



ASX Announcement

28 April 2017

COMPANY DETAILS

ABN: 62 147 346 334

PRINCIPAL AND REGISTERED OFFICE

Parkway Minerals NL
Level 1, 675 Murray St.
West Perth WA 6005

POSTAL ADDRESS

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West Perth WA 6872

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P +61 8 9479 5386

F +61 8 9475 0847

ASX CODE

PWN

FRANKFURT CODE

A1JH27

OTC PINK CODE

PWNNY

CORPORATE INFORMATION

28 April 2017

353M 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)

MARCH 2017 QUARTERLY REPORT

Global Highlights

- Several corporate transactions in progress in fertiliser feedstock sector.
- Fundamentals for agri-chemicals appear strong in medium term.

Dandaragan Trough Project ("DTP")

- Process design in progress at Kemworks.
- No further drilling required to complete Preliminary Feasibility Study.

Lake Barlee Project

- Purchase of key licence completed in period.
- PWN now has coverage over 90% of lake surface.

Technology

- PWN has agreed to sell its 97 M Lepidico shares to Lithium Australia.

Davenport Resources (26% holding)

- Local approval for K llstedt drilling in progress.
- Data Review of Gr fentonna nearing completion.
- Data review of Southern Cross Bore indicates strong copper-gold mineralization.

DANDARAGAN TROUGH PROJECT

Parkway Minerals NL (“PWN”, “Parkway” or “the Company”) has continued to advance the Dinner Hill Potash and Phosphate Deposit, located some 200km north of Perth in Western Australia, (Figure 1). Dinner Hill forms part of the larger Dandaragan Trough Project (DTP), where Parkway holds over 2,000km² of exploration tenure. Sedimentary rocks within the trough contain glauconite, a potash rich mica, and phosphate nodules. The objective is to produce phosphate and potash fertilisers and a range of valuable by-products from the phosphate and glauconite present within the sediments of the Dandaragan Trough. The Dinner Hill Project covers some 60 km² within the DTP.

