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NEWS RELEASE

PLAINS CREEK RECEIVES PRELIMINARY ECONOMIC ASSESSMENT FOR DIRECT SHIPPING OPTION PROJECT FOR FARIM PHOSPHATE PROJECT, GUINEA BISSAU, WEST AFRICA

July 30, 2012 – Vancouver, British Columbia: Plains Creek Phosphate Corporation (“**Plains Creek**”, the “**Company**”) (**TSX-V: PCP**) is pleased to announce the results of a Preliminary Economic Assessment (“**PEA**”) for the Direct Shipping Option (“**DSO**”) Project, the first step in the development of the GB Minerals AG Farim Phosphate Project located in Guinea Bissau, West Africa. The PEA was prepared by GBM Minerals Engineering Consultants Limited (“**GBMMEC**”) in conjunction with Golder Associates Limited (“**Golder**”), GEEEM Consultants and Tropica Environmental, all of whom are independent of the Company.

Summary of the DSO Project PEA

The Farim Phosphate Project consists of a high grade sedimentary phosphate deposit of one continuous phosphate bed, known as the FPA layer, which extends over a known surface area of approximately 40 km². A Measured and Indicated Resource of 32.60 million tonnes (“**Mt**”) of DSO phosphate has been identified within the Farim Phosphate Project for the DSO Project with a P₂O₅ grade in excess of 30.7 % and an average R₂O₃ content of 6.01%.

A 25 year mine life is planned for a total of 12.5 Mt of DSO phosphate (500,000 tonnes per annum), at an average grade of 30.7% P₂O₅ and less than 6% R₂O₃. Based on the current Measured and Indicated Resources the potential mine life for the DSO Project can be extended to in excess of 50 years at this production rate, based on the model and assumptions contained in the PEA.

The average strip ratio over the 25 year mine plan is 7.4:1 (bank cubic meters waste: tonne phosphate). The average thickness of phosphate deposit is approximately 4 meters over the life of the DSO Project. Average annual waste production is 3.6 Mm³. The mine plan grade has been optimized to remain above 30% P₂O₅ for each of the 25 years of mine life.

The current financial model assumes the mining of 12.5 million tonnes which is less than 38% of the recently announced Indicated and Measured DSO Resources. There is also potential to improve the Project economics by increasing the production rate and the life of mine, capital and working costs.

The Farim Phosphate Project has been granted a Mining Lease and a Production License by the Guinea-Bissau Government. This is valuable to optimizing the timetable for development and production.

The DSO Project encompasses the following general process flow:

- Contractor mining;
- Removal of overburden by a combination of excavators and trucks;
- Run of Mine (“**ROM**”) phosphate removed by excavators and trucks and stockpiled for loading and blending close to a barge loading system located some 1.5 km from the open pit mine;

- A number of barges moored to a floating pontoon will be loaded and taken to a bulk carrier vessel (of 25,000 tonnes capacity) moored to a floating ship loading facility off the Rio Casheu estuary for dispatch to customers and off takers;
- The river transport distance from the planned barge loading site at the mine site to the Rio Cacheu estuary ship loading facility on the Atlantic Ocean is approximately 150 kilometres; and
- ROM phosphate will also be available for supply to the in-country market as a direct application fertilizer.

PRELIMINARY ECONOMIC ASSESSMENT HIGHLIGHTS

All amounts in US dollars

Table 1: Summary of Physical Parameters of the DSO Project

Physical Parameter	Value
Mine Life	25 Years
Construction Period	1 Year
Operation	300 days per year
Total Life of Mine Production	12.5 million tonnes @ 30.7% P ₂ O ₅ and ≤ 6 % FeAl phosphate
Annual Sales	500,000 tonnes @ 30% P ₂ O ₅ phosphate
Revenue Guidance Estimate	US\$150 per tonne of phosphate FOB

The mine plan and financial outputs are based on a mining cutoff grade of 29% P₂O₅ that utilizes approximately 38% of the currently identified Direct Shipping Option Measured and Indicated phosphate mineral resources.

