

ASX Announcement

28th September 2017



COMPANY DETAILS

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ASX CODE

PWN

FRANKFURT CODE

A1JH27

OTC PINK

PWNNY

CORPORATE INFORMATION

28 September 2017

444M Ordinary shares

123M Partly paid shares

17M Listed Options

5M Unlisted options

BOARD OF DIRECTORS

Adrian Griffin

(Non-Executive Chairman)

Patrick McManus

(Managing Director)

Chew Wai Chuen

(Non-Executive Director)

Natalia Streltsova

(Non-Executive Director)

NEW EXPLORATION TARGETS FOR DANDARAGAN TROUGH FERTILISER PROJECT

HIGHLIGHTS:

- *Exploration Targets have been estimated for four advanced prospects within the southern portion of the Dandaragan Trough Fertiliser Project.*
- *The targets complement the recently announced revised Resource and Exploration Target for the Dinner Hill Deposit.*
- *Provides the company with a clear focus for enhancing the resource base for the project going forward and maximizing value for shareholders.*

Parkway Minerals NL (“PWN”, “Parkway” or “the Company”) is pleased to announce new Exploration Targets in the Dandaragan Trough. The Dandaragan Trough Fertiliser Project covers an area of 1,050 square kilometres in the Midwest wheat belt region of Western Australia, some 175 km by road north of Perth.

Development is focused on the Dinner Hill Deposit in the north western corner of the project where the company has established JORC 2012 resources (refer ASX announcement dated 26 September 2017) for both Phosphate and Potash mineralization (Figure 1). In addition the company has an extensive tenement holding in the Dandaragan Trough covering prospective greensand sequences where wide spaced exploration drilling by the company and other explorers has defined potash and phosphate mineralisation.

Recent geological modelling of wide spaced exploration drilling undertaken by the company and earlier explorers by the Company’s resource consultants Continental Resource Management (“CRM”) has allowed exploration targets for both Potash and Phosphate to be estimated on four prospects within the southern portion of the Project area.

Parkway Minerals MD, Patrick McManus stated “These additional Exploration Targets reinforces our belief that the Dandaragan Trough has the potential to be a multi-decade supplier of phosphate and potash fertilisers to the regional agricultural sector, which is currently dependent on imports to meet the growing demand. The location of the Dinner Hill Project and the Exploration Targets is shown in Figure 2.”



Figure 1 Location Plan – Dandaragan Trough Fertiliser Project

The project tenements cover two virtually horizontal greensand formations within the Cretaceous Coolyena Group: the Poison Hill Greensand and the Molecap Greensand. Over most of the area of the project they are separated by the Gingin Chalk and in places are underlain by a thin pebble horizon containing phosphatic nodules. An average thickness of about 11m of surficial, mostly sandy, cover overlies the greensand units. The greensands and the chalk contain significant amounts of phosphate as grains and nodules of fluorapatite. They also contain significant potash within the mineral glauconite.