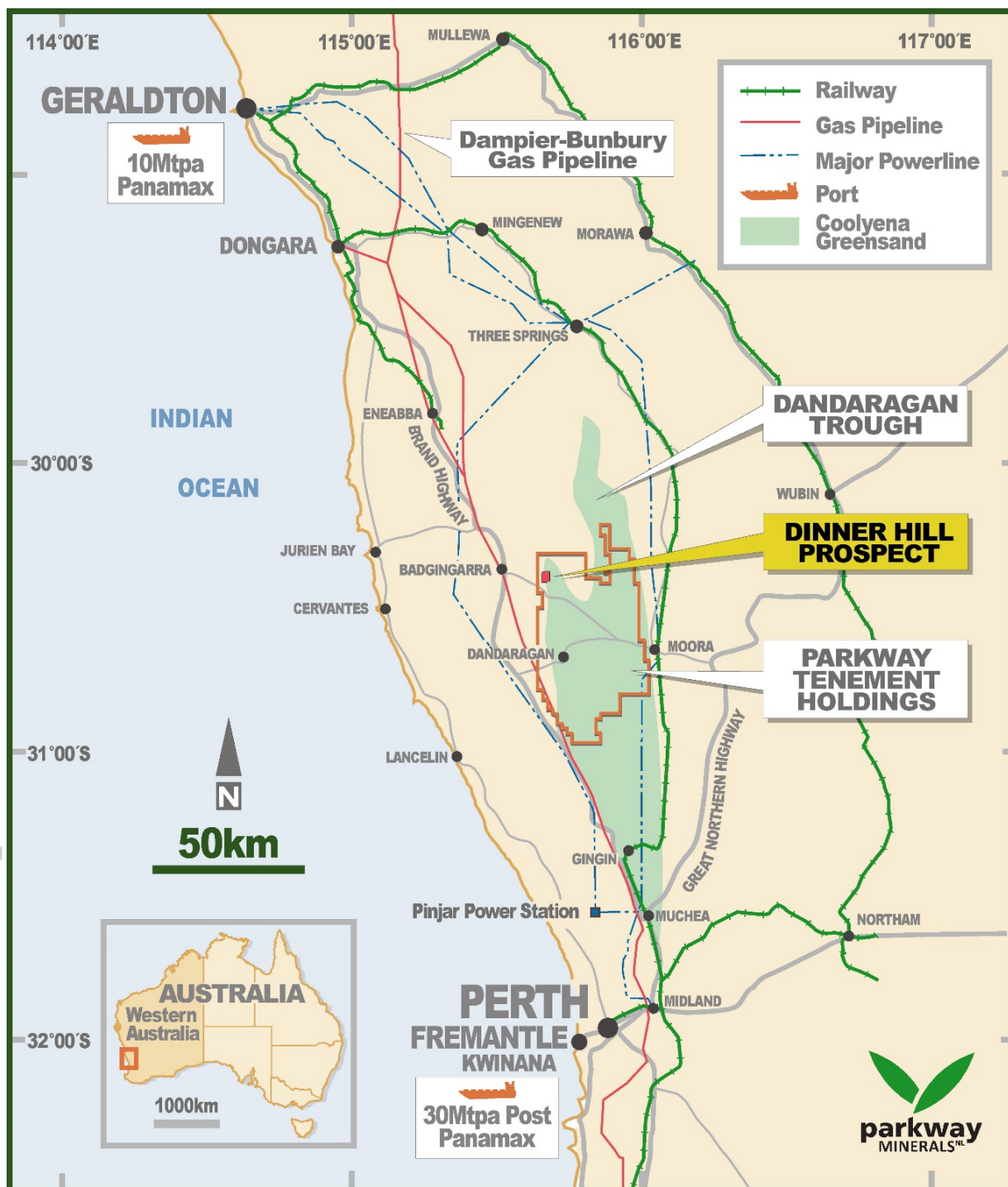


Figure 1: Location plan, Dandaragan Trough Project

The DTP has unique advantages of excellent connectivity to transport facilities, infrastructure and proximity to local and regional markets. It is located within an easy drive from Perth, and is less than 200km from two major bulk export ports, Kwinana and Geraldton. It is well situated in relation to major project infrastructure, and significant local and regional markets for its products.

Dinner Hill Prefeasibility Study (PFS)

Process design testwork is now in progress, with Florida based Kemworks Technology Inc (**Kemworks**). Kemworks are phosphate process design specialists, with many years of focused phosphate process development experience. Testwork has been delayed, by factors outside our control. Results are now expected in the June quarter.

LAKE BARLEE PROJECT

Parkway has a number of exploration licence applications covering Lake Barlee, north-east of Southern Cross in Western Australia. During the period PWN purchased EL 77/2347 which covers the key central portion of the lake (Figure 2). Lake Barlee is prospective for potassium salts in the brine. A reconnaissance trip, and planning for an exploration programme will take place in the June quarter.

