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**POTASH WEST NL**

**ABN 62 147 346 334**

**NOTICE OF ANNUAL GENERAL MEETING**

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**TIME:** 2.00pm WST  
**DATE:** Wednesday, 26 November 2014  
**PLACE:** Potash West NL  
Suite 3  
23 Belgravia Street  
Belmont WA 6104

***This Notice of Meeting should be read in its entirety. If Shareholders are in doubt as to how they should vote, they should seek advice from their professional advisers prior to voting.***

***Should you wish to discuss the matters in this Notice of Meeting please do not hesitate to contact the Company Secretary on (08) 9479 5386.***

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## TIME AND PLACE OF MEETING AND HOW TO VOTE

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### VENUE

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The Annual General Meeting of the Shareholders of Potash West NL which this Notice of Annual General Meeting relates to will be held at 2.00pm WST on Wednesday, 26 November 2014 at the offices of Potash West NL: **Suite 3, 23 Belgravia Street, Belmont WA 6104.**

### YOUR VOTE IS IMPORTANT

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The business of the Annual General Meeting affects your shareholding and your vote is important.

### VOTING IN PERSON

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To vote in person, attend the Annual General Meeting on the date and at the place set out above.

### VOTING BY PROXY

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To vote by proxy, please complete and sign the enclosed Proxy Form and return by the time and in accordance with the instructions set out on the Proxy Form.

Sections 250BB and 250BC of the Corporations Act came into effect on 1 August 2011 and apply to voting by proxy on or after that date. Shareholders and their proxies should be aware of these changes to the Corporations Act, as they will apply to this Annual General Meeting. Broadly, the changes mean that:

- if proxy holders vote, they must cast all 'directed' proxies as directed; and
- any directed proxies which are not voted will automatically default to the Chair, who must vote the proxies as directed.

Further details on these changes are set out below.

#### **Proxy vote if appointment specifies way to vote**

Section 250BB(1) of the Corporations Act provides that an appointment of a proxy may specify the way the proxy is to vote on a particular resolution and, **if it does:**

- the proxy need not vote on a show of hands, but if the proxy does so, the proxy must vote that way (i.e. as directed); and
- if the proxy has 2 or more appointments that specify different ways to vote on the resolution – the proxy must not vote on a show of hands; and

- if the proxy is the chair of the meeting at which the resolution is voted on – the proxy must vote on a poll, and must vote that way (i.e. as directed); and
- if the proxy is not the chair – the proxy need not vote on the poll, but if the proxy does so, the proxy must vote that way (i.e. as directed).

***Transfer of non-chair proxy to chair in certain circumstances***

Section 250BC of the Corporations Act provides that, if:

- an appointment of a proxy specifies the way the proxy is to vote on a particular resolution at a meeting of the Company's members; and
- the appointed proxy is not the chair of the meeting; and
- at the meeting, a poll is duly demanded on the question that the resolution be passed; and
- either of the following applies:
  - if a record of attendance is made for the meeting - the proxy is not recorded as attending the meeting;
  - the proxy does not vote on the resolution,

the chair of the meeting is taken, before voting on the resolution closes, to have been appointed as the proxy for the purposes of voting on the resolution at the meeting.

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## NOTICE OF ANNUAL GENERAL MEETING

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Notice is given that the Annual General Meeting of Shareholders of Potash West NL will be held at the offices of Potash West NL: Suite 3, 23 Belgravia Street, Belmont WA 6104 at 2.00pm WST on Wednesday, 26 November 2014.

The Explanatory Statement to this Notice of Meeting provides additional information on matters to be considered at the Annual General Meeting. The Explanatory Statement and the Proxy Form are part of this Notice of Meeting.

The Directors have determined pursuant to Regulation 7.11.37 of the *Corporations Regulations 2001* (Cth) that the persons eligible to vote at the Annual General Meeting are those who are registered Shareholders at 4:00pm WST on Monday, 24 November 2014.

Terms and abbreviations used in this Notice of Meeting and Explanatory Statement are defined in the Glossary.

### AGENDA

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#### Reports and Accounts

To receive the financial report of the Company for the year ended 30 June 2014, together with the directors' report and the auditor's report.

