

ASX Announcement

26 July 2017

COMPANY DETAILS

ABN: 62 147 346 334

PRINCIPAL AND REGISTERED OFFICE

Parkway Minerals NL
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West Perth WA 6005

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ASX CODE

PWN

FRANKFURT CODE

A1JH27

OTC PINK CODE

PWNNY

CORPORATE INFORMATION

26 July 2017

359M 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)

JUNE 2017 QUARTERLY REPORT

Global Highlights

- Mergers and acquisitions in fertiliser feedstock industry continue with the merger of PotashCorp and Agrium progressing.

Lake Barlee Project

- First site visit returns promising potash levels
- Geophysical programme planned for September quarter

Dandaragan Trough Project ("DTP")

- Process design testwork completed at Kemworks, report in preparation.

Strategic Investment

- PWN now owns 7.32 Million Lithium Australia shares

Davenport Resources (19.6 Million shares held, 26%)

- Local approval for K llstedt drilling in progress.
- Large Exploration Target defined on Gr fentonna licence

LAKE BARLEE PROJECT

Parkway Minerals NL (“PWN”, “Parkway” or “the Company”) has a number of exploration licence applications covering Lake Barlee, north-east of Southern Cross in Western Australia (Figure 1).

Access to the site has been delayed by significant rainfall events early in 2017. During the period a reconnaissance trip was completed to the southern section of the lake. Surface samples were taken and were found to have levels of potassium of over 2,000 mg/kg (ASX release 30 May 2017). Given that the samples were from less than a metre below the lake surface, and there had been heavy rain in preceding months, this is seen as a promising result, as it likely to be diluted by rainwater.

A hydrogeologist has been engaged to review available data and to plan the next stage of work, which is likely to be geophysical surveys, prior to aircore drilling.