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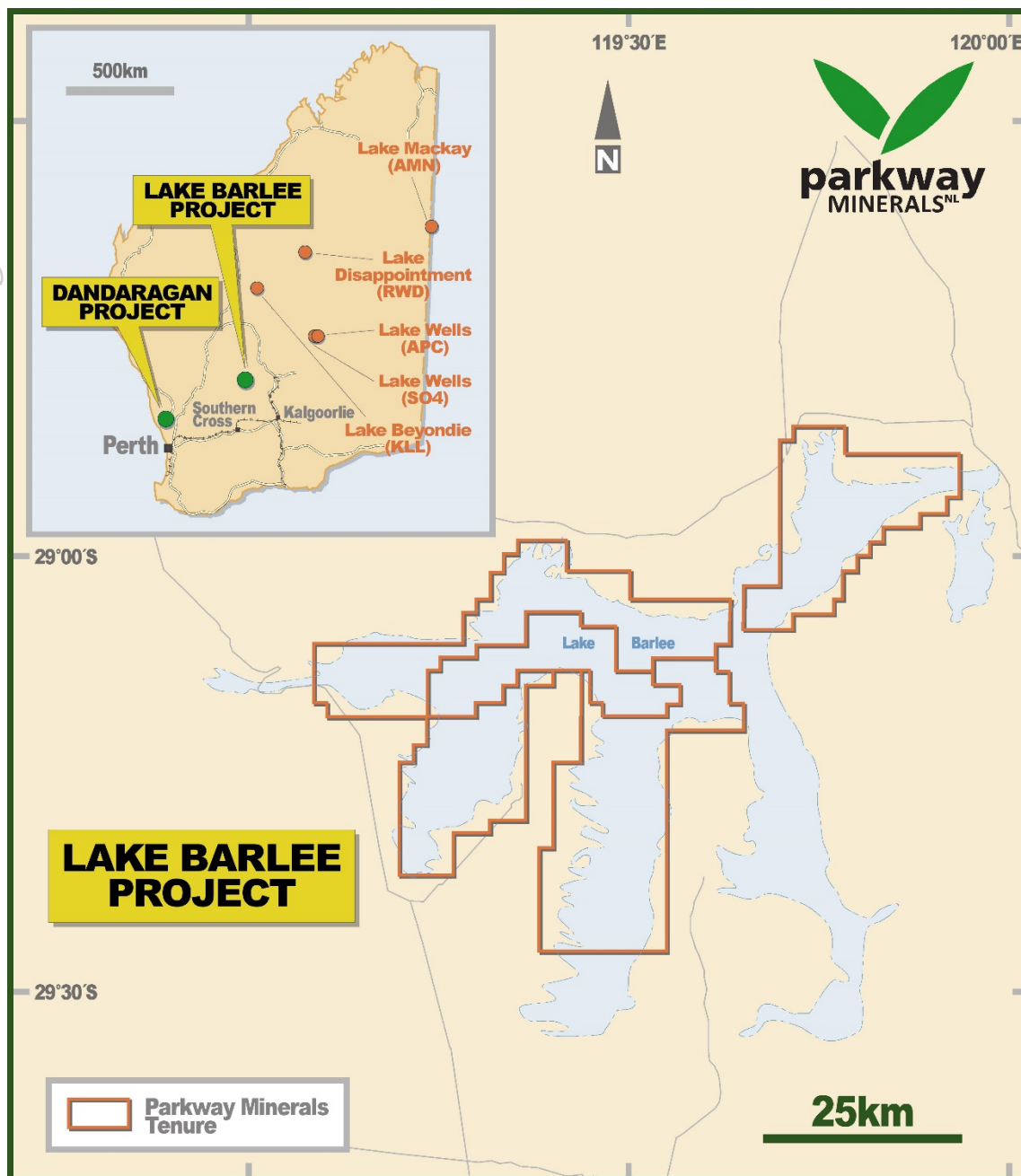


Figure 2 Lake Barlee Project area.

DAVENPORT RESOURCES

Parkway owns 26% of Davenport Resources (**DAV**), which holds exploration licences in the South Harz region of Germany (Figure 3). The South Harz region has a long history of potash mining, dating back to the late 1890s. Extensive exploration work and R&D was carried out in the period from the 1960s to the 1980s. This confirmed that substantial potash deposits still remain in this region. An Exploration Target for the Kllstedt licence was reported to the ASX by PWN on March 4, 2015. A drilling programme within that Target is in the approval stage with the Thuringian Mining Authority.

Work is in progress analyzing the results from several drilling programs carried out on the Grfentonna licence. A report is expected from our consultants shortly.

A review of previous exploration work at the Southern Cross Bore project was completed and released to the ASX on 28th March. This project, approximately 600km² 75 km NE of Alice Springs has recorded significant intersections of gold and copper. Planning for geophysical surveys is in progress.

