

ASX Announcement



18 February 2013

COMPANY DETAILS

ABN: 62 147 346 334

PRINCIPLE AND REGISTERED OFFICE

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ASX CODE

PWN

OTC-QX CODE

PWNNY

CORPORATE INFORMATION

(13 February 2013)

84M Ordinary shares
3M Unlisted Options

BOARD OF DIRECTORS

Adrian Griffin
(Non-Executive Chairman)
Patrick McManus
(Managing Director)
George Sakalidis
(Non-Executive Director)
Gary Johnson
(Non-Executive Director)

POTASH WEST TO RAISE \$3.1 MILLION IN EQUITY VIA A RENOUNCEABLE ENTITLEMENT ISSUE

Key Details:

- **Entitlement issue to shareholders to raise approximately \$3.1 million**
- **Options, if exercised, could raise up to \$4.2 million in additional funds**
- **Provides Potash West with funding for near term new venture activity and further exploration on the Company's assets**
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Potash West NL (ASX: PWN) (“Potash West” or “The Company”) is pleased to announce today the launch of an equity raising of approximately \$3.1 million. The equity raising is being conducted by way of a 1 for 6 renounceable entitlement offer, with attaching options, to all eligible shareholders to raise approximately \$3.1 million.

Use of Proceeds of Entitlement Offer

The purpose of the Offer is to raise up to \$3,072,513.84 (before expenses). The funds raised will be allocated to the general working capital of the Company to be used to advance the feasibility studies of the Company's assets in the Dandaragan Trough.

Overview of Entitlement Offer

The Directors of the Potash West have resolved that the Company will make a pro rata renounceable offer of one (1) share for every six (6) shares held at \$0.22 per share plus one (1) free attaching Class A option exercisable at \$0.30 per option on or before 15 March 2015 for every new shares held by Shareholders to raise up to \$3,072,513.84.

Based on the capital structure of the Company (and assuming no existing options are exercised prior to the Record Date), the maximum number of shares to be issued pursuant to the Offer is 13,965,972. The Offer will raise \$3,072,513.84.

Holders of existing options will not be entitled to participate in the Offer. The Company currently has 3,300,000 options on issue, which may be exercised by the option holder prior to the Record Date in order to participate in the Offer.

Entitlements to shares and options pursuant to the Offer are renounceable and accordingly, rights will be traded on ASX.

Indicative Timetable

| Event | Date |
|---|-----------------------------|
| Prospectus lodged with ASIC and ASX | Pre market 18 February 2013 |
| Notices sent to Shareholders | 19 February 2013 |
| 'Ex' Date Rights Trading Commences | 20 February 2013 |
| Record Date for determining Shareholders' Entitlements | 26 February 2013 |
| Despatch of Prospectus to Eligible Shareholders Opening Date | 1 March 2013 |
| Rights Trading Ends | 15 March 2013 |
| New Securities quoted on a deferred settlement basis | 18 March 2013 |
| Closing Date for acceptances and payment | 22 March 2013 |
| ASX notified of under-subscriptions | 27 March 2013 |
| Despatch date/New Securities entered into Shareholders' security holdings | 3 April 2013 |

The timetable is subject to change. Potash West reserves the right to withdraw or vary the timetable for the offer without notice. The commencement of quotation of new securities is subject to confirmation from the ASX.

The Company lodged a Prospectus for the Offer at the Australian Securities & Investment Commission on 18 February 2013. The Prospectus will be mailed to each Eligible Shareholder registered in the share register on the Record Date. Each Shareholder's entitlement under the Offer will be set out in the Entitlement and Acceptance Form that will accompany the Prospectus.

Shareholders should consult their brokers or professional advisors in regards to the definition of 'Ex' Date and Record Date to ensure that their entitlement to participate in the offer is assured.

For further information contact:

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