



ASX Announcement

24 April 2013

COMPANY DETAILS

ABN: 62 147 346 334

PRINCIPAL AND REGISTERED OFFICE

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ASX CODE

PWN

OTC-QX CODE

PWNNY

CORPORATE INFORMATION

(24 April 2013)

92M Ordinary shares
11M Unlisted Options

BOARD OF DIRECTORS

Adrian Griffin
(Non-Executive Chairman)

Patrick McManus
(Managing Director)

George Sakalidis
(Non-Executive Director)

Gary Johnson
(Non-Executive Director)

RECORD THICKNESS OF TARGET HORIZON INTERESED NEAR SURFACE

HIGHLIGHTS

- Drilling intersects 58m of Molecap Greensand
- Nodular phosphate intersected, confirming observations from previous exploration
- Metallurgical testwork commenced

Potash West NL (ASX:PWN) (Potash West or “The Company”) is pleased to announce early findings from a 100 hole, 5,000m aircore drilling programme which commenced on 8 April 2013 at its Dandaragan Trough fertiliser Project, north of the Western Australian capital of Perth. (Figure 1)

The Company is focused on developing the project as a major supplier of fertiliser to WA markets. It controls an extensive tenement holding of some 2,900 square kilometres in the Dandaragan Trough, commencing just 50km north of Perth.

The purpose of the current three week programme is to:

- Confirm historical drilling which intersected both potash and phosphate mineralisation within licences E70/4137 and E70/4139;
- Collect sample for ongoing programmes of metallurgical testwork and to;
- Extend the Dinner Hill resource to the south and east of the currently defined mineralisation.

Drilling was previously undertaken in an area 20km south of Dandaragan in the period 1980-1984 and more recently in 2008. The work was directed at the evaluation of nodular, phosphate bearing horizons occurring in sedimentary units of the Poison Hill Formation, Gingin Chalk and the Molecap Greensand.

Much of the historical drilling in the Attunga and Dambadjie prospects, (Figure 2) did not penetrate the entire sequence and provided little information on Potash West’s primary potash target - the Molecap Greensand.

To date Potash West has completed a 10 hole, 4km traverse through the Dambadjie and Attunga prospects, Figure 2. This work has confirmed the existence of phosphate rich horizons within the stratigraphy. A significant finding from this work is the fact that the target Molecap Greensand is up to 58m thick in this area, (eg PWAC294, from 38-96m), as shown in Table 1. This is in contrast to the Dinner Hill deposit, where the Molecap Greensand has an average thickness of only 8m but is estimated to contain 122Mt at 4.6% K₂O and 1.5% P₂O₅.

Figure 3 shows a photograph of the logging table reference sample over 2m intervals from PWAC299 in the Dambadjie Prospect where Molecap Greensand was 42m thick from 60-102m downhole.

A long section through holes PWAC297 to PWAC 301 is shown in Figure 4 which clearly shows the thickness of the Molecap sequence and the low ratio of oxidised greensand to fresh greensand at Dambadjie (both Molecap and Poison Hill).

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Figure 3 shows a photograph of the logging table reference sample over 2m intervals from PWAC299 in the Dambadjie Prospect where Molecap Greensand was 42m thick from 60-102m downhole.

A long section through holes PWAC297 to PWAC 301 is shown in Figure 4 which demonstrates the thickness of the Molecap Greensand. At Dambadjie the entire Molecap Greensand sequence is located below the base of oxidation enhancing potential grades and metallurgical recoveries.

All samples from PWAC299 have been transported to Perth for metallurgical testing, which will complement the extensive work already completed at Dinner Hill and other areas. The coarse phosphate units represent a potentially valuable project enhancement and testwork on this fraction will form part of the ongoing programme.

Managing Director Patrick McManus said that the thick intersections of Molecap Greensand seen to date correlates with previous results which reported plus 50 metres of greensands at numerous locations throughout the Dandaragan Trough.

“Previous drill logs had reported greensands, but had not been assayed for potassium, phosphorous, aluminium or magnesium, all of which will become high value products via Potash West’s patent pending K-Max process.

“Significant thicknesses will also allow a large resource to be defined in a very small area. The current Dinner Hill resource has a plus 60 year life within 10 sq km, so the massive scale of this project is clearly becoming apparent as further drilling is completed.”

For further information contact:

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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 30km in width. An Indicated JORC Resource of 241Mt at 3.0% K₂O, including 120Mt at 4.6% K₂O has been established on the Dinner Hill Prospect.