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DAV has a programme of ongoing identification and evaluation of opportunities to advance the company’s objectives. If a proposal advances, details would be announced in accordance with its continuous disclosure obligations.

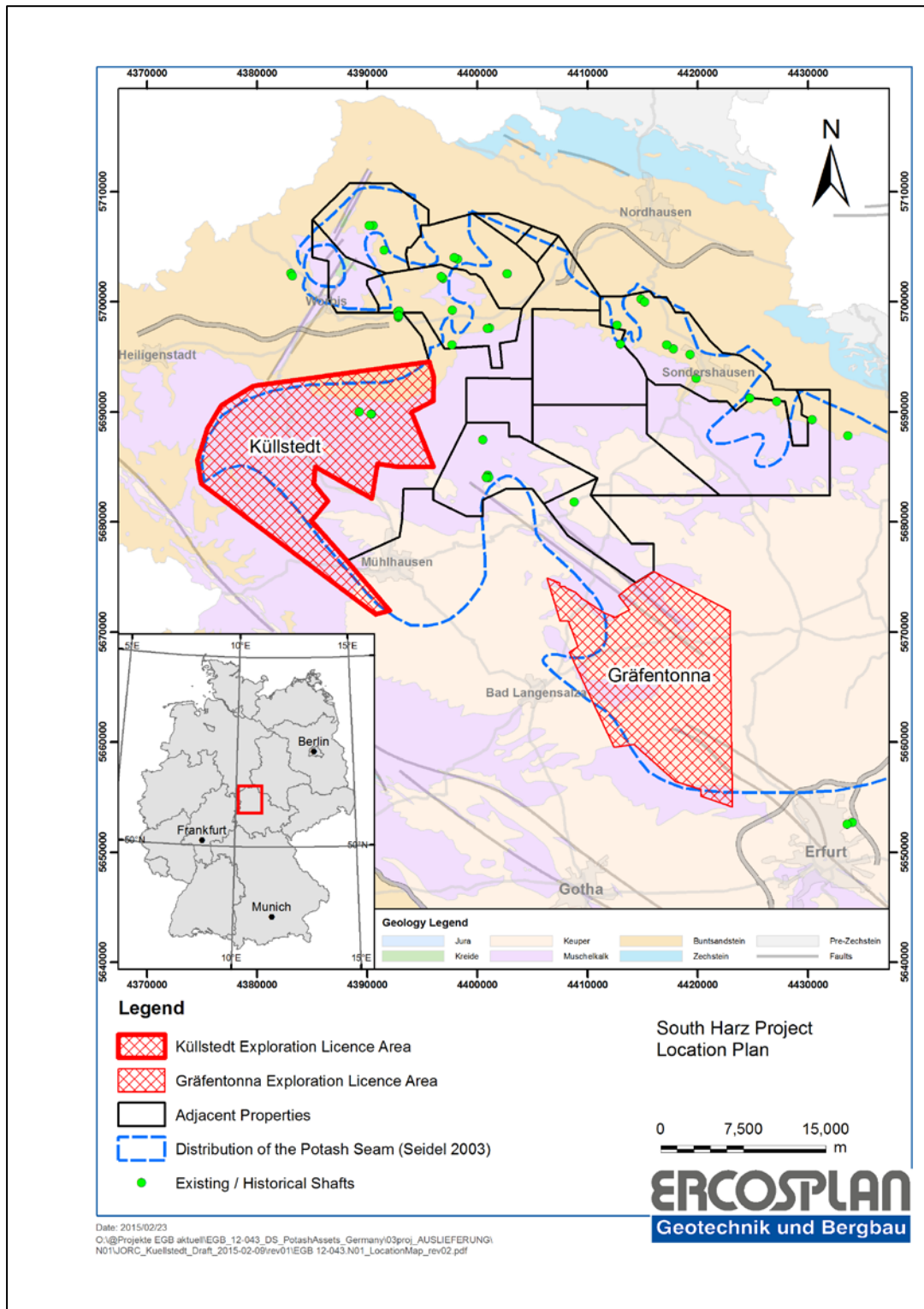


Figure 3: South Harz Project Location

LEPIDICO LTD (FORMERLY PLATYPUS MINERALS)

Parkway owned 97 million Lepidico (**LPD**) shares. On 6 February Lithium Australia (**LIT**) announced a takeover bid for LPD. It offered 1 LIT share for every 13.25 LPD shares. that ratio was a premium of 13% to the relative share prices on that date. PWN signed a binding pre-bid agreement to accept the offer, subject to conditions typical for this form of transaction. On 28 March 2017 PWN accepted the LIT offer.