Table 2: Summary of DSO Project Costs

Item	Cost (USD)
Operating Costs	
Mining	US\$ 31.39 per tonne
Power and Electricity	US\$ 8.17 per tonne
General & Admin expenses	US\$ 5 per tonne
Marine Logistics	US\$ 9.12 per tonne
Total	US\$ 53.68 per tonne
Capital costs (life of mine)	
Pre-production stripping (incl mobilisation)	US\$ 19.27 million
Mine, Marine & Infrastructure (incl contingency)	US\$ 58.51 million
Sustaining	US\$ 64.75 million
Closure	US\$ 5 million

Item	Cost (USD)
Total Life of Mine capital costs	US\$ 147.53 million including contingency
Contingencies	25 %
Royalties 2 %	2 %

Capital costs have been further estimated as follows:

Table 3: DSO Project CAPEX Estimate (Area Breakdown)

Area #	Area Name	Total Capital [M USD]	Contingency [M USD]	Total Capital [M USD]	Percent Total
000	Project General	11.60	1.47	13.07	16.8%
100	Mine	21.91	8.03	34.43	44.3 %
200	Marine Logistics	13.93	8.23	24.97	32.1 %
300	Marine Infrastructure	3.70	1.70	5.40	6.8 %
	Total	58.44	19.43	77.87	100 %

Capital estimates include mine facilities and infrastructure, mining equipment, dewatering wells, stockpile loader, dyke construction, stockpile area, and ex-pit haul road construction.

Table 4: Cash Flow Analysis

Units	2013	2014	2015	2016	2017	2018	2019	2020-2039
Production								
Phosphate '000 dry tonne - Sales	100	400	501	500	500	500	500	9,500
Price Phosphate US\$/tonne	150	150	150	150	150	150	150	150
Sales US\$ '000	15,000	60,450	75,150	75,000	75,000	75,000	75,000	1,425,000
Cost of Sales								
Operating cost US\$/tonne	22	58.07	59.39	59.75	57.13	56.93	55.92	52
Total operating cost US\$ '000	2,200	23,286	29,754	29,875	28,565	28,465	27,960	494,000
EBITDA US\$ '000	12,800	37,164	45,396	45,125	46,435	46,435	47,040	931,000
CAPEX US\$ '000	77,780	2,590	2,590	2,590	2,590	2,590	2,590	49,210
Net cash flow before tax and	(64,980)	34,574	42,806	42,535	43,845	43,945	44,450	881,790

royalties US\$ '000								
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Considering the DSO Project on a stand-alone basis, the undiscounted pre-tax cash flow totals US\$ 1,082 million over the 25 year mine life. Operating cash flow averages US\$ 45.36 million per year and simple payback of preproduction capital is achieved after approximately 2 years of operation.

EBITDA as disclosed in the table above is a non-GAAP financial measure and does not have a standardized meaning and is therefore unlikely to be comparable to similar measures presented by other issuers.

The Internal Rate of Return (IRR) is 63%. Pre-tax Net Present Value (NPV) at various discount rates is shown in Table 5.

Table 5: Pre-tax NPV Sensitivity to Discount Rate

Rate	NPV
0 % (Undiscounted)	\$ 1,117million
5 %	\$ 552 million
10 %	\$ 338 million
15 %	\$ 179 million
20 %	\$ 106. million
25 %	\$ 67 million

The economic analysis contained in PEA is based, in part, on Measured and Indicated Resources, and is preliminary in nature. There is no certainty that the resources development, production and economic forecasts on which this PEA is based will be realized.

Mineral Resource Estimates

Summary

The Mineral Resource Estimate for the Farim Phosphate Project was completed by the Qualified Person, Dr. Marcelo Godoy of Golder in Santiago, Chile. Dr. Godoy meets the requirements of a Qualified Person for the purposes of NI 43-101 reporting and is independent from the Company.

The Mineral Resource estimate defines a Measured Resource of 64.6 Mt at an average grade of 29.11% P₂O₅, an Indicated Resource of 28.1 Mt at an average grade of 27.68% P₂O₅ and an Inferred Resource of 18.3 Mt at an average grade of 28.66% P₂O₅. No recoveries or dilution factors have been considered in this estimate and the estimate is strictly in situ, in accordance with NI 43-101 reporting guidelines for resources.

Resource Estimates

The mineral resources reported in this PEA were estimated using the Canadian Institute of Mining, Metallurgy and Petroleum (CIM) Standards on Mineral Resources and Reserves, Definitions and Guidelines prepared by the CIM Standing Committee on Reserve Definitions and are presented in the Table below.