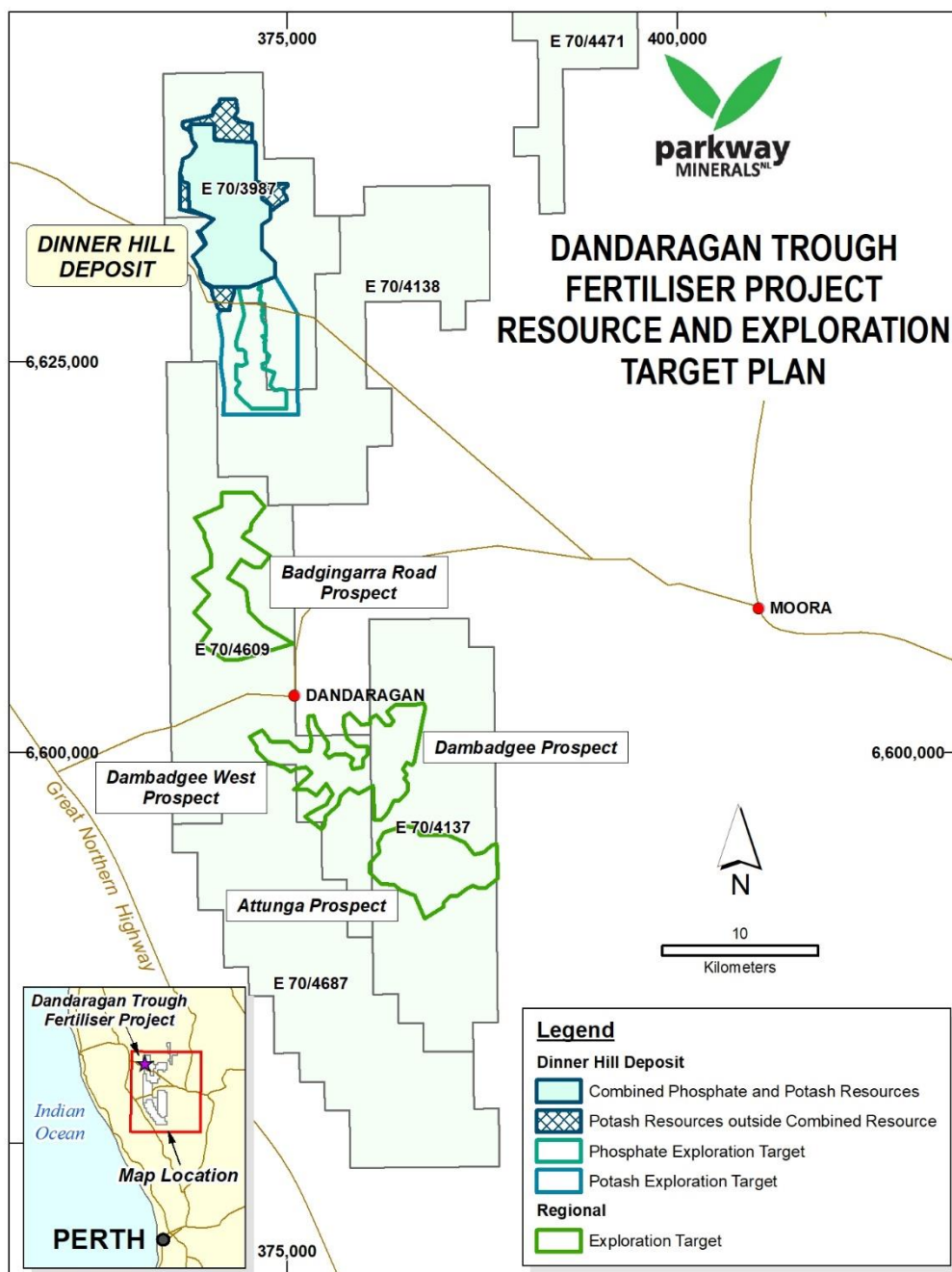


Figure 2 Dandaragan Trough Mineralisation Location

EXPLORATION TARGET ESTIMATION

The methodology used in the estimation of the exploration target for each of the prospects was similar. Separate estimates for Potash and Phosphate were completed.

The estimates were based on air-core drilling undertaken by Parkway Minerals between 2011 and 2016 and by other parties. Relevant holes are listed in Appendix 2. A plan showing the exploration target areas and drill-hole locations is provided as Figure 3.

The criteria used to select suitable material was based on results of metallurgical testwork undertaken on the Dinner Hill Deposit for the different ore types. For the Phosphate Exploration Target the criteria was,

- P_2O_5 content >1%
- CaO: P_2O_5 ratio of >1 and < 3.9 and
- Fe_2O_3 : K_2O ratio of <4

and for the Potash Exploration Target the criteria was,

- K_2O >2%
- Fe_2O_3 : K_2O ratio of <10

The estimation procedure was carried out using Micromine software. Separate wireframes for Potash and Phosphate mineralisation were created enclosing mineralisation within holes that fitted the above criteria. The boundaries of the wireframes were constrained by topography and weathering. The grade of each body was calculated by applying the average grade of all intersections within each wire frame.