The Independent Directors of Parkway believe that joining together of LIT and LPD would produce a significantly stronger group, better able to exploit the opportunities to apply new technology to the lithium supply chain. It is for that reason that Parkway accepted the offer.

CORPORATE

Parkway monitors activities and opportunities that may be relevant to the companies objectives. This may include expanding or changing the scope of existing projects or engaging with third parties on other projects. If a proposal advances, details would be announced in accordance with the Company's continuous disclosure obligations.

ANNOUNCEMENTS

The following ASX announcements were made during the quarter:

- 28-March-2017 - PWN Accepts Lithium Australia Offer for Lepidico Shares
- 15-March-2017 - Half Year Accounts
- 24-February-2017 s708 Notice, Appendices 3B and 3Y's
- 22-February-2017 Investor Presentation
- 22-February-2017 DKO: Sale of Tenement E77/2347
- 22-February-2017 Parkway Minerals Consolidates WA Salt Lake Project
- 09-February-2017 Securities Trading Policy
- 08-February-2017 LPD: Substantial Shareholder Notice Concerns
- 08-February-2017 Expiry of Options
- 06-February-2017 PWN Enters Agreement with LIT Regarding LPD Shareholding
- 02-February-2017 Ceasing to be a substantial holder
- 31-January-2017 Quarterly Activities and Cashflow Reports
- 20-January-2017 Becoming a substantial holder for DAV
- 19-January-2017 Davenport Resources to Commence Trading on ASX on 20 January

No announcements were made subsequent to 31 March 2017:

CASH ON HAND

At 31 March 2017, \$2.137 million cash was available.

TENEMENT SUMMARY

The following information is provided in accordance with ASX Listing Rule 5.3.3:

| Country | Tenement | Tenement Interest held at 1 January 2017 | Interest acquired / disposed of during quarter | Tenement Interest held at 31 March 2017 |
|---------|----------|--|--|---|
| WA | E70/3987 | 100% ⁽¹⁾ | N/A | 100% |
| WA | E70/3988 | 100% ⁽¹⁾ | N/A | 100% |
| WA | E70/3989 | 100% ⁽¹⁾ | N/A | 100% |
| WA | E70/4137 | 100% | N/A | 100% |
| WA | E70/4138 | 100% | N/A | 100% |
| WA | E70/4139 | 100% | N/A | 100% |
| WA | E70/4471 | 100% | N/A | 100% |
| WA | E70/4609 | 100% | N/A | 100% |
| WA | E70/4687 | 100% | N/A | 100% |
| WA | E29/985 | | | Pending |
| WA | E29/1003 | | | Pending |
| WA | E29/1015 | | | Pending |
| WA | E57/1051 | | | Pending |
| WA | E77/2347 | 0% | 100% | 100% |
| WA | E77/2406 | | | Pending |
| WA | E77/2407 | | | Pending |
| WA | E77/2408 | | | Pending |
| WA | E77/2409 | | | Pending |
| WA | E77/2445 | | | Pending |
| WA | E77/2446 | | | Pending |
| WA | E77/2447 | | | Pending |

(1) Denotes Beneficial holding of the Mineral Rights to Glaucinite & Phosphate, and any by-products resulting

For further information contact:

Parkway Minerals NL:

Patrick McManus

Managing Director

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About Parkway Minerals

Parkway Minerals (ASX: PWN) is an exploration company focused on developing large greensand deposits in West Australia's Perth Basin. The Company aims to define a substantial resource base and investigate how best to recover phosphate, potash and other minerals from the Dandaragan Trough. 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 over 2,000km². 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 company owns 25% 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.

