

ASX ANNOUNCEMENT

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Phillips River

SILVER LAKE RESOURCES LTD. TO SELL 19.9% HOLDING IN PHILLIPS RIVER MINING LIMITED TO KIWANDA GROUP LLC

As previously announced, following termination of the merger implementation agreement with Afranex Gold Ltd, Phillips River Mining Ltd. (ASX: PRH) (**PRH**) has continued reviewing its options to determine if there are any other suitable opportunities available. PRH is pleased to announce that it has signed a share sale deed between Silver Lake Resources Ltd. (ASX: SLR) (**SLR**), PRH and Kiwanda Group LLC (**Kiwanda**) (**Deed**).

Pursuant to the Deed, SLR has agreed to sell its 19.9% holding in PRH to Kiwanda for A\$135,000. Completion of the sale is expected to occur on 19 March 2014 (**Completion**). At Completion, PRH will appoint three new directors nominated by Kiwanda to fill vacancies and the current PRH directors will retire.

Kiwanda is a US incorporated mining investment company with interests in a number of coal and phosphate rock projects in South America. PRH understands that Kiwanda identified PRH as a suitable Australian entity to invest in some or all of those projects and furthermore, this transaction will position Kiwanda to raise capital for the purpose of increasing production at Kiwanda's Chilean phosphate rock project.

PRH understands that following Completion, it is Kiwanda's intention to transfer some or all of its South American mining interests (including the phosphate rock projects in Chile), for due consideration, and in compliance with the Corporations Act and ASX Listing Rules (including re-compliance with Chapters 1 and 2 of the Listing Rules), and, thereafter, to raise additional capital to fund the further development of those projects for the benefit of PRH and its shareholders. Further information on any proposed transaction will be provided in accordance with the Listing Rules if, and when, a transaction materialises.

SLR and PRH have both given warranties under the Deed that are customary for transactions of this nature.

- **ENDS** -