The location of the Exploration Target areas is shown in Figure 3 and the target sizes and grades are summarised in Table 1

Table 1 Dandaragan Trough Fertiliser Project Exploration Targets

Project Area	Phosphate Tonnage (Mt)	Phosphate Grade P_2O_5	Potash Tonnage (Mt)	Potash Grade $K_2O\%$
Badgingarra Road	60 to 100	2 to 3	600 to 900	4 to 5
Dambadgee West	300 to 350	1.5 to 2	2000 to 2750	3 to 4
Dambadgee	200 to 250	1.5 to 2.5	1200 to 1500	3 to 3.5
Attunga	30 to 45	1.5 to 2	750 to 1000	3.5 to 4
Totals	590 to 745	1.5 to 2.5	4550 to 6150	3.2 to 4

The Phosphate Exploration Targets total between 0.6 and 0.75 Billion tonnes at an average grade of between 1.5% and 2.5% P_2O_5 . The Potash Exploration Targets total between 4.5 and 6 Billion tonnes at an average grade of between 3.2% and 4% K_2O . The potential quantities and grades of the targets are conceptual in nature, as there has been insufficient exploration to estimate Mineral Resources over their areas and as it is uncertain if further exploration will result in the estimation of one or more Mineral Resources.

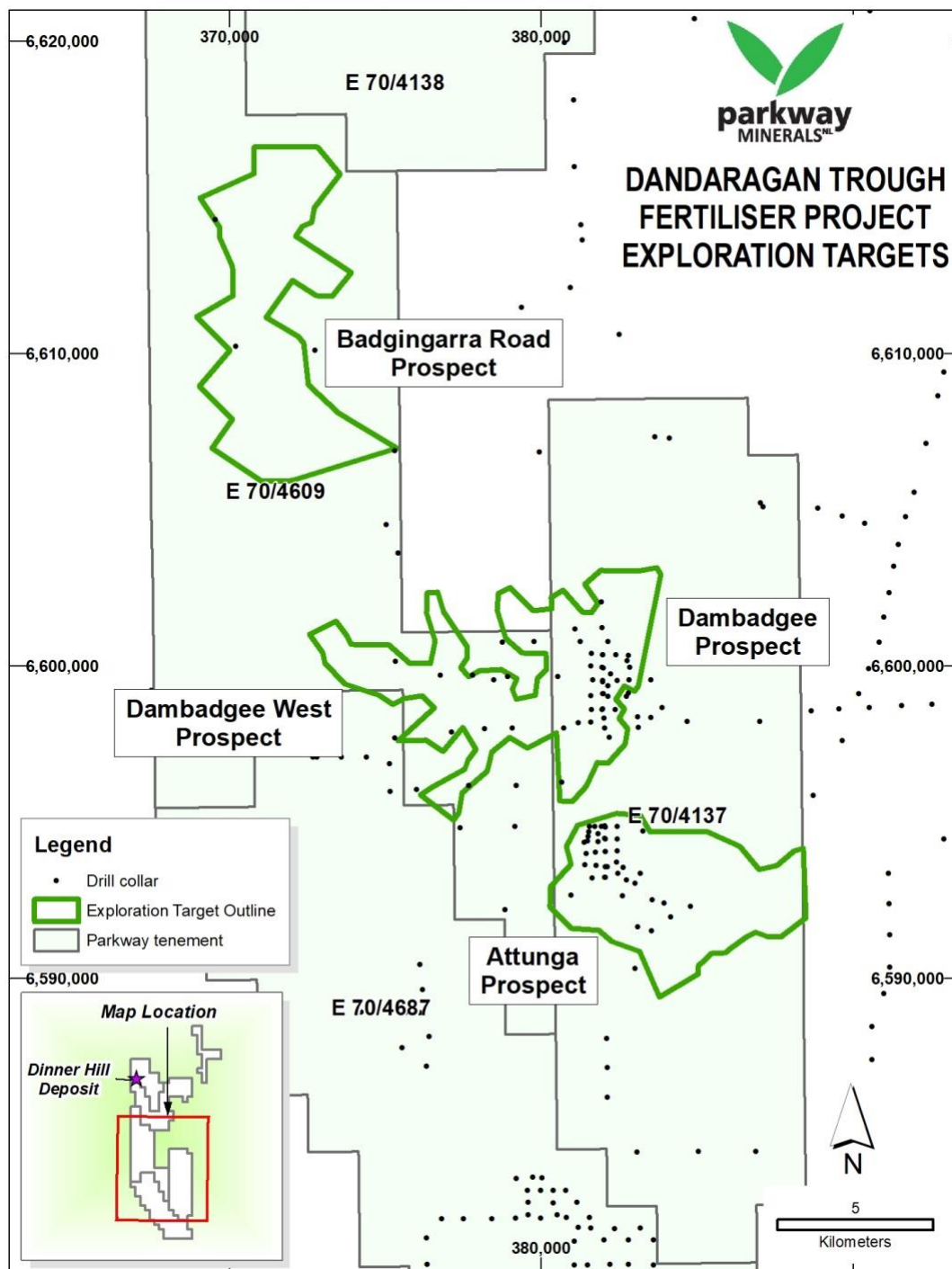


Figure 3 Dandaragan Trough Fertiliser Project Exploration Targets

COMPETENT PERSON’S STATEMENT

The information in this report that relates to the estimation of the Mineral Resources and Exploration Targets is based on and fairly represents information and supporting documentation prepared by J.J.G. Doepel, who is a member of the Australasian Institute of Mining and Metallurgy. Mr. Doepel, Principal Geologist of the independent consultancy Continental Resource Management Pty Ltd, 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 2012 edition of the “Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves”. This report is issued with Mr. Doepel’s consent as to the form and context in which the Mineral Resource and Exploration Target appears.

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About Parkway Minerals NL

Parkway Minerals (ASX: PWN) is a company focused on developing fertiliser feedstock projects. The Company holds 1,900km² of exploration licenses and applications over Lake Barlee, where it is exploring a sulphate of potash project from the brines in the lake, north of Southern Cross in Western Australia.

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 over 1,050km² in the greensand deposits of the Dandaragan Trough, in Western Australia's Perth Basin. The area is prospective for both phosphate and potash. Previous exploration indicates glauconite sediments are widespread for more than 150km along strike and 30km in width. A pre-feasibility study is in progress for stage 1, production of phosphate fertilisers. 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 owns 19.25M shares (26%) of Davenport Resources, which owns a potash exploration project in the South Harz region of Thuringia, in Central Germany. The region has been a potash producing area for over 100 years.