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#### 1. RESOLUTION 1 – ADOPTION OF REMUNERATION REPORT (NON-BINDING)

To consider and, if thought fit, to pass, with or without amendment, the following resolution as a **non-binding resolution**:

*"That, for the purposes of section 250R(2) of the Corporations Act and for all other purposes, approval is given for the Company to adopt the remuneration report as contained in the Company's annual financial report for the financial year ended 30 June 2014."*

**Note: the vote on this Resolution is advisory only and does not bind the Directors or the Company.**

#### Voting Prohibition Statement:

A vote on this Resolution must not be cast (in any capacity) by or on behalf of any of the following persons:

- (a) a member of the Key Management Personnel, details of whose remuneration are included in the Remuneration Report; or
- (b) a Closely Related Party of such a member.

However, a person (the **voter**) described above may cast a vote on this Resolution as a proxy if the vote is not cast on behalf of a person described above and either:

- (a) the voter is appointed as a proxy by writing that specifies the way the proxy is to vote on this Resolution; or
- (b) the voter is the Chair and the appointment of the Chair as proxy:
  - (i) does not specify the way the proxy is to vote on this Resolution; and

- (ii) expressly authorises the Chair to exercise the proxy even though this Resolution is connected directly or indirectly with the remuneration of a member of the Key Management Personnel.

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## 2. RESOLUTION 2 – RE-ELECTION OF DIRECTOR – GEORGE SAKALIDIS

To consider and, if thought fit, to pass, with or without amendment, the following resolution as an **ordinary resolution**:

*“That, for the purpose of ASX Listing Rule 14.4, section 11.3 of the Constitution and for all other purposes, Mr George Sakalidis, being a Director, retires by rotation and, being eligible, is hereby re-elected as a Director.”*

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## 3. RESOLUTION 3 – ELECTION OF DIRECTOR – CHEW WAI CHUEN

To consider and, if thought fit, to pass, with or without amendment, the following resolution as an **ordinary resolution**:

*“That, Mr Chew Wai Chuen, be appointed as a Director in accordance with clause 11.5 of the Constitution and, being eligible for election, is hereby elected as a Director.”*

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## 4. RESOLUTION 4 – APPROVAL FOR THE FUTURE PLACEMENT OF SHARES

To consider and, if thought fit, to pass, with or without amendment, the following resolution as an **ordinary resolution**:

*“That for the purposes of ASX Listing Rule 7.1 and for all other purposes, approval is given for the Directors to issue and allot up to such number of Shares that is equal to a value of \$2,000,000 based on an issue price of at least 80% of the volume weighted average market price of Shares calculated over the last 5 days on which sales in Shares were recorded before the date on which the issue is made; and otherwise on the terms and conditions set out in the Explanatory Statement.”*

### **Voting Prohibition Statement:**

The Company will disregard any votes cast on this Resolution by any person who may participate in the issue of Equity Securities under this Resolution and any person who might obtain a benefit, other than a benefit solely in the capacity of an ordinary security holder, from the passing of this Resolution and any associates of those persons. However the Company need not disregard a vote if:

- (a) it is cast by a person as proxy for a person who is entitled to vote, in accordance with the directions on the Proxy Form; or
- (b) it is cast by the person chairing the meeting as proxy for a person who is entitled to vote, in accordance with a direction on the Proxy Form to vote as the proxy decides.

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## 5. RESOLUTION 5 – APPROVAL FOR THE ISSUE OF SHARES TO GENERAL RESEARCH GMBH

To consider and, if thought fit, to pass, with or without amendment, the following resolution as an **ordinary resolution**:

*“That, for the purposes of ASX Listing Rule 7.1 and for all other purposes, approval is given for the Directors to issue 250,000 Shares to General Research GmbH (and/or its nominees), and otherwise on the terms and conditions set out in the Explanatory Statement accompanying this Notice of Meeting.”*

**Voting Prohibition Statement:**

The Company will disregard any votes cast on this Resolution by any person who may participate in the issue of Equity Securities under this Resolution and any person who might obtain a benefit, other than a benefit solely in the capacity of an ordinary security holder, from the passing of this Resolution and any associates of those persons. However the Company need not disregard a vote if:

- (a) it is cast by a person as proxy for a person who is entitled to vote, in accordance with the directions on the Proxy Form; or
- (b) it is cast by the person chairing the meeting as proxy for a person who is entitled to vote, in accordance with a direction on the Proxy Form to vote as the proxy decides.