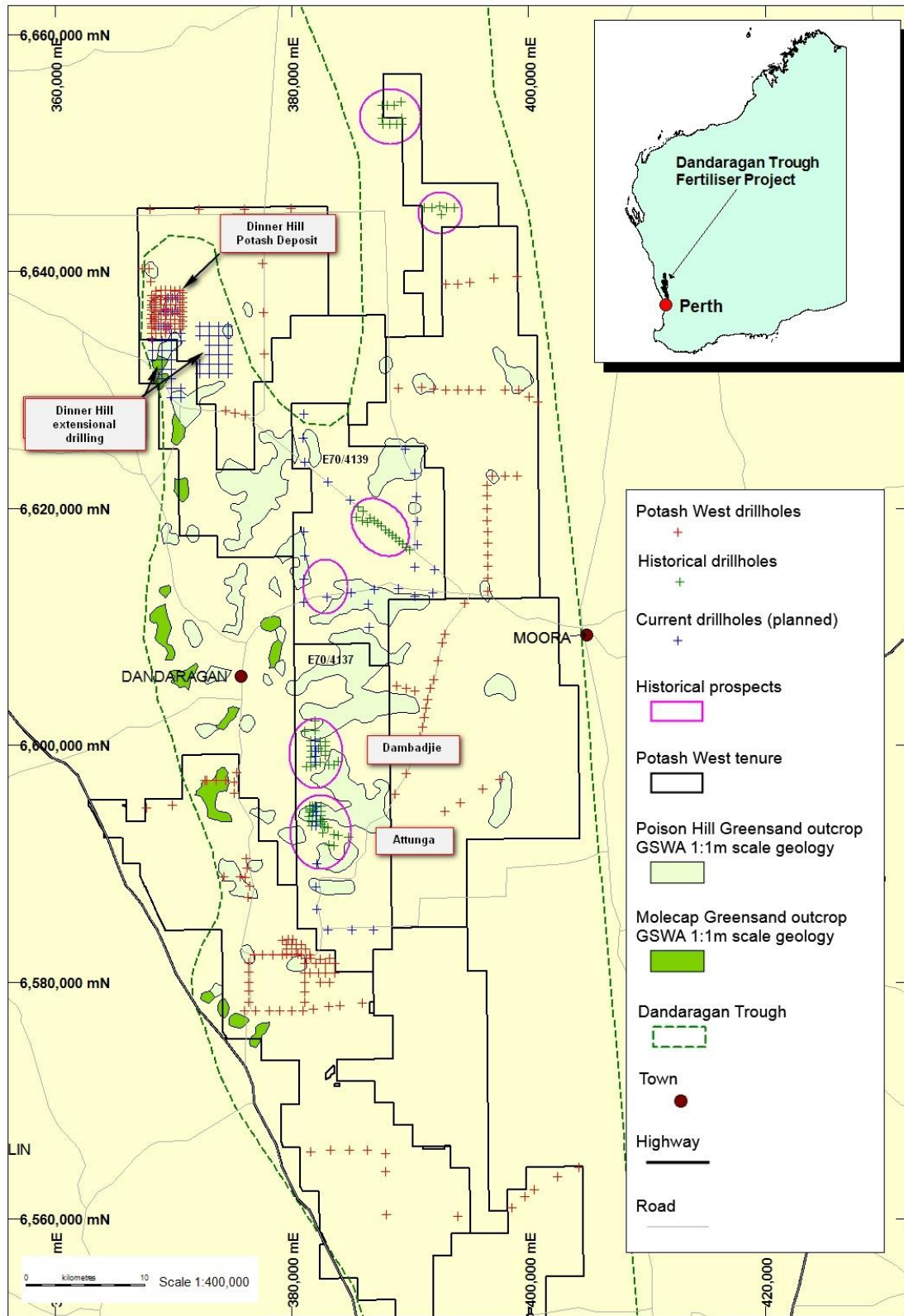


Figure 1: Regional location plan

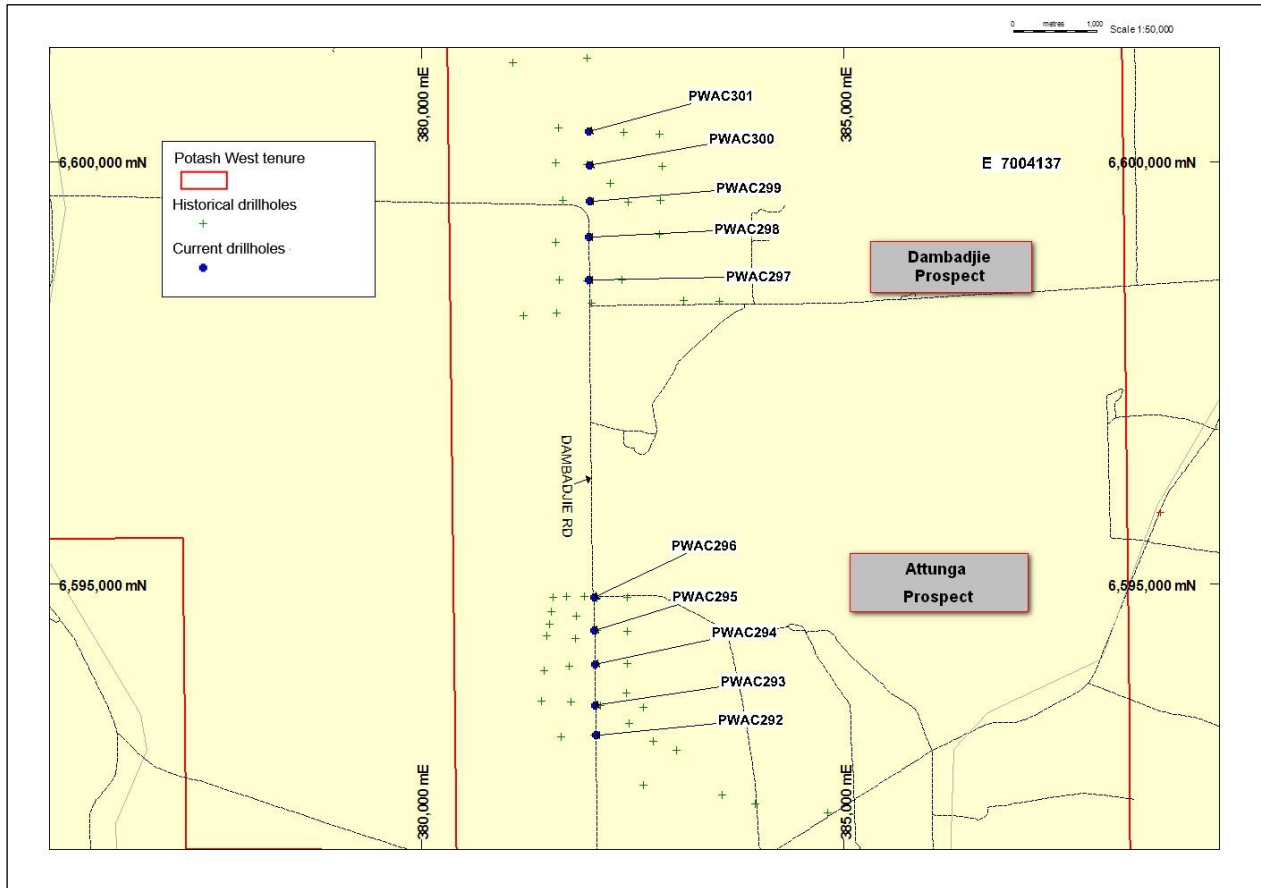


Figure 2: Collar location plan

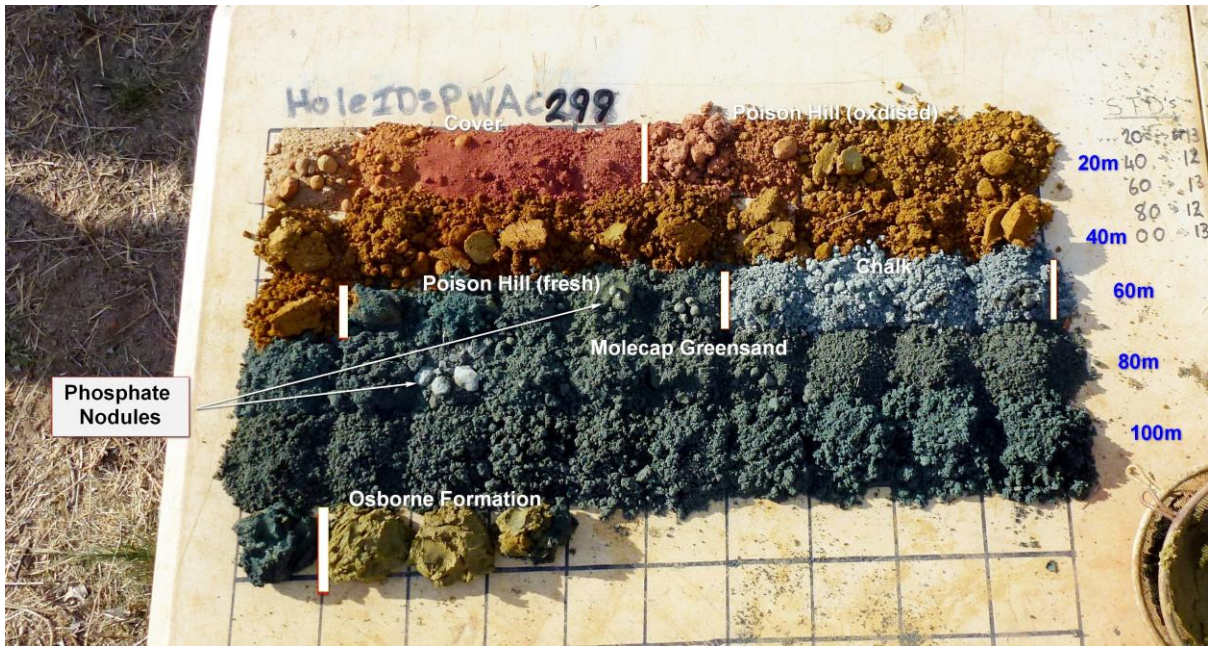


Figure 3: PWAC299 Drill chip photograph

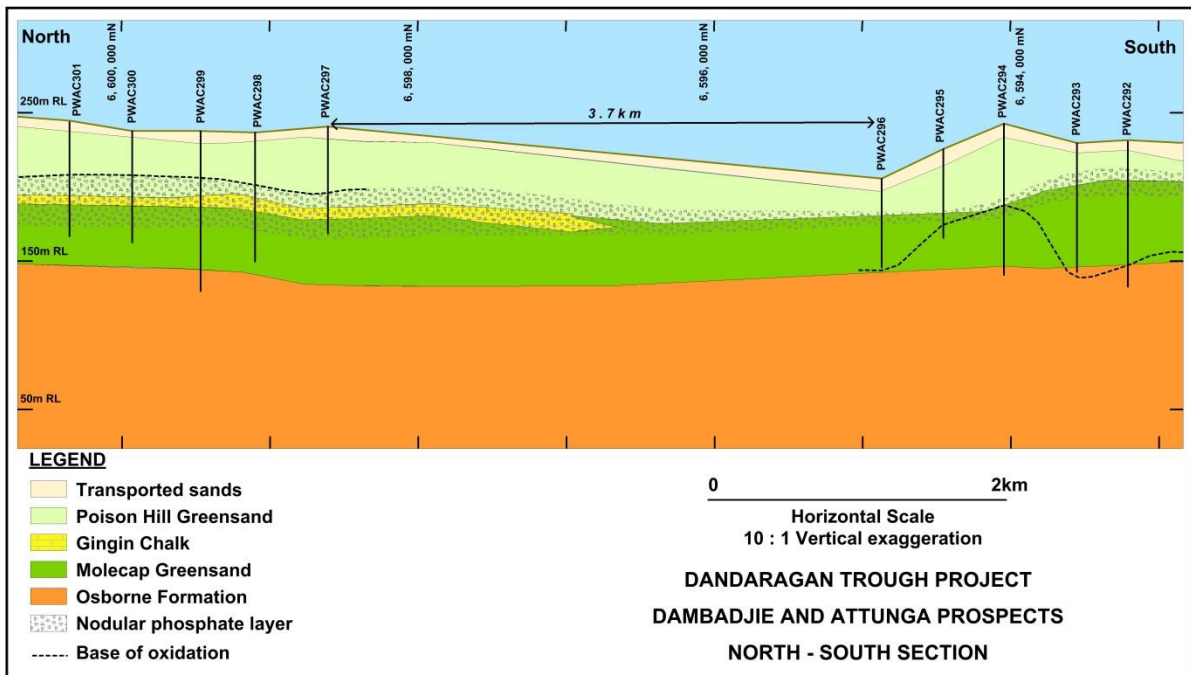


Figure 4: Long Section from Dambadjie to Attunga

Table 1: Summary drillhole geology

Hole	North (m GDA)	East (m GDA)	Depth (m)	RL (m)	From (m)	To (m)	Thickness (m)	Summary Geology
PWAC292	6593218	382068	99	233	0	8	8	Colluvial overburden
PWAC292					8	30	22	Oxidised Poison Hill Greensand
PWAC292					32	84	52	Moderately oxidised Molecap Greensand
PWAC292					84	86	2	Fresh Molecap Greensand
PWAC292					86	99	13	Osborne Formation
PWAC293	6593561	382069	87	231	0	10	10	Colluvial overburden
PWAC293					10	26	16	Oxidised Poison Hill Greensand
PWAC293					26	80	54	Moderately oxidised Molecap Greensand