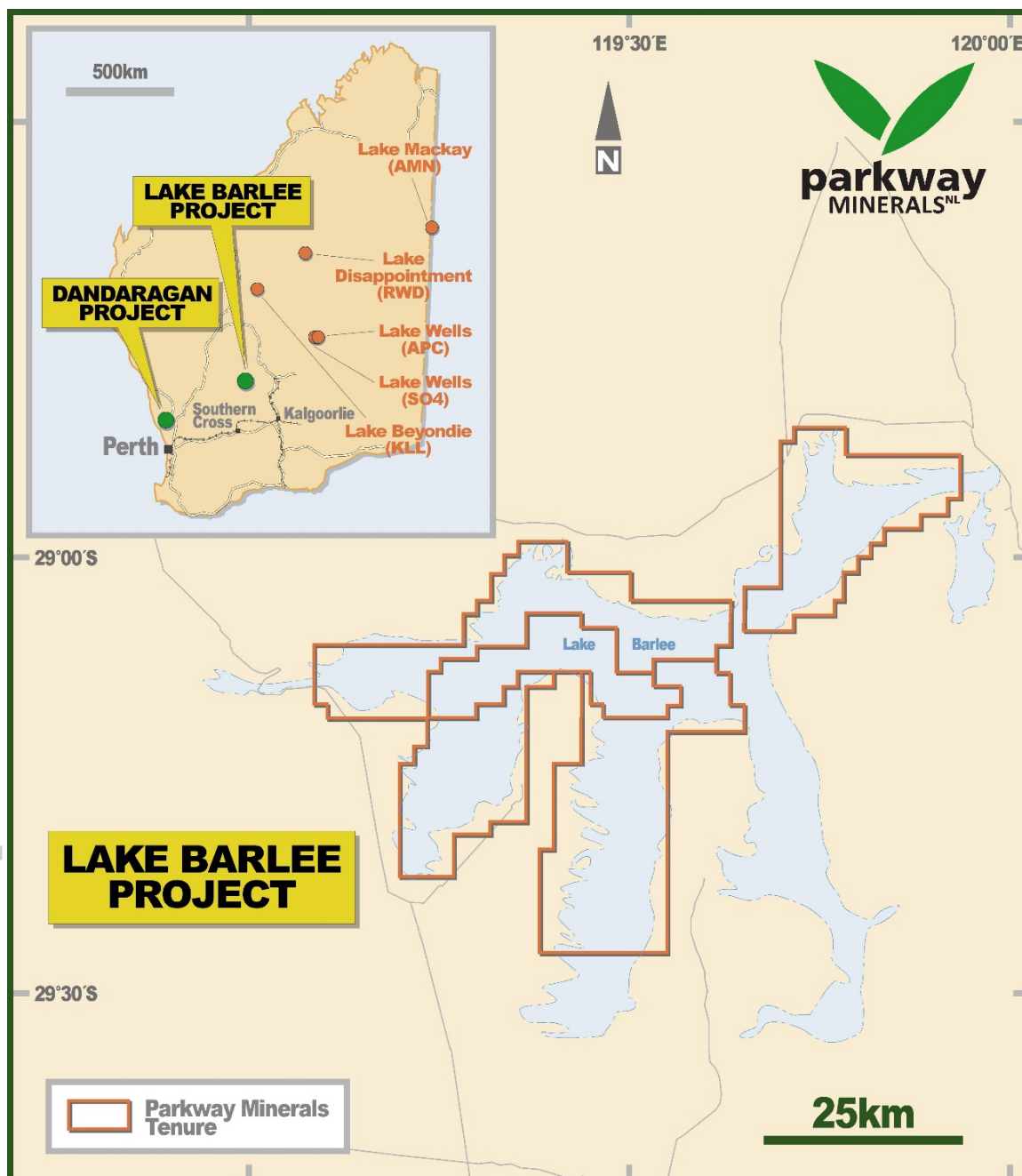


Figure 1 Lake Barlee Project area.

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DANDARAGAN TROUGH PROJECT

Parkway has continued to advance the Dinner Hill Potash and Phosphate Deposit, located some 200km north of Perth in Western Australia, (Figure 2). 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.