APPENDIX 1 - JORC CODE, 2012 EDITION – TABLE 1

Section 1 Sampling Techniques and Data

Criteria	Commentary
Sampling techniques	<ul style="list-style-type: none"> Air-core drilling was used to obtain 1m or 2m samples from target horizons; 3kg sub-samples were split by rotary splitter or by scoop sampling. Sub-sample size 3 to 4kg.
Drilling techniques	<ul style="list-style-type: none"> Vertical NQ Air-core
Drill sample recovery	<ul style="list-style-type: none"> Clay content of moist greensands ensured total recovery and retention of all size fractions; Holes were conditioned at completion and cyclone opened and cleaned before next hole drilled
Logging	<ul style="list-style-type: none"> All intervals 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.
Sub-sampling techniques and sample preparation	<ul style="list-style-type: none"> Duplicate field splits at a 1:18 ratio returned R² correlation coefficient of 0.96 for P₂O₅ for 2012 drilling and 0.98 for more recent drilling, indicating robustness of sampling process; Duplicate field splits at a 1:18 ratio returned R² correlation coefficient of 0.99 for K₂O for 2012 drilling and 0.98 for more recent drilling, again indicating robustness of sampling process; Sample preparation by Genalysis Laboratory Services Pty Ltd via drying and total pulverisation
Quality of assay data and laboratory tests	<ul style="list-style-type: none"> Analysis by Genalysis Laboratory Services Pty Ltd by Phosphate Major Element Suite FB1 method (XRF after lithium borate fusion); Three alternate phosphate standards were submitted with samples at a 1:18 ratio. For the P₂O₅ analyses the respective means of the analytical results of the standards were 19.3%, 9.74%, and 4.94% as against the nominal standard means of 19.3%, 9.72%, and 4.94%. Three alternate phosphate standards were submitted with samples at a 1:18 ratio. For the K₂O analyses the respective means of the analytical results of the standards were 1.55%, 3.02%, and 3.76% as against the nominal standard means of 1.55%, 3.02%, and 3.75%.
Verification of sampling and assaying	<ul style="list-style-type: none"> Sampling and logging verified by site visits by Exploration Manager and Independent Consultant. Logging checked against major element assays and sample photography; Assay entry by digital capture of laboratory files, with later verification of significant intervals against original files.
Location of data points	<ul style="list-style-type: none"> Holes located by GPS; Grid MGA_GDA94, Zone 50; Elevation data is based on a topographic contour set produced from SRTM imagery at 5m vertical resolution.
Data spacing and distribution	<ul style="list-style-type: none"> 1m or 2m samples collected and analysed throughout mineralized horizons; Geological continuity across mineralisation.

