

Rule 2.7, 3.10.3, 3.10.4, 3.10.5

## Appendix 3B

### New issue announcement, application for quotation of additional securities and agreement

*Information or documents not available now must be given to ASX as soon as available. Information and documents given to ASX become ASX's property and may be made public.*

Introduced 01/07/96 Origin: Appendix 5 Amended 01/07/98, 01/09/99, 01/07/00, 30/09/01, 11/03/02, 01/01/03, 24/10/05, 01/08/12, 04/03/13

Name of entity

Potash West NL

ABN

62 147 346 334

We (the entity) give ASX the following information.

#### Part 1 - All issues

*You must complete the relevant sections (attach sheets if there is not enough space).*

- |   |   |  |
|---|---|--|
| 1 | +Class of +securities issued or to be issued  | 1) Ordinary Fully Paid Shares<br>2) Ordinary Partly Paid Shares (deemed to be paid to \$0.001)   |
| 2 | Number of +securities issued or to be issued (if known) or maximum number which may be issued   | 1) 18,804,213 Ordinary Fully Paid Shares<br>2) 56,412,638 Ordinary Partly Paid Shares  |
| 3 | Principal terms of the +securities (e.g. if options, exercise price and expiry date; if partly paid +securities, the amount outstanding and due dates for payment; if +convertible securities, the conversion price and dates for conversion) | 1) Ordinary Fully Paid Shares<br>2) The Ordinary Partly Paid Shares are issued at a total issue price of \$0.05 each and are deemed to be paid up to \$0.001 upon issue. No cash consideration is payable upon issue and the initial unpaid amount is \$0.049 each. The Company will not make any call in respect of the unpaid amount within the first 6 months of issue. After that date the Company will not call more than \$0.02 in any 6 month period. |

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<p>4 Do the +securities rank equally in all respects from the +issue date with an existing +class of quoted +securities?</p> <p>If the additional +securities do not rank equally, please state:</p> <ul style="list-style-type: none"> <li>• the date from which they do</li> <li>• the extent to which they participate for the next dividend, (in the case of a trust, distribution) or interest payment</li> <li>• the extent to which they do not rank equally, other than in relation to the next dividend, distribution or interest payment</li> </ul>	<p>1) Yes</p> <p>2) No. The Ordinary Partly Paid Shares:</p> <ul style="list-style-type: none"> <li>• will rank equally in all respects with the Ordinary Fully Paid Shares from the date that they are paid up in full;</li> <li>• carry the right to participate in dividends on the same basis as Ordinary Fully Paid Shares unless a call has been made and that call is due and unpaid;</li> <li>• carry the right to participate in bonus issues in the proportion which the amount paid (not credited) bears to the total amounts paid and payable (excluding amounts credited);</li> <li>• carry the right to vote in the proportion which the amount paid (not credited) bears to the total amounts paid and payable (excluding amounts credited).</li> </ul>
<p>5 Issue price or consideration</p>	<p>1) \$0.05 each</p> <p>2) Nil cash consideration as they are part of a bonus offer of Ordinary Partly Paid Shares to eligible shareholders. However, the Ordinary Partly Paid Shares will have a total issue price of \$0.05 each and will be deemed to be paid up to \$0.001 upon issue.</p>
<p>6 Purpose of the issue          (If issued as consideration for the acquisition of assets, clearly identify those assets)</p>	<p>1) A one (1) for five (5) fully underwritten non-renounceable pro rata entitlement offer of Ordinary Fully Paid Shares to raise funds to advance feasibility studies on the Company's Dandaragan Trough project and manage the patents for the K-Max process.</p> <p>2) A one (1) for two (2) non-renounceable pro rata bonus issue of Ordinary Partly Paid Shares to reward shareholders for their loyalty and provide shareholders with an opportunity to participate in the continued growth of the Company.</p>
<p>6a Is the entity an +eligible entity that has obtained security holder approval under rule 7.1A?</p> <p>If Yes, complete sections 6b – 6h in relation to the +securities the subject of this Appendix 3B, and comply with section 6i</p>	<p>Yes</p>

