



1660 – 401 West Georgia Street Vancouver, B.C. V6B 5A1
Telephone: (604) 569-0721 Fax: (604) 569-1617

NEWS RELEASE

**PLAINS CREEK PROVIDES UPDATE FOR THE DEVELOPMENT OF THE FARIM PHOSPHATE PROJECT,
GUINEA BISSAU, WEST AFRICA**

August 28, 2012 – Vancouver, British Columbia: Plains Creek Phosphate Corporation (“**Plains Creek**” or the “**Company**”) (TSX-V: PCP) is pleased to provide an update on the development of its Farim Phosphate Project located in Guinea Bissau, West Africa.

Preliminary Economic Assessment – Direct Shipping Option

The previously announced Preliminary Economic Assessment (“PEA”) for the Direct Shipping Option (“DSO”) Project will be filed on SEDAR on or before 15th September 2012.

A presentation has been compiled on the 500,000 tonnes per annum phosphate rock DSO Project and is available on the Company’s website – www.plainscreek.com.

Off take Agreements and Strategic Partners

The Company has been active in discussions with potential off-takers for the DSO phosphate rock and the phosphate rock concentrate product. There is a greater preference for the phosphate rock concentrate product from off-takers because of the higher P₂O₅ content and lower impurity levels (particularly iron and alumina oxides) that result from the beneficiation of the phosphate rock. In addition the phosphate rock would be subject to price discounts due to the lower P₂O₅ content and impurities compared to the phosphate rock concentrate product.

Plains Creek has also been engaged in discussions with strategic investors who would be prepared to contribute towards the corporate funding of the Company and the project level funding necessary to develop the Farim Phosphate Project.

One Million tonne per Annum Phosphate Rock Concentrate Feasibility Study

Based on the positive results from the PEA DSO and the better off-take demand and prices for the beneficiated phosphate rock concentrate product, the Company has decided to prepare a Feasibility Study for a one million tonne per annum phosphate rock concentrate project. This project combines the advantages of the DSO – namely lower capital investment, time to production, contract mining, higher grade run of mine phosphate, lower stripping ratios and the use of river barges to transport the phosphate rock concentrate product to the Rio Cacheu estuary for transshipment onto ocean going vessels and the better product specifications and prices obtained from beneficiation. This Feasibility Study is slated for completion by 30th September 2012.

Two Million tonne per Annum Phosphate Rock Concentrate Bankable Feasibility Study

The Stage 2 beneficiated two million tonne per annum phosphate rock concentrate project slated to process the balance of the existing phosphate resource will be delayed to allow completion of the above one million tonne per annum phosphate rock concentrate project. This two million tonne per year phosphate rock concentrate project will be completed by 31st October 2012.

Summary

The three alternative production scenarios, namely: (1) the DSO product, (2) the 1 million tonne per annum, and (3) the 2 million tonne per annum phosphate rock concentrate product, which have been investigated above will provide the Company with three alternatives for the progressive development of the Farim Phosphate Project, depending on the phosphate market conditions, the economic and political climate in Guinea Bissau and the availability of capital and skilled manpower to develop the Farim Phosphate project.

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 high grade 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 either a Direct Shipping Option Project with an annual phosphate production of 0.5 Mt per annum or a 1 Mt per annum phosphate rock concentrate project 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.

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

Forward-Looking Statements

Statements in this news 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.

Factors that contribute to risk include, among others, delay or failure to receive regulatory, shareholder or other required approvals to complete the Farim Phosphate Project, timing and ability to raise capital on acceptable terms, not realizing the potential benefits of the Farim Phosphate Project, risks related to the actual results of exploration activities, conclusions of economic evaluations, risks associated with mining and mineral exploration activities, uncertainty in the estimation of mineral resources, including, without limitation, the assumptions on which such estimates are based, changes in project parameters as plans continue to be refined, future prices of metals, economic and political stability in Guinea Bissau, environmental risks and hazards, increased infrastructure and/or operating costs, availability of future financing, labour and employment matters, and government regulation. There is no guarantee that any drill targets or economic mineral deposits will be found on the Plains Creek's properties. For a more detailed discussion of such risks and other factors, refer to the most recent Management Discussion and Analysis of the Company filed with Canadian securities regulators available on www.sedar.com.

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