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Appendix 5B

Mining exploration entity and oil and gas exploration entity quarterly report

Introduced 01/07/96 Origin Appendix 8 Amended 01/07/97, 01/07/98, 30/09/01, 01/06/10, 17/12/10, 01/05/13, 01/09/16

Name of entity

Parkway Minerals NL

ABN

62 147 346 334

Quarter ended ("current quarter")

31 March 2017

| Consolidated statement of cash flows | Current quarter \$A'000 | Year to date (9 months) \$A'000 |
|---|----------------------------|---------------------------------------|
| 1. Cash flows from operating activities | | |
| 1.1 Receipts from customers | | |
| 1.2 Payments for | | |
| (a) exploration & evaluation | (182) | (715) |
| (b) development | | |
| (c) production | | |
| (d) staff costs | (78) | (335) |
| (e) administration and corporate costs | (137) | (538) |
| 1.3 Dividends received (see note 3) | | |
| 1.4 Interest received | 3 | 11 |
| 1.5 Interest and other costs of finance paid | | |
| 1.6 Income taxes paid | | |
| 1.7 Research and development refunds | | 134 |
| 1.8 Other (provide details if material) | | |
| 1.9 Net cash from / (used in) operating activities | (394) | (1,443) |
| 2. Cash flows from investing activities | | |
| 2.1 Payments to acquire: | | |
| (a) property, plant and equipment | | (6) |
| (b) tenements (see item 10) | | |
| (c) investments | | |
| (d) other non-current assets | | |

| Consolidated statement of cash flows | | Current quarter \$A'000 | Year to date (9 months) \$A'000 |
|---|--|------------------------------------|--|
| 2.2 | Proceeds from the disposal of: | | |
| | (a) property, plant and equipment | | |
| | (b) tenements (see item 10) | | |
| | (c) investments | | |
| | (d) other non-current assets | | |
| 2.3 | Cash flows from loans to other entities | | |
| 2.4 | Dividends received (see note 3) | | |
| 2.5 | Other (provide details if material) | | |
| 2.6 | Net cash from / (used in) investing activities | | (6) |
| 3. | Cash flows from financing activities | | |
| 3.1 | Proceeds from issues of shares | | 3,305 |
| 3.2 | Proceeds from issue of convertible notes | | |
| 3.3 | Proceeds from exercise of share options | | |
| 3.4 | Transaction costs related to issues of shares, convertible notes or options | | |
| 3.5 | Proceeds from borrowings | | |
| 3.6 | Repayment of borrowings | | |
| 3.7 | Transaction costs related to loans and borrowings | | |
| 3.8 | Dividends paid | | |
| 3.9 | Other (Equity Raising Costs) | | (207) |
| 3.10 | Net cash from / (used in) financing activities | | 3,098 |
| 4. | Net increase / (decrease) in cash and cash equivalents for the period | | |
| 4.1 | Cash and cash equivalents at beginning of period | 2,531 | 488 |
| 4.2 | Net cash from / (used in) operating activities (item 1.9 above) | (394) | (1,443) |
| 4.3 | Net cash from / (used in) investing activities (item 2.6 above) | | (6) |
| 4.4 | Net cash from / (used in) financing activities (item 3.10 above) | | 3,098 |
| 4.5 | Effect of movement in exchange rates on cash held | | |
| 4.6 | Cash and cash equivalents at end of period | 2,137 | 2,137 |

| 5. Reconciliation of cash and cash equivalents at the end of the quarter (as shown in the consolidated statement of cash flows) to the related items in the accounts | Current quarter \$A'000 | Previous quarter \$A'000 |
|--|----------------------------|-----------------------------|
| 5.1 Bank balances | 2,137 | 2,531 |
| 5.2 Call deposits | | |
| 5.3 Bank overdrafts | | |
| 5.4 Other (provide details) | | |
| 5.5 Cash and cash equivalents at end of quarter (should equal item 4.6 above) | 2,137 | 2,531 |