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6b	The date the security holder resolution under rule 7.1A was passed	25 November 2013
6c	Number of +securities issued without security holder approval under rule 7.1	Nil
6d	Number of +securities issued with security holder approval under rule 7.1A	Nil
6e	Number of +securities issued with security holder approval under rule 7.3, or another specific security holder approval (specify date of meeting)	Nil
6f	Number of +securities issued under an exception in rule 7.2	1) 18,804,213 Ordinary Fully Paid Shares pursuant to a fully underwritten, non-renounceable pro rata entitlement offer, pursuant to exceptions 1, 2 and 3 2) 56,412,638 Ordinary Partly Paid Shares pursuant to a non-renounceable pro rata bonus issue, pursuant to exception 1
6g	If +securities issued under rule 7.1A, was issue price at least 75% of 15 day VWAP as calculated under rule 7.1A.3? Include the +issue date and both values. Include the source of the VWAP calculation.	N/A
6h	If +securities were issued under rule 7.1A for non-cash consideration, state date on which valuation of consideration was released to ASX Market Announcements	N/A
6i	Calculate the entity's remaining issue capacity under rule 7.1 and rule 7.1A – complete Annexure 1 and release to ASX Market Announcements	Refer Annexure 1
7	<p>+Issue dates</p> <p><small>Note: The issue date may be prescribed by ASX (refer to the definition of issue date in rule 19.12). For example, the issue date for a pro rata entitlement issue must comply with the applicable timetable in Appendix 7A.</small></p> <p><small>Cross reference: item 33 of Appendix 3B.</small></p>	1) On or about 24 February 2014 2) On or about 31 March 2014

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	Number	+Class
8 Number and +class of all +securities quoted on ASX (including the +securities in section 2 if applicable)	112,825,277	Ordinary Fully Paid Shares
	56,412,638	Ordinary Partly Paid Shares (paid to \$0.001, unpaid \$0.049)
	8,221,457	\$0.300 listed options expiring 15 March 2015

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9	Number and +class of all +securities not quoted on ASX (including the +securities in section 2 if applicable)	<table border="1"> <thead> <tr> <th data-bbox="784 239 1065 275">Number</th> <th data-bbox="1065 239 1341 275">+Class</th> </tr> </thead> <tbody> <tr> <td data-bbox="784 275 1065 390">500,000</td> <td data-bbox="1065 275 1341 390">\$0.300 unlisted options expiring 8 September 2014</td> </tr> <tr> <td data-bbox="784 390 1065 506">1,250,000</td> <td data-bbox="1065 390 1341 506">\$0.280 unlisted options expiring 30 November 2014</td> </tr> <tr> <td data-bbox="784 506 1065 621">1,000,000</td> <td data-bbox="1065 506 1341 621">\$0.130 unlisted options expiring 25 October 2015</td> </tr> <tr> <td data-bbox="784 621 1065 737">1,350,000</td> <td data-bbox="1065 621 1341 737">\$0.355 unlisted options expiring 13 November 2015</td> </tr> <tr> <td data-bbox="784 737 1065 852">100,000</td> <td data-bbox="1065 737 1341 852">\$0.400 unlisted options expiring 8 September 2016</td> </tr> <tr> <td data-bbox="784 852 1065 968">100,000</td> <td data-bbox="1065 852 1341 968">\$0.600 unlisted options expiring 8 September 2016</td> </tr> </tbody> </table>	Number	+Class	500,000	\$0.300 unlisted options expiring 8 September 2014	1,250,000	\$0.280 unlisted options expiring 30 November 2014	1,000,000	\$0.130 unlisted options expiring 25 October 2015	1,350,000	\$0.355 unlisted options expiring 13 November 2015	100,000	\$0.400 unlisted options expiring 8 September 2016	100,000	\$0.600 unlisted options expiring 8 September 2016
Number	+Class															
500,000	\$0.300 unlisted options expiring 8 September 2014															
1,250,000	\$0.280 unlisted options expiring 30 November 2014															
1,000,000	\$0.130 unlisted options expiring 25 October 2015															
1,350,000	\$0.355 unlisted options expiring 13 November 2015															
100,000	\$0.400 unlisted options expiring 8 September 2016															
100,000	\$0.600 unlisted options expiring 8 September 2016															
10	Dividend policy (in the case of a trust, distribution policy) on the increased capital (interests)	N/A														

