



12 April 2013

Attn: Ms Jill Hewitt
Australian Stock Exchange Limited
2 The Espanlade
Perth WA 6000

By email: jill.hewitt@asx.com.au

Dear Jill,

Price and Volume Query

In response to your queries we advise as follows:

1. *Is the Company aware of any information concerning it that has not been announced which, if known, could be an explanation for recent trading in the securities of the Company?*

No.

2. *If the answer to question 1 is yes, can an announcement be made immediately? If not, why not and when is it expected that an announcement will be made? Please note that as recent trading in the Company's securities could indicate that information has ceased to be confidential, the Company is unable to rely on the exceptions to listing rule 3.1 contained in listing rule 3.1A when answering this question.*

Not applicable.

3. *Is there any other explanation that the Company may have for the price and volume change in the securities of the Company?*

The Company is aware of a newspaper article in The Australian and The West Australian newspapers dated 11th and 12th April 2013 respectively which refers to a copper discovery made by a third party in the West Musgrave Region of Western Australia.

The Company confirms that it holds a 100% interest in exploration licence E69/2864 (covering 619km²) in the West Musgrave region. This granted tenement is held within a JV agreement with Anglo American Exploration (Australia) Pty Ltd ('Anglo American'), a wholly owned subsidiary of Anglo American Plc, one of the world's largest mining groups.

Anglo American has the right to earn 70% in a JV by spending \$3 million and completing a minimum 5,000 metres of drilling. POZ is then free carried through the JV until completion of a bankable feasibility study.

As previously released, Anglo has flown its proprietary airborne SPECTREM EM Survey and identified a bedrock conductor nickel-copper sulphide target on E69/2864. The clearances and permitting for drilling this target are currently being pursued.



4. *Please confirm that the Company is in compliance with the listing rules and, in particular, listing rule 3.1.*

Yes, the Company confirms that it is in compliance with the ASX Listing Rules, and in particular, Listing Rule 3.1.

Yours faithfully

A handwritten signature in cursive script that reads "Jim Richards". Below the signature is a horizontal line.

Jim Richards
Chairman



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12 April 2013

Mr Grant Mooney
Company Secretary
Phosphate Australia Limited
37 Colin Street
WEST PERTH WA 6005

By Email grant@mooney.net.au

Dear Grant

Phosphate Australia Limited (the "Company")

PRICE AND VOLUME QUERY

We have noted a change in the price of the Company's securities from 3.2 cents on 10 April 2013 to an intra day high of 6 cents today. We have also noted an increase in the volume of trading in the securities over this period.

In light of the price and volume change, please respond to each of the following questions.

1. Is the Company aware of any information concerning it that has not been announced which, if known, could be an explanation for recent trading in the securities of the Company?

Please note that as recent trading in the Company's securities could indicate that information has ceased to be confidential, the Company is unable to rely on the exceptions to listing rule 3.1 contained in listing rule 3.1A when answering this question.

2. If the answer to question 1 is yes, can an announcement be made immediately? If not, why not and when is it expected that an announcement will be made?

Please note, if the answer to question 1 is yes and an announcement cannot be made immediately, you need to contact us to discuss this and you need to consider a trading halt (see below).

3. Is there any other explanation that the Company may have for the price and volume change in the securities of the Company?
4. Please confirm that the Company is in compliance with the listing rules and, in particular, listing rule 3.1.

Your response should be sent to me by email on jill.hewitt@asx.com.au or by facsimile number (08) 9221 2020. It should not be sent to the Market Announcements Office.

Unless the information is required immediately under listing rule 3.1, a response is requested as soon as possible and, in any event, **not later than 11.00 am (W.S.T) on Friday, 12 April 2013.**

Under listing rule 18.7A, a copy of this query and your response will be released to the market, so your response should be in a suitable form and separately address each of the questions asked. If you have any queries or concerns, please contact me immediately.

Listing rule 3.1

Listing rule 3.1 requires an entity to give ASX immediately any information concerning it that a reasonable person would expect to have a material effect on the price or value of the entity's securities. The exceptions to this requirement are set out in listing rule 3.1A.

In responding to this letter you should consult listing rule 3.1 and Guidance Note 8 – Continuous Disclosure: listing rule 3.1.

If the information requested by this letter is information required to be given to ASX under listing rule 3.1 your obligation is to disclose the information immediately.

Your responsibility under listing rule 3.1 is not confined to, or necessarily satisfied by, answering the questions set out in this letter.

Trading halt

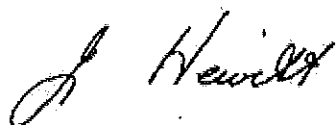
If you are unable to respond by the time requested, or if the answer to question 1 is yes and an announcement cannot be made immediately, you should consider a request for a trading halt in the Company's securities. As set out in listing rule 17.1 and Guidance Note 16 – Trading Halts we may grant a trading halt at your request. We may require the request to be in writing. We are not required to act on your request. You must tell us each of the following.

- The reasons for the trading halt.
- How long you want the trading halt to last.
- The event you expect to happen that will end the trading halt.
- That you are not aware of any reason why the trading halt should not be granted.
- Any other information necessary to inform the market about the trading halt, or that we ask for.

The trading halt cannot extend past the commencement of normal trading on the second day after the day on which it is granted. If a trading halt is requested and granted and you are still unable to reply to this letter before the commencement of trading, suspension from quotation would normally be imposed by us from the commencement of trading if not previously requested by you. The same applies if you have requested a trading halt because you are unable to release information to the market, and are still unable to do so before the commencement of trading.

If you have any queries regarding any of the above, please contact me on 9224 0013.

Yours sincerely,



Jill Hewitt
Senior Adviser, Listings Compliance (Perth)