



ASX Announcement

12 February 2014

COMPANY DETAILS

ABN: 62 147 346 334

PRINCIPLE AND REGISTERED OFFICE

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ASX CODE

PWN

OTC-QX CODE

PWNNY

CORPORATE INFORMATION

(12 February 2013)

94M Ordinary shares
5M Unlisted Options
8M Listed Options

BOARD OF DIRECTORS

Adrian Griffin
(Non-Executive Chairman)

Patrick McManus
(Managing Director)

George Sakalidis
(Non-Executive Director)

Gary Johnson
(Non-Executive Director)

TESTWORK CONFIRMS GINGIN CHALK CAN BE TREATED TO EXTRACT PHOSPHATE

Potash West (the Company) (ASX: **PWN**) is pleased to announce the results of a successful test work program aimed to determine the amenability of recovering phosphate from the Gingin Chalk at its Dinner Hill deposit located 150km north of Perth. The Gingin Chalk is situated between the two phosphate horizons previously tested and contains a similar style and grade of phosphate mineralisation. Potash West announced the results of the initial Scoping Study to produce single superphosphate on its Dandaragan Trough Project in September 2013. The mining block model used in the study did not include treatment of chalk containing phosphate mineralisation.

Initial testing and modeling showed that without selectively mining and removing the chalk from the process stream, commodity grade single superphosphate could not be produced due to the high calcite content in the phosphate concentrate. Based on this data, the calcite rich chalk layer was rejected at the mine.

Recent testwork, focusing on this chalk zone, has demonstrated the potential to recover phosphate from the chalk by implementing a selective flotation regime. The results have shown that an overall phosphate recovery of 58.1% can be expected when producing commodity grade SSP from processing the chalk at Dinner Hill. The recovery has reduced compared to that in the Scoping Study (61.2%) as a result of some phosphate reporting to the calcite concentrate.

Although, the recovery is slightly lower than previously reported, the ability to process the phosphate –bearing chalk is expected to economically outweigh the small reduction in recovery. Processing the chalk allows for simpler mining, a lower mining strip ratio and longer mine life to that proposed in the Scoping Study.

The Company is in the process of re-configuring the mining block model, which will lead into a revision of the economic analysis. Also, metallurgical testwork to improve recovery is currently underway.

Managing Director, Patrick McManus, said “The ability to process the chalk is seen as a significant step in the development of the Dandaragan Phosphate Project. This is expected to simplify the mining operations and allow for processing of phosphate containing ore that was initially thought to be overburden; all of which adds value to the project”.

“Work is in progress to revise the resource, which will lead to a re-evaluation of the financial model, incorporating the changed resource, grade and recovery. This will be reported to the ASX in the coming months”

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 phosphate and 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 and phosphate markets at a time of heightened regional 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 2,100km². Previous exploration indicates glauconite sediments are widespread for more than 150km along strike and 30km in width.