

# Potash

## Market Update

25 August 2010



ABN 82 000 738 885

### Key Points

- Potash program of work (POW) submitted to DMP for approval to drill;
- Sampling of drill core and ditch cuttings of the Yaringa Formation (Evaporite) at DMP core library scheduled for the 13<sup>th</sup> September;
- Article in the Australian Newspaper on Potash mentions East Coast Minerals;
- Oakajee port 150km south of our project is in final bankable feasibility stage.

East Coast Minerals NL (ASX: ECM) (East Coast) is pleased to announce a market update:

### Potash Holdings

#### *Program of Work (POW)*

A POW has been submitted to the West Australian Department of Mines and Petroleum. Once approved this will allow East Coast to drill an initial well to twin Yaringa-1 and sample the evaporite sequence for potassium (potash).

Yaringa-1 which was drilled in 1966 was the basis of further potash exploration in 1968, with the drilling of two further wells and a study into the potential viability of solution mining and solar evaporation of a 5.3% KCl brine.

#### *Sampling of Historic drill holes (Wells)*

A request has been made to the West Australian Department of Mines and Petroleum Core Library to view and sample historic drill core and ditch cuttings from wells drilled within the project area. The approved date to review wells Yaringa-1, Yaringa east, and Hamelin Pool 1 and 2 has been confirmed as the 13<sup>th</sup> September. CSA Global geologists will sample material in potash prospective horizons of the Yaringa Formation. Assaying will primarily be for potassium (potash) but a full multi-element suite will be assayed for, which includes elements such as lithium.

It is East Coast's intention to cover several mineralisation models for the area which also include oil and gas.

### *Seismic data*

Reprocessing of historic seismic data has been put out to appropriate companies for quote. The aim is to attempt to delineate the Yaringa Formation which hosts the evaporite sequence which is prospective for potash.

### *Article in the Australian*

An Article in the Australian Newspaper by Robin Bromby under Pure Speculation was reported about Potash with mention of East Coast's Potash Holdings. The below link directs to the article.

[theaustralian.com.au/business/potash-mania-fertilises-local-hopes/story-e6frg8zx-1225908604592](http://theaustralian.com.au/business/potash-mania-fertilises-local-hopes/story-e6frg8zx-1225908604592)

### *Oakajee Port and Rail (OPR)*

This new proposed deepwater port 25km north of Geraldton is progressing with OPR announcing it is due to complete the bankable feasibility study for the project before the end of the year.

The Oakajee development will comprise off around 570 kilometres of heavy haulage rail to link mines in the Mid West region to a 45 million tonne per annum port facility 25km north of Geraldton.

MoUs were signed with Gindalbie Metals and Ansteel's joint venture company Karara Mining, Sinosteel Midwest Corporation and Crosslands Resources which will allow for all parties to complete necessary due diligence.

The Oakajee Port will be around 150Km south of our Potash project. Subject to successful exploration and getting to a mining stage, a significant hurdle will have been overcome with the availability of a deep water port with capacity in close proximity to our potash project.

### **Extraordinary General Meeting (EGM)**

An EGM is currently being finalised which will be for the approval of the Potash Holdings acquisition.

Further updates on the progress of the above will be announced when they come to hand.

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### **Competent Persons Statement**

The information in this report that relates to exploration results is based on information compiled by Ed Mead who is a member of the Australian Institute of Mining and Metallurgy and is a consultant to and Director of East Coast Minerals. Ed Mead's services are provided under contract by Doraleda Pty Ltd. Ed Mead has sufficient experience which is relevant to the style of mineralisation and type of deposit under consideration and to the activity which 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'. Ed Mead consents to the inclusion in the report of the matters based on their information in the form and context in which it appears.