Criteria	Commentary
Orientation of data in relation to geological structure	<ul style="list-style-type: none"> Vertical drilling through virtually horizontal stratigraphy resulted in intersected thicknesses equivalent to true thickness.
Sample security	<ul style="list-style-type: none"> Samples transported from site to laboratory by Potash West staff.
Audits or reviews	<ul style="list-style-type: none"> Sample techniques, logs, and data reviewed positively by independent consultant geologist.

Section 2 Reporting of Exploration Results

Criteria	Commentary
Mineral tenement and land tenure status	<ul style="list-style-type: none"> The Badgingarra Road and the Dambadgee West Exploration Targets are within the granted Exploration Licence E70/4609. It is registered in the name of Parkway Minerals NL. It was granted on 31/03/2015 for a period of five years.; The Dambadgee and the Attunga Exploration Targets are within the granted Exploration Licence E70/4137 (Figure 3), registered in the name of Parkway Minerals NL. It was granted on 22/05/2012 for a period of five years and has been extended for a further five years until 21/05/2022.
Exploration done by other parties	<ul style="list-style-type: none"> Air-core drilling has been carried out within the area by Dempsey Minerals Ltd, by Agerton Phosphate Pty Ltd, and by Australian Fertilizers Ltd; Results from these programmes have been incorporated into Parkway's database and into the Exploration Target estimations.
Geology	<ul style="list-style-type: none"> The phosphate is present as fluorapatite nodules and grains concentrated within particular horizons of horizontal greensand and chalk formations; The potash is present as the mineral glauconite, which is a major constituent of the Molecap and Poison Hill Greensands and a minor constituent of the Gingin Chalk.
Drill hole Information	<ul style="list-style-type: none"> See Appendix 2.
Data aggregation methods	<ul style="list-style-type: none"> No data aggregation of analyses used; No metal equivalent values used.
Relationship between mineralisation widths and intercept lengths	<ul style="list-style-type: none"> Vertical drilling through virtually horizontal stratigraphy resulted in intersected thicknesses equivalent to true thickness.
Diagrams	<ul style="list-style-type: none"> Diagrams are included in the report.
Balanced reporting	<ul style="list-style-type: none"> Grades are consistent across deposit; Intersection grades show consistent hole to hole grades.
Other substantive exploration data	<ul style="list-style-type: none"> There is no unreported substantive exploration data.
Further work	<ul style="list-style-type: none"> Further bulk density work is expected to be carried out.

Criteria	Commentary
	<ul style="list-style-type: none"> • Drill programmes are expected to be carried out in order to substantiate continuity of mineralisation.