PWAC293					80	87	7	Osborne Formation
PWAC294	6594055	382059	102	244	0	8	8	Colluvial overburden
PWAC294					8	38	30	Oxidised Poison Hill Greensand
PWAC294					38	60	22	Fresh Molecap Greensand with nodular phosphate
PWAC294					60	96	36	Fresh Molecap Greensand
PWAC294					96	102	6	Osborne Formation
PWAC295	6594463	382055	60	227	0	4	4	Colluvial overburden
PWAC295					4	28	24	Oxidised Poison Hill Greensand
PWAC295					28	34	6	Molecap Greensand
PWAC295					34	48	14	Molecap Greensand with nodular phosphate
PWAC295					48	60	12	Molecap Greensand
PWAC296	6594880	382047	60	207	0	10	10	Colluvial overburden
PWAC296					10	22	12	Moderately oxidised Poison Hill Greensand
PWAC296					22	60	38	Molecap Greensand -weakly oxidised

Hole	North (m GDA)	East (m GDA)	Depth (m)	RL (m)	From (m)	To (m)	Thickness (m)	Summary Geology
PWAC297	6598617	381986	72	242	0	8	8	Colluvial overburden
PWAC297					8	40	32	Oxidised Poison Hill Greensand
PWAC297					40	52	12	Fresh Poison Hill with nodular phosphate
PWAC297					52	60	8	Gingin Chalk with nodular phosphate
PWAC297					60	66	6	Molecap Greensand with nodular phosphate
PWAC297					66	72	6	Molecap Greensand
PWAC298	6599109	381989	87	238	0	6	6	Colluvial overburden
PWAC298					6	42	36	Oxidised Poison Hill Greensand
PWAC298					42	50	8	Fresh Poison Hill with nodular phosphate
PWAC298					50	58	8	Gingin Chalk with nodular phosphate
PWAC298					58	87	29	Molecap Greensand
PWAC299	6599477	381983	108	239	0	4	4	Colluvial overburden
PWAC299					4	44	40	Oxidised Poison Hill Greensand
PWAC299					44	52	8	Fresh Poison Hill Greensand with nodular phosphate
PWAC299					52	60	8	Gingin Chalk with nodular phosphate
PWAC299					60	66	6	Molecap Greensand with nodular phosphate
PWAC299					66	102	36	Molecap Greensand
PWAC299					102	108	6	Osborne Formation
PWAC300	6599939	382002	75	239	0	8	8	Colluvial overburden
PWAC300					8	36	28	Oxidised Poison Hill Greensand
PWAC300					36	42	6	Fresh Poison Hill Greensand with nodular phosphate
PWAC300					42	52	10	Gingin Chalk with nodular phosphate
PWAC300					52	75	23	Molecap Greensand
PWAC301	6600362	381991	78	246	0	10	10	Colluvial overburden
PWAC301					10	40	30	Oxidised Poison Hill Greensand
PWAC301					40	44	4	Fresh Poison Hill Greensand
PWAC301					44	52	8	Fresh Poison Hill Greensand with nodular phosphate
PWAC301					52	58	6	Fresh Poison Hill Greensand
PWAC301					58	78	20	Molecap Greensand

The following section is provided to ensure compliance with the JORC (2012) requirements for the reporting of preliminary Exploration Results from drilling within E70/4137. Assay results are pending.

