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MEDIA RELEASE

POTASH WEST CONTINUES TO RECEIVE POSITIVE RETURNS FROM ONGOING POTASSIUM EXTRACTION TESTWORK

Highlights

- Potassium extraction of +95% achieved by leaching of glauconite concentrate
- Almost all of the potassium can be extracted rapidly
- Magnetic separation allows low cost upgrading with recoveries of up to +90%.

Potash West NL (ASX: PWN) (“Potash West” or “the Company”) is focussed on developing a Potash industry based upon the world class glauconite deposits in the Dandaragan Trough, north of Perth in Western Australia

The Company is pleased to announce that, following collection of a 2000 kg bulk sample from the Poison Hill Greensand sequence, an extensive test programme has commenced, evaluating a wide range of test conditions and reagent regimes. This work is building upon a significant database Potash West has compiled on glauconite processing technology that has been developed on smaller samples previously taken from the Company’s tenements.

MAGNETIC SEPARATION

Testwork has shown that the valuable glauconite can be separated from gangue minerals by magnetic separation, enhancing the K₂O content.

Typical results have been:

Feed,	4.5 % K ₂ O
Concentrate,	5.7 % K ₂ O with a mass recovery of 74% ,

Not all the K₂O in the feed is present as glauconite, the non-glauconitic K₂O is not readily extractable. Magnetic separation effectively recovers the glauconite and rejects the gangue minerals.

LEACHING PROGRAMME

Over 100 leaching tests have been carried out with a range of reagents and temperatures. The exact parameters will not be released, pending protection of intellectual property rights. However, it is clear that potassium dissolution is achievable without resorting to extreme leaching conditions. A variety of processing regimes offer potential and will be evaluated as part of the Company's ongoing programme of extraction testwork. A typical extraction curve is shown in Figure 1, showing the rapid extraction.

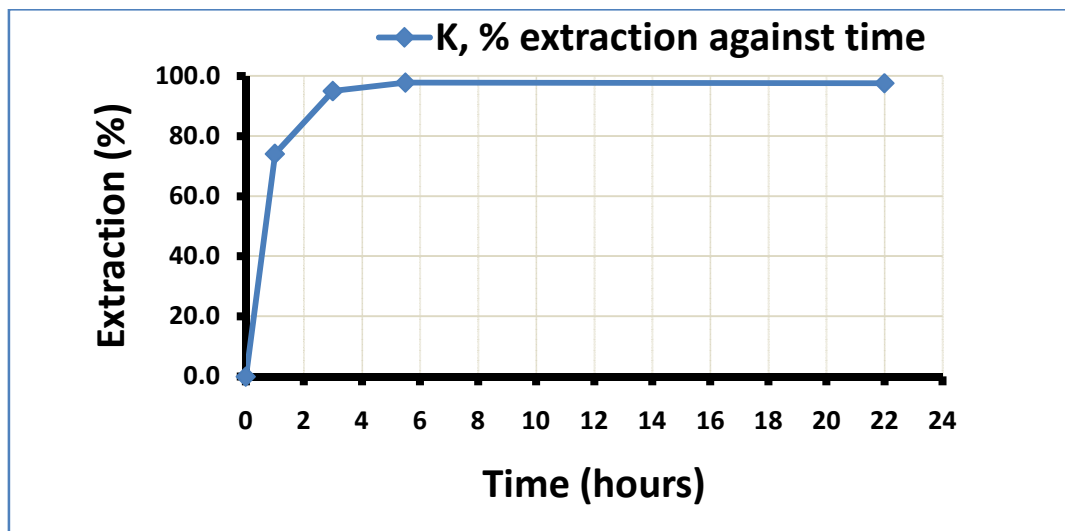


Figure 1 Potassium extraction with leaching time

Further work over the next few months will be aimed at:

- Optimising conditions for rapid potassium dissolution
- Optimising reagent use
- Developing concentration and purification techniques for the potassium
- Establishing conditions to produce commercial grade products, namely, muriate of potash (KCl) and sulphate of potash (K_2SO_4)



ACN 147 346 334

Potash West MD, Patrick McManus, said “the testwork to optimise the potash extraction from the Dandaragan greensands has progressed rapidly. We are encouraged that the glauconite breaks downs rapidly without intensive energy input. The extensive greensand deposits have the potential to develop a new industry that would reduce Australia’s reliance on potash imports, which will lower the costs of an essential ingredient of modern farming.”

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Competent Person’s Statement:

The metallurgical information in this report is based on information compiled by Gary Johnson, who is a Member of the Australasian Institute of Mining and Metallurgy. Mr Johnson has sufficient experience relevant to the activity being undertaken 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 Johnson is a consultant to the mining industry. This report is issued with Mr Johnson’s consent as to the form and context in which the results appear.

About Potash West

Potash West (ASX:PWN) is an exploration company focused on developing potassium-rich glauconite deposits in West Australia’s Perth Basin. The Company aims to define a substantial resource base and investigate how best to recover potash from the mineral. 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 market at a time of heightened demand.

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 2,905km². Previous exploration indicates glauconite sediments are widespread for more than 150km along strike and 15km in width.