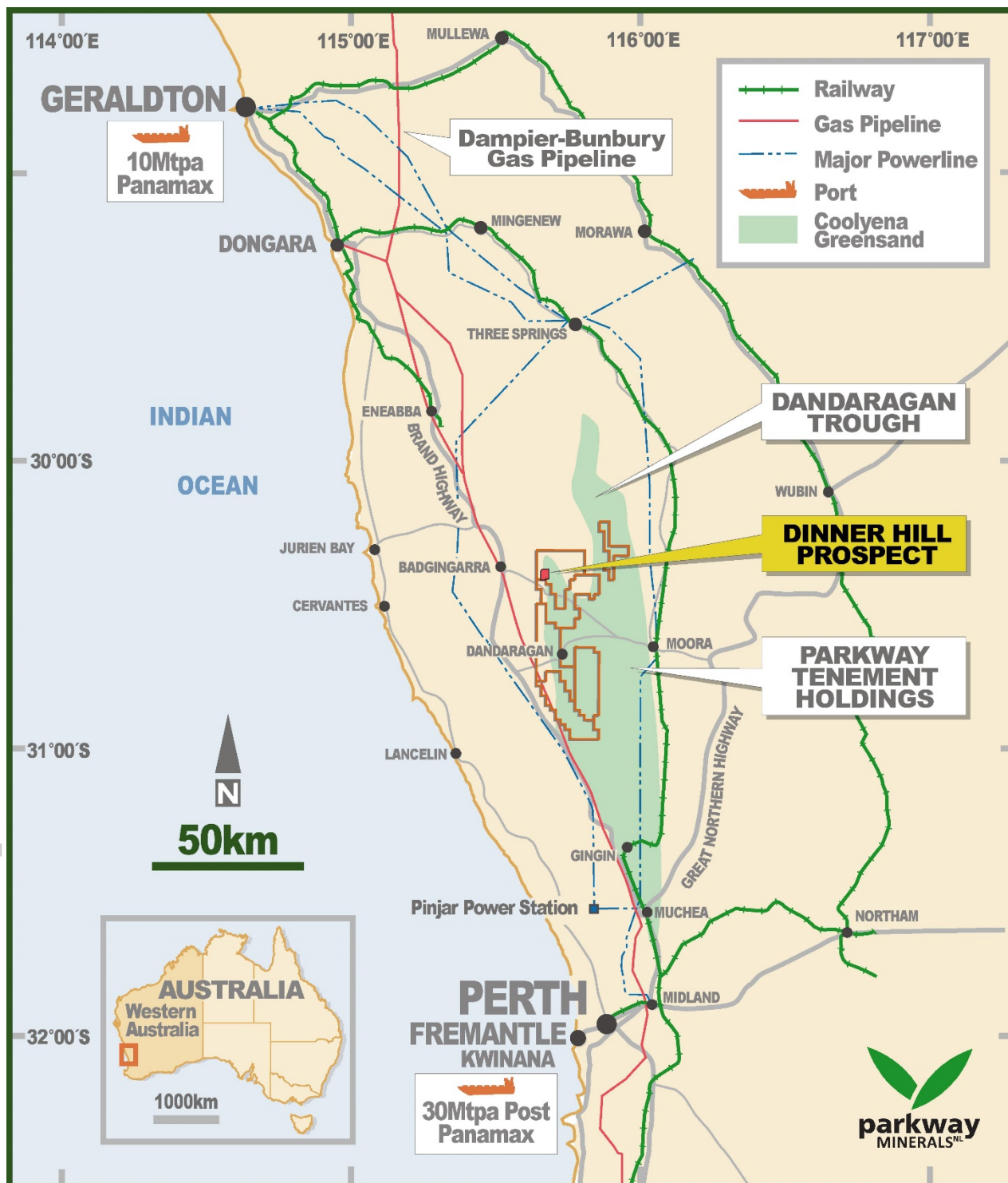


Figure 2: Location plan, Dandaragan Trough Project

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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 has been completed, with Florida based Kemworks Technology Inc (**Kemworks**). Kemworks are phosphate process design specialists, with many years of focused phosphate process development experience. A final report is awaited.

It is likely that further flotation testwork will follow from this work, as a number of process improvements have been identified.

DAVENPORT RESOURCES

Parkway owns 19.6 million shares 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 work 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 process with the Thuringian Mining Authority.

Historical geological and drilling information on the Gr fentonna licence has been reviewed by our Consultants, ERCOSPLAN. An Exploration Target has been announced (refer DAV ASX release 22 May 2017)