Section 1 Sampling Techniques and Data

Criteria	JORC Code explanation	Commentary
<i>Sampling techniques</i>	<i>Nature and quality of sampling (eg cut channels, random chips, or specific specialised industry standard measurement tools appropriate to the minerals under investigation, such as down hole gamma sondes, or handheld XRF instruments, etc). These examples should not be taken as limiting the broad meaning of sampling.</i>	Ten drill holes were used to sample historical drilling along Dambadjie Road. All holes were drilled vertical. Nominal spacing between holes was 400m for a total of 828m.
	<i>Include reference to measures taken to ensure sample representivity and the appropriate calibration of any measurement tools or systems used.</i>	Hole collars are positioned along road verges and located using a hand held GPS. Total sample from the aircore drill was collected from the cyclone and geologically logged. QAQC includes the use of field duplicates and blind standards as per industry standard.
	<i>Aspects of the determination of mineralisation that are Material to the Public Report</i>	1m samples have been composited over 2m intervals using a metal scoop. Composite samples have been submitted for XRF analysis using a commercial “phosphate suite” assemblage.
<i>Drilling techniques</i>	<i>Drill type (eg core, reverse circulation, open-hole hammer, rotary air blast, auger, Bangka, sonic, etc) and details (eg core diameter, triple or standard tube, depth of diamond tails, face-sampling bit or other type, whether core is oriented and if so, by what method, etc).</i>	All holes were by aircore using NQ sized equipment.
<i>Drill sample recovery</i>	<i>Method of recording and assessing core and chip sample recoveries and results assessed.</i>	Visual monitoring is used to maintain and assess quality of sample recovery.
	<i>Measures taken to maximise sample recovery and ensure representative nature of the samples.</i>	Hole is conditioned at the end of each rod and the cyclone is opened and residue removed.
	<i>Whether a relationship exists between sample recovery and grade and whether sample bias may have occurred due to preferential loss/gain of fine/coarse material.</i>	Lithologies are moist, unconsolidated greensands consisting of quartz and glauconite. Samples bind with the clay present and there is no evidence of bias due to loss/gain of fine/coarse material.

Criteria	JORC Code explanation	Commentary
<i>Logging</i>	<i>Whether core and chip samples have been geologically and geotechnically logged to a level of detail to support appropriate Mineral Resource estimation, mining studies and metallurgical studies.</i>	Geological logging appropriate for the style of drilling and the lithologies encountered.
	<i>Whether logging is qualitative or quantitative in nature. Core (or costean, channel, etc) photography.</i>	2m composite samples have been geologically logged directly into a field computer using a database designed to capture relevant data including, oxidation, grainsize, rounding, sorting, mineralisation, hardness, colour and stratigraphic unit. All logging sample layouts are photographed and chip trays stored for future reference.
	<i>The total length and percentage of the relevant intersections logged</i>	All drill holes were logged in full.
Location of data points	<i>Accuracy and quality of surveys used to locate drillholes</i>	Holes are located using a hand held GPS.
	<i>Specification of the grid system</i>	The grid system is MGA_GDA94, Zone 50.
	<i>Quality and adequacy of topographic control.</i>	Elevation data is based on a topographic contour set produced from SRTM imagery at 5 metre vertical resolution.
Orientation of data in relation to geological structures	<i>Whether the orientation of sampling achieves unbiased sampling of possible structures and the extent to which this is known, considering the deposit type</i>	All drilling is vertical through a shallowing east dipping stratigraphy. Intersected thickness is therefore representative of true thickness.

Section 2 Reporting of Exploration Results

Mineral tenement and land tenure	<i>Type, reference name/number, location and ownership including agreements or material issues with third parties such as joint ventures, partnerships, overriding royalties, native title interests, historical sites, wilderness or national park and environmental settings.</i>	The results which are the subject of this report are from E70/4137 held in the name of Potash West NL. The land is privately held and Potash West uses road verges to carry out reconnaissance stratigraphic drilling. All necessary permits and approvals are in place. Compensation and access agreements are in place with a number of landowners and negotiations are continuing with others.
<i>Exploration done by other parties</i>	<i>Acknowledgment and appraisal of exploration by other parties</i>	Potash West has used the results of previous operators to guide location of drill holes.

Competent Person's Statement:

The information in this report that relates to Exploration Results is based on information compiled by Lindsay Cahill, who is a member of the Australasian Institute of Mining and Metallurgy and the Australian Institute of Geoscientists. Mr Cahill is a consultant to the mining industry, and has sufficient experience relevant to the style of mineralisation and type of deposit under consideration. He is qualified as a Competent Person as defined in the 2004 edition of the "Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves. This report is issued with Mr Cahill's consent as to the form and context in which the exploration results appears.