Table 6: Mineral Resource Statement, Farim Phosphate Deposit, 16 May, 2012

Resource Class	Block	Tonnage (Mt)	P ₂ O ₅ (%)	FPA (m)	Al ₂ O ₃ (%)	CaO (%)	Fe ₂ O ₃ (%)	SiO ₂ (%)	Overburden (m)	S/R
Measured	North Of River	64.6	29.11	3.65	2.78	39.44	5.60	11.39	43.40	12.43
Indicated	North of River	17.7	26.93	3.15	2.62	40.14	5.19	10.64	39.50	13.18
	South Of River	10.3	28.96	2.61	5.36	36.37	4.59	11.68	29.05	12.11
	Sub total	28.1	27.68	2.95	3.63	38.75	4.97	11.02	35.65	12.79
Measured + Indicated	North of River	82.3	28.64	3.54	2.75	39.59	5.51	11.23	42.56	12.59
	South Of River	10.3	28.96	2.61	5.36	36.37	4.59	11.68	29.05	12.11
	Sub total	92.6	28.68	3.44	3.04	39.23	5.41	11.28	41.05	12.54
Inferred	North of River	3.4	27.36	2.75	2.75	39.30	5.21	11.05	42.70	15.81
	South Of River	14.9	28.96	2.35	6.30	35.78	4.57	11.64	29.45	13.19
	Sub total	18.3	28.66	2.42	5.64	36.43	4.69	11.53	31.90	13.67

Phosphate mineralization is still currently open to the west and poorly drilled to the south of the River Cacheu.

Key Assumptions and Methods

Golder prepared the Resource Estimate by modeling the Farim resource based on a two dimensional (2D) block model with 125 m x 125 m cells and 25 internal discrete nodes covering the extents of the FPA layer. The extents of the FPA layer were estimated based on the presence or absence of the FPA layer in the drill holes.

Exploratory data analysis and variography were carried out and variables were estimated using a three pass strategy, whereby each successive pass had an increased search radius and less restrictive sample selection criteria. This approach ensures all blocks received a value for each variable. Values were assigned using a combination of Ordinary Kriging and Inverse Distance Weighted methods for the following variables: P₂O₅; Al₂O₃; CaO; Fe₂O₃; SiO₂; FPA Thickness; and Overburden Thickness.

The stripping ratio was derived from the estimated overburden and FPA thicknesses. Classification was assigned to each block in the model based on a drilling spacing as follows:

- Measured Resource: Areas with drilling coverage of up to 500 m by 500 m and a P₂O₅ slope of regression greater or equal 0.65;
- Indicated Resource: Areas with drilling coverage of up to 1000 m by 1000 m and a P₂O₅ slope of regression greater or equal 0.4; and
- Inferred Resource: Areas within the extents of the FPA and not classified as Measured or Indicated.

A corridor following the Rio Cacheu was excluded and set to “unclassified” due to the uncertainty related to the extraction of material in this area. In addition, the resource estimate was divided into blocks corresponding to the location relative to the Rio Cacheu; “north” or “south”.

After applying the above criteria and the for the purpose of public reporting the resources where restricted to a minimum FPA thickness of 1.5 m and a stripping ratio no greater than 20:1. By applying these mining restrictions it is considered that the disclosed mineral resource estimates fulfill the requirement of “reasonable prospects for economic extraction”. Due to the consistent grade continuity, with grades above 27% P₂O₅ , a phosphate cut-off grade was not applied to report the Mineral Resource estimates.

Data Verification

Data verification was carried out by Golder and included independent sampling, a core logging check, drill hole collar survey checks and database integrity checks. No material issues were noted. Golder reviewed the quality assurance and quality control (QAQC) procedures reported from previous exploration campaigns. QAQC procedures and data from GB Minerals AG (which is the subsidiary of the Company that holds the title to Farim Phosphate Project) were reviewed by Golder. GB Minerals AG submitted a total of eight field duplicates and six standards samples in a total of 156 samples. No blanks were submitted.

There is no process design involved in the direct shipping of phosphate by sea transportation. During a site visit in May 2011, Golder reviewed the drilling, logging and sampling procedures employed by GB Minerals AG. A laboratory audit of both the sample preparation and assaying facilities was also carried out by Golder.

Data verification for resources was also extensively covered in the previously filed Technical Report of the Company dated February 10, 2011 filed on SEDAR under the Company’s profile at www.sedar.com.

Mining

The majority of the annual rainfall over the DSO Project area is concentrated in the period from July through September, and the DSO Project mine plan will carry out mining activities for 10 months out of the year to avoid the inefficiencies of mining during the higher rainfall months. Installed mining equipment capacity has been designed to produce the annual plan phosphate requirements and associated waste stripping within the 10 drier months of the year.

Key design elements of the DSO mining plan are water management and haul road maintenance. All mining areas must be fully dewatered in advance of mining activities. The proximity of the mine to the Rio Cacheu will require the construction of a protection dyke to prevent in-pit flooding.