## Part 2 - Pro rata issue

11	Is security holder approval required?	1 & 2) No
12	Is the issue renounceable or non-renounceable?	1 & 2) Non-Renounceable
13	Ratio in which the +securities will be offered	1) 1 New Ordinary Fully Paid Share for every 5 Shares held 2) 1 New Ordinary Partly Paid Share for every 2 Shares held
14	+Class of +securities to which the offer relates	1) Ordinary Fully Paid Shares 2) Ordinary Partly Paid Shares (paid to \$0.001, Unpaid \$0.049)

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15	*Record date to determine entitlements	1) 5:00pm WST 28 January 2014 2) 5:00pm WST 24 March 2014
16	Will holdings on different registers (or subregisters) be aggregated for calculating entitlements?	1 & 2) Yes
17	Policy for deciding entitlements in relation to fractions	1 & 2) Rounded to the nearest whole number
18	Names of countries in which the entity has security holders who will not be sent new offer documents  <small>Note: Security holders must be told how their entitlements are to be dealt with.  Cross reference: rule 7.7.</small>	1 & 2) Only shareholders with a registered address in Australia and New Zealand and certain approved shareholders in Singapore and Malaysia (as described in the prospectus lodged with ASX today) will receive the offer documentation.
19	Closing date for receipt of acceptances or renunciations	1) 5:00pm WST 14 February 2014 2) N/A
20	Names of any underwriters	1) Barclay Wells Ltd 2) N/A
21	Amount of any underwriting fee or commission	1) \$56,413 2) N/A
22	Names of any brokers to the issue	1 & 2) N/A
23	Fee or commission payable to the broker to the issue	N/A
24	Amount of any handling fee payable to brokers who lodge acceptances or renunciations on behalf of security holders	N/A
25	If the issue is contingent on security holders' approval, the date of the meeting	N/A
26	Date entitlement and acceptance form and offer documents will be sent to persons entitled	1 & 2) 31 January 2014

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+ See chapter 19 for defined terms.

- |    |   |                        |
|----|---|------------------------|
| 27 | If the entity has issued options, and the terms entitle option holders to participate on exercise, the date on which notices will be sent to option holders | 1 & 2) 15 January 2014 |
| 28 | Date rights trading will begin (if applicable)  | N/A                    |

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- 29 Date rights trading will end (if applicable)
- 30 How do security holders sell their entitlements *in full* through a broker?
- 31 How do security holders sell *part* of their entitlements through a broker and accept for the balance?
- 32 How do security holders dispose of their entitlements (except by sale through a broker)?
- 33 <sup>+</sup>Issue date

**Part 3 - Quotation of securities**

*You need only complete this section if you are applying for quotation of securities*

34 Type of <sup>+</sup>securities  
(tick one)

(a)  <sup>+</sup>Securities described in Part 1

(b)  All other <sup>+</sup>securities

Example: restricted securities at the end of the escrowed period, partly paid securities that become fully paid, employee incentive share securities when restriction ends, securities issued on expiry or conversion of convertible securities

**Entities that have ticked box 34(a)**

**Additional securities forming a new class of securities**

*Tick to indicate you are providing the information or documents*

35  If the <sup>+</sup>securities are <sup>+</sup>equity securities, the names of the 20 largest holders of the additional <sup>+</sup>securities, and the number and percentage of additional <sup>+</sup>securities held by those holders

36  If the <sup>+</sup>securities are <sup>+</sup>equity securities, a distribution schedule of the additional <sup>+</sup>securities setting out the number of holders in the categories  
1 - 1,000  
1,001 - 5,000  
5,001 - 10,000  
10,001 - 100,000  
100,001 and over

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<sup>+</sup> See chapter 19 for defined terms.



