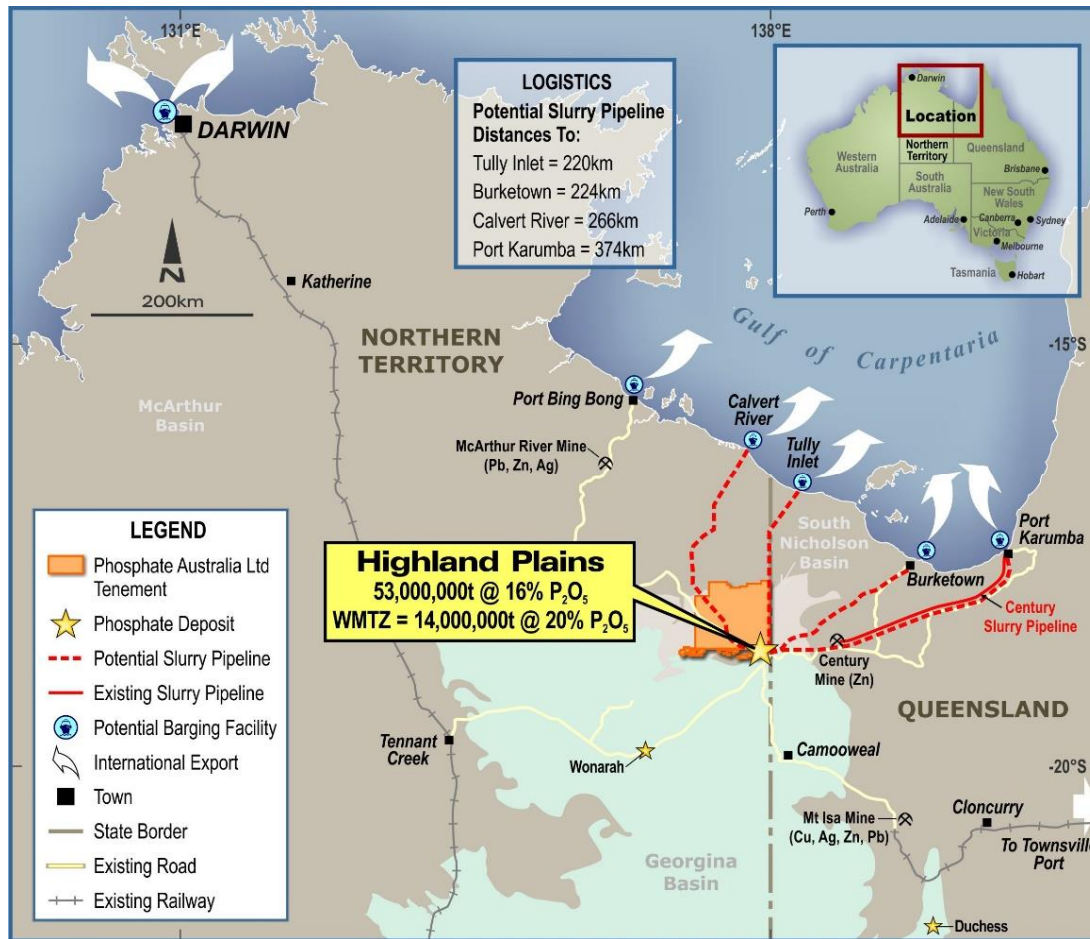
Minor element Lead values averaged 190ppm on selected samples (P₂O₅ grade of 14.9%). This anomalism generally occurs in parts of the base of the phosphate beds and could be mitigated through selective mining practices and/or metallurgical separation.

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



Concept Metallurgical Flowsheet: now requires pilot plant testing





Slurry Pipeline – Mine to Coast

- ✓ Slurry OPEX estimates vary from A\$2.06/t to A\$3.69/t for a 2 to 3 Mtpa operation

Coast To Ship

- ✓ Slurry would be de-watered and loaded onto a coastal barging operation with transhipment to bulk carrier similar to existing operations at Karumba or Bing Bong