Contractor mining has been selected, for the excavator / truck mining method for the DSO mining plan based on flexibility, lower initial capital, lower investment risk, grade control, and the ability to blend quality for required product specifications. Contractor mining has been proposed to minimize capital investment and to shorten the period to production which could arise from the availability of mining capital equipment and the shortage of in country manpower skills.

The remote nature of the Project, with limited power supply, precludes the use of electric mining equipment and all mining equipment selected for the DSO Project is diesel mobile equipment.

This mining method uses excavators and trucks to handle 100% of the overburden and DSO phosphate. Waste will be stripped and removed with 11 m³ to 12 m³ bucket front-end loaders or small hydraulic excavators matched with 50 ton haul trucks. The DSO phosphate will be mined with 3 m³ to 4 m³ bucket class backhoes matched with 35 t trucks.

ROM phosphate will be removed by excavators and trucks to a 20,000 tonne ROM pad for storage and blending. The ROM pad is located some 1.5km from the open pit and adjacent to the barge loading facility.

The DSO operation will mine 0.5 Mtpa of phosphate and will require a waste storage facility capable of holding 34 Mm³. The facility will be approximately 25 m high with a footprint of 1000 meters by 1500 meters.

Beneficiation

The ROM phosphate will be mined, blended if necessary and will be directly shipped with limited treatment or processing (if any).

Project Infrastructure and Product

The infrastructure requirements associated with the DSO project include the mine infrastructure, mine camp, offices, workshops, water treatment facilities, power generation and water supply.

River Transport and Loading

Transfer of phosphate from the ROM pad to the feed hopper of the barge loading facility will be by front end loader. The hopper will feed a conveyor system to load 2,700 t non-propelled barges. Sets of barges will then transport with the aid of a pusher tug down the Rio Cacheu to a seagoing vessel

The barges will be unloaded by the seagoing vessel anchored to a floating ship loading facility beyond the shallow waters (+ 12 meter deep) using clam shell unloaders. Possible mooring points accessible to vessels of capacity up to 25,000t have been identified in the estuary of the Rio Cacheu.

Recommendations

The results of the Preliminary Economic Assessment show that the DSO Project is robust from a technical and economic standpoint at the selected long term phosphate prices, and GBMMEC has recommended that the DSO Project continues to be advanced to the Feasibility Stage and that a production rate of 1 Mt per annum be investigated

Qualified Persons

Dr. Marcelo Godoy, MAusIMM (CP) of Golder in Santiago, Chile, who is a Qualified Person as defined in NI 43-101, prepared and is responsible for the Mineral Resource Estimate for the Farim Phosphate Project as disclosed in this news release. In addition, the following other Qualified Persons prepared (or supervised and approved the preparation thereof) and are responsible for other parts of the PEA, which are referred to in this news release: Michael Short, FIMMM, C.Eng. of GBMMEC, Ian Jackson, B.Eng, ACSM, C.Eng., MIMMM (CP) of GBMMEC, Richard Elmer, C.Eng., MIMMM (CP) of Golder, and Terry Kremmel, PE (MO and NC), SME (CP) of Golder. All of these Qualified Persons are independent from the Company.

About Plains Creek Phosphate Corporation

Plains Creek Phosphate Corporation is a Canadian mining and exploration company focused on advancing the Farim Phosphate Project located in Guinea-Bissau, West Africa. The Farim Project currently comprises a phosphate deposit consisting of one continuous flat lying phosphate bed with a NI 43-101 compliant Mineral Resource estimate that defines a Measured Resource of 64.6 MT at an average grade of 29.11% P₂O₅, an Indicated Resource of 28.1 Mt at an average grade of 27.68 % P₂O₅ and an Inferred Resource of 18.3 Mt at an average grade of 28.66 % P₂O₅. A two phased development is planned for the Farim Phosphate Project as an open pit mining

operation. Phase One consists of a Direct Shipping Option Project with an annual phosphate production of 0.5 Mt per annum and Phase Two which consists of the production of 2 Mt per annum of phosphate rock concentrate and includes a beneficiation plant and associated infrastructure, pipeline and port.

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.

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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. In addition, pursuant to National Instrument 43-101, the Company cautions that mineral resources that are not mineral reserves do not have demonstrated economic viability.

The reader should be cautioned that there are risks that could affect the potential development of the Project's mineral resources, which include: the political instability in Africa and Guinea Bissau in particular, which is where the Project is located; and that additional financing will be required to ultimately develop the Project and the ability to obtain such financing on favorable terms will be affected by prevailing market conditions. A more detailed discussion of such risks are outlined in the Company's Filing Statement dated February 22, 2011 which is filed under the Company's profile on SEDAR at www.sedar.com.

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