Section 3 Estimation and Reporting of Mineral Resources

Criteria	Commentary
Database integrity	<ul style="list-style-type: none"> • Assay data copied digitally from laboratory files; significant intersections checked; Micromine drill-hole verification performed.
Site visits	<ul style="list-style-type: none"> • Competent person visited project area during drilling programmes in June and August 2012, April 2013, and in March 2015.
Geological interpretation	<ul style="list-style-type: none"> • High degree of confidence in geological interpretation, as stratigraphy is both visually and chemically distinct and continuous.
Dimensions	<ul style="list-style-type: none"> • The Badgingarra Rd Phosphate Exploration Target has a north-south length of 3km and an average east-west width of 2.5km. The depth to mineralisation is about 24m. • The mineralisation is beneath a north-south trending ridge and is constrained by weathering and erosion to the west, north, and east; and by weathered phosphate mineralisation to the south • The mineralisation is within two 2m thick horizons within the Molecap Greensand. • The Badgingarra Rd Potash Exploration Target has a north-south length of 11km and an average east-west width of 3km. The depth to mineralisation averages 18m. • The potash mineralisation is beneath a north-south trending ridge and is constrained by weathering and erosion. • The potash mineralisation is within the Molecap Greensand and has an average thickness of 14m • The Dambadgee Exploration Targets have a north-south length of 7km and an average east-west width of 2.5km. • The mineralisation is beneath an east-west trending ridge and is constrained by weathering and erosion to the north and south; and by the Dambadgee Fault to the east. It continues into the Dambadgee West target area to the west. • The depth to the phosphate mineralisation is about 45m. It is within two separate horizons: the upper, at the base of the Poison Hill Greensand, averages 2.5m in thickness; and the lower, within the Molecap Greensand, averages 7m in thickness; • The potash mineralisation has an average thickness of 40m and is about 45m below surface • The Dambadgee West Exploration Targets have an east-west length of 7km and an average north-south width of 2.5km. • The mineralisation is beneath an east-west trending ridge and is constrained by weathering and erosion to the north, west and south. It continues into the Dambadgee target area to the east. • The average depth to the phosphate mineralisation is about 40m. It is within single horizon at the base of the Poison Hill Greensand. It averages 11m in thickness.;

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Criteria	Commentary
	<ul style="list-style-type: none"> The potash mineralisation has an average thickness of 80m and is about 25m below surface; The Attunga Phosphate Exploration Target is restricted to circular high ground with a radius of about 2km. The phosphate mineralisation is within the Molecap Greensand. It averages 7m in thickness and is at an average depth of about 30m.; The potash mineralisation has an average thickness of 19m from about 30m below surface.
Estimation and modelling techniques	<ul style="list-style-type: none"> Estimation of Exploration Target P₂O₅ grade by weighted average of grades above 1% P₂O₅; Estimation of Exploration Target K₂O grade by weighted average of grades above 2% K₂O;
Moisture	<ul style="list-style-type: none"> Tonnages estimated on dry basis.
Cut-off parameters	<ul style="list-style-type: none"> Exploration Target Potash mineralisation has Fe₂O₃:K₂O ratio <10; Exploration Target Phosphate mineralisation has Fe₂O₃:K₂O ratio <4 and CaO:P₂O₅ ratio >1 and <3.9.
Mining factors or assumptions	<ul style="list-style-type: none"> Not applicable
Metallurgical factors or assumptions	<ul style="list-style-type: none"> The processing route for production of single superphosphate is conventional; consisting of wet scrubbing, screening, desliming, magnetic separation, grinding, flotation, and reaction with sulphuric acid to produce single superphosphate; Glauconite to be retained during process by wet high intensity magnetic separation (WHIMS) and stockpiled for later production of potash products within K-Max plant.
Environmental factors or assumptions	<ul style="list-style-type: none"> Not applicable.
Bulk density	<ul style="list-style-type: none"> Density determinations carried out on 93 PQ core samples by Metallurgy Pty Ltd and reported as dry densities; Poison Hill Greensand: 12 samples, median SG 1.45, mean SG 1.55, SG of 1.50 used; Gingin Chalk: 7 samples, median SG 1.53, mean SG 1.50, SG of 1.50 used; Molecap Greensand: 68 samples, median SG 1.64, mean SG 1.64, SG of 1.63 used;
Classification	<ul style="list-style-type: none"> All mineralisation is classified as an Exploration Target, as it is the Competent Person's view that the drill-holes from which the target is estimated are not spaced closely enough to imply both geological and grade continuity throughout the area.
Audits or reviews	<ul style="list-style-type: none"> Exploration Target estimation peer reviewed by Parkway Exploration Manager
Discussion of relative accuracy / confidence	<ul style="list-style-type: none"> The relative accuracy of the Exploration Target estimate is reflected in the reporting of the Exploration Target as per the guidelines of the 2012 JORC Code.

APPENDIX 2 –DRILL-HOLE DETAILS

The tables below detail the air-core drill-holes used for the exploration target estimates.

