



Suite 3
23 Belgravia Street
Belmont WA 6104

PO Box 588
Belmont WA 6984

Telephone: +61 (0) 8 9479 5386

Fax: +61 (0) 8 9475 0847

info@potashwest.com.au

www.potashwest.com.au

18 February 2013

Dear Option holder

Renounceable Entitlement Offer

The Directors of the Potash West NL have resolved that the Company will make a pro rata renounceable offer of one (1) new Share for every six (6) Shares held at \$0.22 per new Share plus one (1) free attaching Class A Option exercisable at \$0.30 per Option on or before 15 March 2015 for every new Share issued (Offer).

The Offer will be made to Potash West NL shareholders who are registered as at 5.00pm WST on 26 February 2013 (Record Date).

As an Option holder in the Company, you are not entitled to participate in the Offer. However, should you exercise your options prior to the Record Date, the Shares issued as a result of the exercise will be eligible to participate in the Offer.

Please contact the Company's share registry: Advanced Share Registry Services on +61 8 9389 8033 or email admin@advancedshare.com.au for a copy of the option exercise form.

The last closing market sale price of the Shares on ASX on the last day that trading took place in the Shares prior to the date of this letter was \$0.245. The Company is pleased to announce the important dates for the Offer are as follows:

Lodgement of Prospectus	18 February 2013
'Ex' Date	20 February 2013
Record Date	26 February 2013
Acceptance closes at 5pm WST	22 March 2013

Applicants 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.

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 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.



The Company will be applying for quotation of the A Class Options exercisable at \$0.30 each on or before 15 March 2015.

Yours faithfully

A handwritten signature in black ink, appearing to read "P. McManus".

Patrick McManus
Managing Director