37  A copy of any trust deed for the additional +securities

**Entities that have ticked box 34(b)**

38 Number of +securities for which +quotation is sought

39 +Class of +securities for which quotation is sought

40 Do the +securities rank equally in all respects from the +issue date with an existing +class of quoted +securities?

If the additional +securities do not rank equally, please state:

- the date from which they do
- the extent to which they participate for the next dividend, (in the case of a trust, distribution) or interest payment
- the extent to which they do not rank equally, other than in relation to the next dividend, distribution or interest payment

41 Reason for request for quotation now

Example: In the case of restricted securities, end of restriction period

(if issued upon conversion of another +security, clearly identify that other +security)

	Number	+Class
42 Number and +class of all +securities quoted on ASX (including the +securities in clause 38)		

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**Quotation agreement**

- 1 +Quotation of our additional +securities is in ASX's absolute discretion. ASX may quote the +securities on any conditions it decides.
  
- 2 We warrant the following to ASX.
  - The issue of the +securities to be quoted complies with the law and is not for an illegal purpose.
  - There is no reason why those +securities should not be granted +quotation.
  - An offer of the +securities for sale within 12 months after their issue will not require disclosure under section 707(3) or section 1012C(6) of the Corporations Act.  
Note: An entity may need to obtain appropriate warranties from subscribers for the securities in order to be able to give this warranty
  - Section 724 or section 1016E of the Corporations Act does not apply to any applications received by us in relation to any +securities to be quoted and that no-one has any right to return any +securities to be quoted under sections 737, 738 or 1016F of the Corporations Act at the time that we request that the +securities be quoted.
  - If we are a trust, we warrant that no person has the right to return the +securities to be quoted under section 1019B of the Corporations Act at the time that we request that the +securities be quoted.
  
- 3 We will indemnify ASX to the fullest extent permitted by law in respect of any claim, action or expense arising from or connected with any breach of the warranties in this agreement.
  
- 4 We give ASX the information and documents required by this form. If any information or document is not available now, we will give it to ASX before +quotation of the +securities begins. We acknowledge that ASX is relying on the information and documents. We warrant that they are (will be) true and complete.

Sign here:   
Director

Date: 15 January 2014

Print name: Patrick McManus

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+ See chapter 19 for defined terms.

# Appendix 3B – Annexure 1

## Calculation of placement capacity under rule 7.1 and rule 7.1A for eligible entities

Introduced 01/08/12 Amended 04/03/13

### Part 1

<b>Rule 7.1 – Issues exceeding 15% of capital</b>	
<b><i>Step 1: Calculate “A”, the base figure from which the placement capacity is calculated</i></b>	
<b><i>Insert</i></b> number of fully paid +ordinary securities on issue 12 months before the +issue date or date of agreement to issue	83,795,833
<b><i>Add</i></b> the following: <ul style="list-style-type: none"> <li>• Number of fully paid +ordinary securities issued in that 12 month period under an exception in rule 7.2</li> <li>• Number of fully paid +ordinary securities issued in that 12 month period with shareholder approval</li> <li>• Number of partly paid +ordinary securities that became fully paid in that 12 month period</li> </ul>	<div style="margin-bottom: 10px;">8,225,231</div> <div style="margin-bottom: 10px;">Nil</div> <div>Nil</div>
<b><i>Note:</i></b> <ul style="list-style-type: none"> <li>• <i>Include only ordinary securities here – other classes of equity securities cannot be added</i></li> <li>• <i>Include here (if applicable) the securities the subject of the Appendix 3B to which this form is annexed</i></li> <li>• <i>It may be useful to set out issues of securities on different dates as separate line items</i></li> </ul>	
<b><i>Subtract</i></b> the number of fully paid +ordinary securities cancelled during that 12 month period	Nil
<b>“A”</b>	92,021,064