Table 2 Badgingarra Rd Drill-hole Locations (all holes vertical)

HOLE	EASTING	NORTHING	RL	DEPTH (m)
PWAC496	369415	6610233	290	63
PWAC497	371166	6610251	289	54
PWAC498	371856	6610550	257	24
PWAC499	370866	6611280	282	30
PWAC500	369925	6612743	285	18
PWAC501	369660	6613737	299	27
PWAC502	369562	6615141	311	39
DGAC00007	370210	6610239	302	68
DGAC00009	369565	6614294	294	60

Table 3 Dambadgee West Drill-hole Locations (all holes vertical)

HOLE	EASTING	NORTHING	RL	DEPTH (m)
PWAC133	375324	6597689	219	39
DGAC00002	378486	6599551	261	90
DGAC00003	375338	6600150	257	84
WAD9	376769	6599701	276	55
WAD13B	378932	6599658	245	77
WAD59	377141	6597885	242	75
WAD70	378765	6600761	243	50
WAD73	379787	6600767	253	62
WAD74	379093	6597997	247	80
WAD75	378194	6597984	267	83

Table 4 Dambadgee Drill-hole Locations (all holes vertical)

HOLE	EASTING	NORTHING	RL	DEPTH (m)
PWAC297	381986	6598617	245	72
PWAC298	381989	6599109	243	87
PWAC299	381983	6599477	247	108
PWAC300	382002	6599939	243	75
PWAC301	381991	6600362	249	78
G1	382018	6598325	253	66
G4	382379	6598600.	237	51
G5	382000	6599107.	242	60
G6	382445	6599522	231	48
G7	382834	6599543	239	72
G8	382241	6599744	232	57
G9	382846	6599949	250	63
G10	382816	6600329	254	72
G11	382398	6600347	251	69
G12	381983	6600359	249	60
G14	381992	6599538	244	66
G15	381607	6598205.	246	75
G16	381207	6598178.	237	50
G17	381960	6598596	246	66
G18	381629	6598601	249	72
G19	381595	6599045	245	66
MA1	381672	6599541	254	66
MA2	381964	6599961	244	54
MA3	381937	6602051	241	51
MA4	381960	6601226	260	63
MA5	381627	6600397	265	69
MA6	381594	6599987	256.	63
MA7	381084	6601175	250	57
WAD10	382161	6599366	240	74
WAD35B	380543	6599658	259	87
WAD37	382056	6598015	236	88
WAD38B	380742	6598003	232	68
WAD47B	380661	6596274	229	57
WAD55	382762	6600166	254	90
WAD57	382155	6599013	234	54
WAD58	382198	6597712	221	60
WAD71	382155	6600786	262	66
WAD72	381262	6600786	262	81

Table 5 Attunga Drill-hole Locations (all holes vertical)

HO90LE	EASTING	NORTHING	RL	DEPTH (m)
PWAC292	382068.	6593218	240	99
PWAC293	382069	6593561	233	87
PWAC294	382059	6594055	239	102
PWAC295	382055	6594463	231	60
PWAC296	382047	6594880	212	60

P01	381559	6594847	207.	87
P01A	381542	6594678	220	88
P01B	381518	6594527	226	90
P01C	381490	6594390	226	108
P01D	381449	6593979	222	99
P01E	381419	6593622	205	80
P01F	381772	6593604	222	86
P02	381723	6594854	209	87
P03	381930	6594858.	207	84
P04	382125	6593563	236	99
P05	383951	6592405	241	105
P06	383560	6592506	237	101
P07	382626	6592626.	240.	99
P08	383017	6593036	241	99
P09	382748	6593144	242	99
P10	382462	6593351	239	108
P11	381827	6594363	238	60
P12	381749	6594036	237	55
P13	382072	6594053	239	54
P14	382074	6594457	231	55
P15	382075	6594832	215	50
P16	382442	6594849	226	60
P17	382439	6594445	233	60
P18	382440	6594061	244	66
P19	382430	6593717	245	66
P20	382631	6593549	234	66
P21	382046	6593216	240	54
P22	381650	6593195	235	60
P23	381834	6594620	226	51
P24	383114	6591627	215	60
P25	383545	6591511	215	57
P26	384802	6592292	240	66
WAD40	383270	6594712	194	20
WAD41	383190	6593342	229.	30
WAD42	384163	6591960	230	90
WAD44	380977	6592648	239	70
WAD45	381399	6594346	222	60

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