| 6. Payments to directors of the entity and their associates | Current quarter \$A'000 |
|--|----------------------------|
| 6.1 Aggregate amount of payments to these parties included in item 1.2 | 78 |
| 6.2 Aggregate amount of cash flow from loans to these parties included in item 2.3 | |
| 6.3 Include below any explanation necessary to understand the transactions included in items 6.1 and 6.2 | |

Item 1.23 relates to Directors Remuneration, Directors Fees and Superannuation Contributions.

| 7. Payments to related entities of the entity and their associates | Current quarter \$A'000 |
|--|----------------------------|
| 7.1 Aggregate amount of payments to these parties included in item 1.2 | |
| 7.2 Aggregate amount of cash flow from loans to these parties included in item 2.3 | |
| 7.3 Include below any explanation necessary to understand the transactions included in items 7.1 and 7.2 | |

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Mining exploration entity and oil and gas exploration entity quarterly report

| 8. Financing facilities available <i>Add notes as necessary for an understanding of the position</i> | Total facility amount at quarter end \$A'000 | Amount drawn at quarter end \$A'000 |
|--|--|---|
| 8.1 Loan facilities | | |
| 8.2 Credit standby arrangements | | |
| 8.3 Other (please specify) | | |
| 8.4 Include below a description of each facility above, including the lender, interest rate and whether it is secured or unsecured. If any additional facilities have been entered into or are proposed to be entered into after quarter end, include details of those facilities as well. | | |


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| 9. Estimated cash outflows for next quarter | \$A'000 |
|--|------------|
| 9.1 Exploration and evaluation | 210 |
| 9.2 Development | |
| 9.3 Production | |
| 9.4 Staff costs | 87 |
| 9.5 Administration and corporate costs | 150 |
| 9.6 Other (provide details if material) | |
| 9.7 Total estimated cash outflows | 447 |

| 10. Changes in tenements (items 2.1(b) and 2.2(b) above) | Tenement reference and location | Nature of interest | Interest at beginning of quarter | Interest at end of quarter |
|--|---------------------------------|--------------------|----------------------------------|----------------------------|
| 10.1 Interests in mining tenements and petroleum tenements lapsed, relinquished or reduced | | | | |
| 10.2 Interests in mining tenements and petroleum tenements acquired or increased | E77/2347 | - | 0% | 100% |
| | E29/985 | Applications | 0% | 0% |
| | E29/1003 | | | |
| | E29/1015 | | | |
| | E57/1051 | | | |
| | E77/2406 | | | |
| | E77/2407 | | | |
| | E77/2408 | | | |
| | E77/2409 | | | |
| | E77/2445 | | | |
| | E77/2446 | | | |
| E77/2447 | | | | |

Compliance statement

- 1 This statement has been prepared in accordance with accounting standards and policies which comply with Listing Rule 19.11A.
- 2 This statement gives a true and fair view of the matters disclosed.

Sign here: 
(Director/Company secretary)

Date: 28 April 2017

Print name: Patrick McManus

Notes

1. The quarterly report provides a basis for informing the market how the entity's activities have been financed for the past quarter and the effect on its cash position. An entity that wishes to disclose additional information is encouraged to do so, in a note or notes included in or attached to this report.
2. If this quarterly report has been prepared in accordance with Australian Accounting Standards, the definitions in, and provisions of, AASB 6: Exploration for and Evaluation of Mineral Resources and AASB 107: Statement of Cash Flows apply to this report. If this quarterly report has been prepared in accordance with other accounting standards agreed by ASX pursuant to Listing Rule 19.11A, the corresponding equivalent standards apply to this report.
3. Dividends received may be classified either as cash flows from operating activities or cash flows from investing activities, depending on the accounting policy of the entity.