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<b>Step 2: Calculate 15% of “A”</b>	
<b>“B”</b>	0.15 <i>[Note: this value cannot be changed]</i>
<b>Multiply “A” by 0.15</b>	13,803,160
<b>Step 3: Calculate “C”, the amount of placement capacity under rule 7.1 that has already been used</b>	
<p><b>Insert</b> number of +equity securities issued or agreed to be issued in that 12 month period <i>not counting</i> those issued:</p> <ul style="list-style-type: none"> <li>• Under an exception in rule 7.2</li> <li>• Under rule 7.1A</li> <li>• With security holder approval under rule 7.1 or rule 7.4</li> </ul> <p><i>Note:</i></p> <ul style="list-style-type: none"> <li>• <i>This applies to equity securities, unless specifically excluded – not just ordinary securities</i></li> <li>• <i>Include here (if applicable) the securities the subject of the Appendix 3B to which this form is annexed</i></li> <li>• <i>It may be useful to set out issues of securities on different dates as separate line items</i></li> </ul>	2,000,000 Ordinary Fully Paid Shares 1,000,000 \$0.13 Unlisted Options Expiring 25 October 2015
<b>“C”</b>	3,000,000
<b>Step 4: Subtract “C” from [“A” x “B”] to calculate remaining placement capacity under rule 7.1</b>	
<b>“A” x 0.15</b> <i>Note: number must be same as shown in Step 2</i>	13,803,160
<b>Subtract “C”</b> <i>Note: number must be same as shown in Step 3</i>	3,000,000
<b>Total [“A” x 0.15] – “C”</b>	10,803,160 <i>[Note: this is the remaining placement capacity under rule 7.1]</i>

+ See chapter 19 for defined terms.

## Part 2

<b>Rule 7.1A – Additional placement capacity for eligible entities</b>	
<b>Step 1: Calculate “A”, the base figure from which the placement capacity is calculated</b>	
<b>“A”</b> <i>Note: number must be same as shown in Step 1 of Part 1</i>	92,021,064
<b>Step 2: Calculate 10% of “A”</b>	
<b>“D”</b>	0.10 <i>Note: this value cannot be changed</i>
<b>Multiply “A” by 0.10</b>	9,202,106
<b>Step 3: Calculate “E”, the amount of placement capacity under rule 7.1A that has already been used</b>	
<b>Insert</b> number of +equity securities issued or agreed to be issued in that 12 month period under rule 7.1A  <i>Notes:</i> <ul style="list-style-type: none"> <li>• <i>This applies to equity securities – not just ordinary securities</i></li> <li>• <i>Include here – if applicable – the securities the subject of the Appendix 3B to which this form is annexed</i></li> <li>• <i>Do not include equity securities issued under rule 7.1 (they must be dealt with in Part 1), or for which specific security holder approval has been obtained</i></li> <li>• <i>It may be useful to set out issues of securities on different dates as separate line items</i></li> </ul>	Nil
<b>“E”</b>	Nil

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<b>Step 4: Subtract “E” from [“A” x “D”] to calculate remaining placement capacity under rule 7.1A</b>	
“ <b>A</b> ” x 0.10 <i>Note: number must be same as shown in Step 2</i>	9,202,106
<b>Subtract “E”</b> <i>Note: number must be same as shown in Step 3</i>	Nil
<b>Total</b> [“A” x 0.10] – “E”	9,202,106 <i>Note: this is the remaining placement capacity under rule 7.1A</i>

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+ See chapter 19 for defined terms.