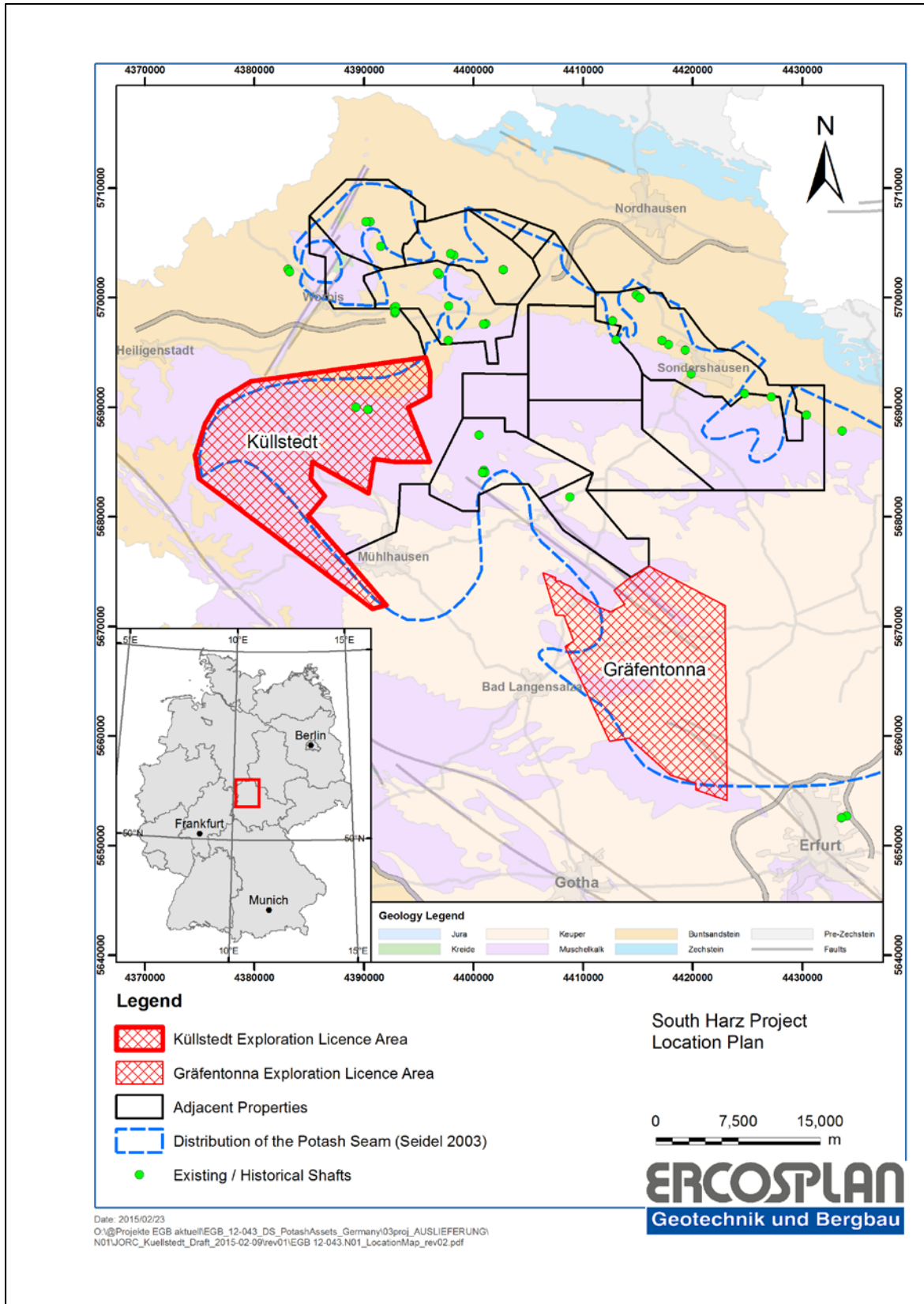


Figure 3: South Harz Project Location

SHAREHOLDINGS

Parkway owns shares in the following ASX listed Companies:

- Lithium Australia (ASX LIT) 7.32 M
- Davenport (ASX:DAV) 19.2 M,
- Davenport (ASX:DAV) 17.9 M milestone 1 shares (refer PWN announcement 18 August 2015)
- Davenport (ASX:DAV) 17.9 M milestone 2 shares (refer PWN announcement 18 August 2015)

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:

- 29/06/2017 s708 Notice, Appendices 3B and 3Ys
- 21/06/2017 Investor Presentation
- 30/05/2017 PWN Lake Barlee Project Returns Encouraging Potash Values
- 28/04/2017 Quarterly Activities and Cashflow Reports
- 28/04/2017 Ceasing to be a substantial holder for LPD

No announcements were made subsequent to 30 June 2017:

CASH ON HAND

At 30 June 2017, \$1.88 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 April 2017	Interest acquired / disposed of during quarter	Tenement Interest held at 30 June 2017
WA	E70/3987	100% ⁽¹⁾		100%
WA	E70/3988	100% ⁽¹⁾	100%	0%
WA	E70/3989	100% ⁽¹⁾	100%	0%
WA	E70/4137	100%		100%
WA	E70/4138	100%		100%
WA	E70/4139	100%	100%	0%
WA	E70/4471	100%		100%
WA	E70/4609	100%		100%
WA	E70/4687	100%		100%
WA	E29/985	Pending		Pending
WA	E29/1003	Pending		Pending
WA	E29/1015	Pending		Pending
WA	E57/1051	Pending		Pending
WA	E77/2347	100%		100%
WA	E77/2406	Pending		Pending
WA	E77/2407	Pending		Pending
WA	E77/2408	Pending		Pending
WA	E77/2409	Pending		Pending
WA	E77/2445	Pending		Pending
WA	E77/2446	Pending		Pending
WA	E77/2447	Pending		Pending

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

For further information contact:

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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 1,800km². 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 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 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")

30 June 2017

Consolidated statement of cash flows	Current quarter \$A'000	Year to date (12 months) \$A'000
1. Cash flows from operating activities		
1.1 Receipts from customers	3	6
1.2 Payments for		
(a) exploration & evaluation	(91)	(806)
(b) development		
(c) production		
(d) staff costs	(85)	(420)
(e) administration and corporate costs	(242)	(783)
1.3 Dividends received (see note 3)		
1.4 Interest received	4	15
1.5 Interest and other costs of finance paid		
1.6 Income taxes paid		
1.7 Research and development refunds	151	285
1.8 Other (provide details if material)		
1.9 Net cash from / (used in) operating activities	(260)	(1,703)
2. Cash flows from investing activities		
2.1 Payments to acquire:		
(a) property, plant and equipment	(12)	(18)
(b) tenements (see item 10)		
(c) investments		
(d) other non-current assets		

Consolidated statement of cash flows		Current quarter \$A'000	Year to date (12 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	(12)	(18)
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)	16	(191)
3.10	Net cash from / (used in) financing activities	16	3,114
4.	Net increase / (decrease) in cash and cash equivalents for the period		
4.1	Cash and cash equivalents at beginning of period	2,137	488
4.2	Net cash from / (used in) operating activities (item 1.9 above)	(260)	(1,703)
4.3	Net cash from / (used in) investing activities (item 2.6 above)	(12)	(18)
4.4	Net cash from / (used in) financing activities (item 3.10 above)	16	3,114
4.5	Effect of movement in exchange rates on cash held		
4.6	Cash and cash equivalents at end of period	1,881	1,881

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	1,881	2,137
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)	1,881	2,137

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	85
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	E70/3988	Surrendered	100%	0%
	E70/3989		100%	0%
	E70/4139		100%	0%
10.2 Interests in mining tenements and petroleum tenements acquired or increased	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				

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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: 26 July 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.