



Suite 3
23 Belgravia Street
Belmont WA 6104

PO Box 588
Belmont WA 6984

Telephone: +61 (0) 8 9479 5386

Fax: +61 (0) 8 9475 0847

info@potashwest.com.au

www.potashwest.com.au

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MEDIA RELEASE/ASX ANNOUNCEMENT

TENEMENTS GRANTED OVER PROSPECTIVE AREAS OF THE DANDARAGAN TROUGH

HIGHLIGHTS:

- **3 Exploration Licences granted – total area 620 km²**
- **Access negotiations to commence immediately**
- **Drilling on the Marchagee and Walyoo Hill prospects to start early June**
- **Resource definition drilling at the Dinner Hill prospect to commence late June**

Potash West NL (the Company) (**ASX: PWN**) is pleased to announce the recent granting of three Exploration Licences covering the central and western portions of the Dandaragan Trough, located 60km north of Perth in Western Australia, which is potentially the world's largest glauconite deposit. The tenements, E70/4137, E70/4138 and E70/4139, have a combined area of 620 km² and consolidates the Company's dominant 2,905 km² holding over the Dandaragan Trough.

The Company will immediately begin negotiations with landowners to acquire surface rights to the more prospective areas of the tenements. Following approvals to commence work programs, the Company anticipates drilling on the newly granted tenure to commence by the end of 2012.

Managing Director Patrick McManus, said "The granting of these three tenements consolidates our dominant land holding in the world-class Dandaragan Trough. Having such a dominant position enables Potash West to accelerate our regional exploration program".

A 2,500m drilling program at Marchagee and Walyoo Hill is scheduled to commence in the first week of June. In the third week of June up to 10,000m of air core drilling will begin at the Dinner Hill prospect.

The drilling program is designed to test the continuity of the greensand host unit at Dinner Hill and provide sufficient sample density for the definition of a JORC compliant potash resource.

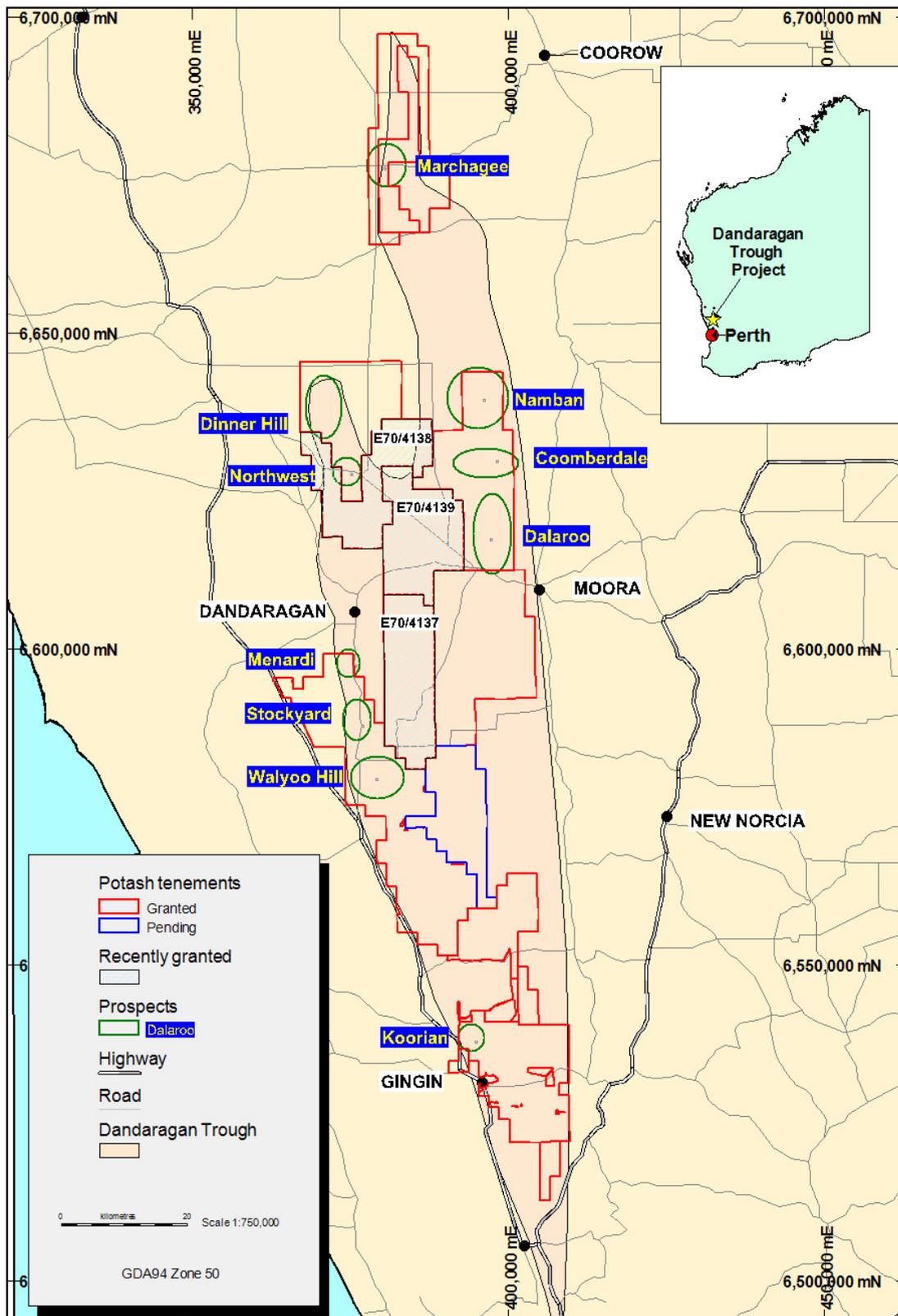
For further information contact:

Potash West NL
Patrick McManus
Managing Director
Tel: +61 (08) 9479 5386
Web: www.potashwest.com.au

Media: Professional Public Relations
Colin Hay

Tel: +61 (08) 9388 0944

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Competent Person's Statement:

The information in this report 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 has sufficient experience relevant to the style of mineralisation and type of deposit under consideration and 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 Cahill is a consultant to the mining industry. This report is issued with Mr Cahill's consent as to the form and context in which the exploration 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.