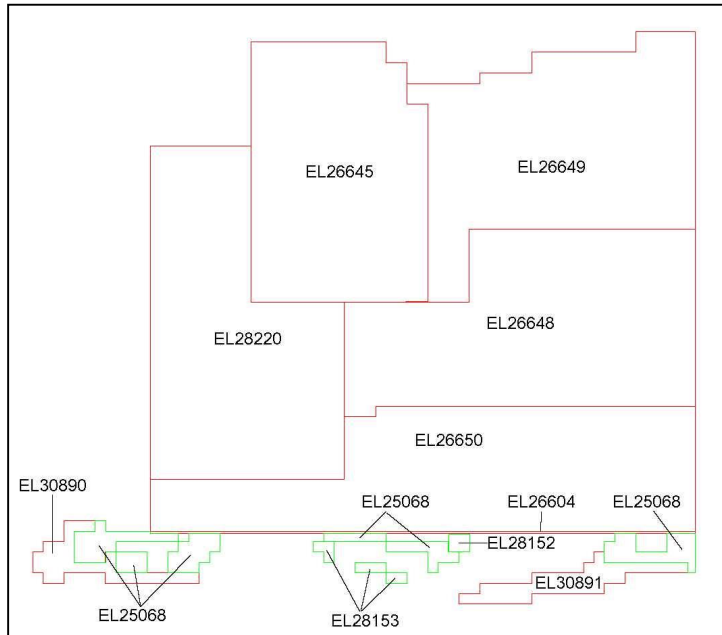
Port Bing Bong

Exports >1 million tonnes of lead & zinc concentrate per annum



PORT KARUMBA

Exports ~1 million tonnes of lead & zinc concentrate per annum



- “ The Company's phosphate assets are held in three granted exploration licences and 8 Exploration Lease applications which confer first in line mineral rights.
- “ The total area under title is 8,088Km²
- “ Phosphate Australia owns the phosphate mineral rights to these titles 100%
- “ The three granted titles are on Government Crown Land.
- “ The six lease applications are on Aboriginal Freehold Land and require negotiating access agreements with the traditional owners of the Waanyi/Garawa Aboriginal Land Trust



Lease	Status	Expiry Date	Area km2	Annual Expenditures
EL25068	Granted	7/08/2016	228	\$80,000
EL28152	Granted	28/02/2017	11	\$12,000
EL28153	Granted	28/02/2017	26	\$14,000
EL26604	Application	Application	41	Application
EL26645	Application	Application	1,335	Application
EL26648	Application	Application	1,606	Application
EL26650	Application	Application	1,616	Application
EL28220	Application	Application	1,509	Application
EL30890	Application	Application	101	Application
EL30891	Application	Application	127	Application
Total			6,599	\$106,000

Highland Plains 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_2O_5 - US\$115 or AS\$153.3/t for 32% P_2O_5
 (70%BPL) FAS Casablanca (*source - World Bank Feb 2015*).
 Conversion A\$1.00=US\$0.75

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.

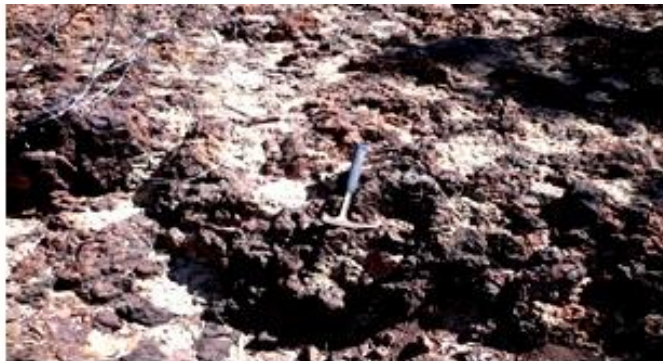


Phosphate Project Ongoing Objectives

- ◆ Await results of scoping study by Snowden Mining Industry Consultants
- ◆ Metallurgical pilot plant testing to produce a final product specification and bulk off-take product
- ◆ Market product to potential off-take clients
- ◆ Further drilling at Highland Plains with the aim of increasing the resource base
- ◆ Drill other phosphate projects and exploration targets to further increase resource base
- ◆ Ongoing pre-feasibility studies for mine, transport and barging options
- ◆ Studies into development of slurry pipeline direct to export vessel
- ◆ Progress permitting for Highland Plains as required



IT'S TIME- Highland Plains Phosphate Project



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An Australian focused multi-commodity resources company

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