



PLAINS CREEK

PHOSPHATE CORP

1660 – 401 West Georgia Street

Vancouver, B.C. V6B 5A1

Telephone: (604) 569-0721 Fax: (604) 569-1617

NEWS RELEASE

PLAINS CREEK ANNOUNCES CLOSING OF FIRST TRANCHE OF BROKERED PRIVATE PLACEMENT FOR GROSS PROCEEDS OF UP TO \$3,250,000

(all dollar amounts in Canadian dollars)

January 17, 2012 – Vancouver, British Columbia: Further to its news release dated December 20, 2011, Plains Creek Phosphate Corporation (“**Plains Creek**”, the “**Company**”) (**TSX-V: PCP**) is pleased to announce the closing of the first tranche (the “**First Tranche**”) of its brokered private placement raising gross proceeds of \$1,625,000, which is part of a larger offering (the “**Offering**”) anticipated to raise a total of \$3,250,000. BMO Capital Markets (the “**Agent**”) has been engaged as the agent for the Offering.

The full Offering is anticipated to consist of 40,625,000 units (the “**Units**”) at a price of \$0.08 per Unit for gross proceeds of approximately \$3,250,000. Each Unit consists of one common share of the Company (a “**Common Share**”) and one-half of one Common Share purchase warrant (a “**Warrant**”). Each whole Warrant entitles the holder thereof to purchase one Common Share at a price of \$0.11 for a period of 18 months from the date of issuance.

Under this First Tranche, the Agent received a cash fee on the sale of the Units of \$67,500 and 1,218,750 broker warrants (“**Broker Warrants**”). Each Broker Warrant is exercisable to purchase one common share of the Company at a price of \$0.08 at any time up to 18 months after closing. Tabac Ventures Limited, a company affiliated with Aterra Capital, an investment fund which is currently being established by Alexey Mordashov, is participating in the Offering.

The securities issued in connection with the Offering are subject to a statutory four month hold period expiring May 18, 2012, during which time the securities may not be traded.

The proceeds from the Offering will be used to complete a Definitive Feasibility Study on the Farim Phosphate Project (the “**Project**”), fund additional working capital and for general and administrative corporate purposes.

NI 43-101 Compliant Technical Report:

The Company's current technical report (the "**Technical Report**") for its Farim Phosphate Project prepared in accordance with National Instrument 43-101 ("**NI 43-101**") is entitled, "Technical Report on the Preliminary Economic Assessment of the Farim Phosphate Project, Guinea-Bissau" dated effective February 10, 2010, and was filed under the Company's profile on SEDAR at www.sedar.com on February 22, 2011. The Technical Report was prepared for the Company by John S. Warwick, B.Sc. (Hons) PIMMM, C.Eng., Eur.Ing. (Mining) of IMC Group Consulting Limited; Andre Lambert, B.Sc., MIMMM, EurGeol of IMC Group Consulting Limited; Alex Mitchell, MIMMM, C.Eng. of GBM Minerals Engineering Consultants Limited; and Michael Short, FIMMM, C.Eng. of GBM Minerals Engineering Consultants Limited, all of whom are independent Qualified Persons as defined under NI 43-101.

About Plains Creek Phosphate Corporation:

Plains Creek Phosphate Corporation is a Canadian mining and exploration company focused on advancing its Farim Phosphate Project located in Guinea-Bissau, West Africa. The Project consists of a high-quality development phosphate deposit containing a NI 43-101 compliant measured phosphate resource of 69 million tonnes ("**Mt**") grading 29.9% P₂O₅, an indicated resource of 15 Mt grading 30.1% P₂O₅, and an inferred resource of 44 Mt grading 29.6% P₂O₅. The Project has a 25 year mining plan of 68 Mt phosphate grading 29.9% P₂O₅, as disclosed in the Company's NI 43-101 compliant Technical Report. The Company is currently undertaking a Definitive Feasibility Study and has been granted a Production License from the Government of Guinea-Bissau to pursue a strategy towards phosphate rock production of 2 Mt per annum for a minimum of 25 years, starting in 2014. Based on the Technical Report, estimated costs before contingency include capital costs of US\$288 million and operating costs of US\$60 per tonne. The Company's shares are listed on the TSX Venture Exchange under the trading symbol "PCP". For additional information, please visit us at www.plainscreek.com.

For further information please contact:

Carson Phillips
Vice-President, Corporate Development and Director
Telephone: (604) 569-0721
E-mail: cphillips@plainscreek.com

ON BEHALF OF THE BOARD

(signed) "Carson Phillips"

Carson Phillips
Vice-President, Corporate Development and Director

Cautionary Statement

Statements in this release may be viewed as forward-looking statements. Such statements involve risks and uncertainties that could cause actual results to differ materially from those projected. There are no assurances the Company can fulfill such forward-statements and the Company undertakes no obligation to update statements. Such forward looking statements are only predictions; actual events or results may differ materially as a result of risks facing the Company, some of which are beyond the Company's control.

NEITHER TSX VENTURE EXCHANGE NOR ITS REGULATION SERVICES PROVIDER (AS THAT TERM IS DEFINED IN THE POLICIES OF THE TSX VENTURE EXCHANGE) ACCEPTS RESPONSIBILITY FOR THE ADEQUACY OR ACCURACY OF THIS RELEASE.