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**6. RESOLUTION 6 – APPROVAL FOR ADDITIONAL PLACEMENT CAPACITY**

To consider and, if thought fit, to pass, with or without amendment, the following resolution as a **special resolution**:

*“That, for the purposes of ASX Listing Rule 7.1A and for all other purposes, approval is given for the issue and allotment of Equity Securities totaling up to 10% of the number of ordinary Shares on issue by way of placements over a 12 month period, calculated in accordance with the formula prescribed in Listing Rule 7.1A.2; and otherwise on the terms and conditions set out in the Explanatory Statement accompanying this Notice of Meeting.”*

**Voting Prohibition Statement:**

The Company will disregard any votes cast on this Resolution by any person who may participate in the issue of Equity Securities under this Resolution and any person who might obtain a benefit, other than a benefit solely in the capacity of an ordinary security holder, from the passing of this Resolution and any associates of those persons. However the Company need not disregard a vote if:

- (a) it is cast by a person as proxy for a person who is entitled to vote, in accordance with the directions on the Proxy Form; or
- (b) it is cast by the person chairing the meeting as proxy for a person who is entitled to vote, in accordance with a direction on the Proxy Form to vote as the proxy decides.

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**7. RESOLUTION 7 – RATIFICATION OF PRIOR ISSUE OF PLACEMENT SHARES TO INSTITUTIONAL INVESTORS**

To consider and, if thought fit, to pass, with or without amendment, the following resolution as an **ordinary resolution**:

*“That for the purpose of ASX Listing Rule 7.4 and for all other purposes, Shareholders ratify the allotment and issue of 16,400,000 Shares to institutional investors at an issue price of \$0.05 each, on the terms and conditions set out in the Explanatory Statement.”*

**Voting Prohibition Statement:**

The Company will disregard any votes cast on this Resolution by a person who participated in the issue and any associates of those persons. However, the Company need not disregard a vote if:

- (a) it is cast by a person as a proxy for a person who is entitled to vote, in accordance with the directions on the Proxy Form; or

- (b) it is cast by the person chairing the meeting as proxy for a person who is entitled to vote, in accordance with a direction on the proxy Form to vote as the proxy decides.

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**8. RESOLUTION 8 – RATIFICATION OF PRIOR ISSUE OF PLACEMENT SHARES TO GENERAL RESEARCH GMBH**

To consider and, if thought fit, to pass, with or without amendment, the following resolution as an **ordinary resolution**:

*“That for the purpose of ASX Listing Rule 7.4 and for all other purposes, Shareholders ratify the allotment and issue of 250,000 Shares to General Research GmbH on the terms and conditions set out in the Explanatory Statement.”*

**Voting Prohibition Statement:** The Company will disregard any votes cast on this Resolution by a person who participated in the issue and any associates of those persons. However, the Company need not disregard a vote if:

- (a) it is cast by a person as a proxy for a person who is entitled to vote, in accordance with the directions on the Proxy Form; or
- (b) it is cast by the person chairing the meeting as proxy for a person who is entitled to vote, in accordance with a direction on the proxy Form to vote as the proxy decides.

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**9. RESOLUTION 9 – RATIFICATION OF PRIOR ISSUE OF PLACEMENT SHARES TO HELMSEC GLOBAL CAPITAL LIMITED**

To consider and, if thought fit, to pass, with or without amendment, the following resolution as an **ordinary resolution**:

*“That for the purpose of ASX Listing Rule 7.4 and for all other purposes, Shareholders ratify the allotment and issue of 1,250,000 Shares to Helmsec Global Capital Limited at an issue price of \$0.035 each, on the terms and conditions set out in the Explanatory Statement.”*

**Voting Prohibition Statement:** The Company will disregard any votes cast on this Resolution by a person who participated in the issue and any associates of those persons. However, the Company need not disregard a vote if:

- (a) it is cast by a person as a proxy for a person who is entitled to vote, in accordance with the directions on the Proxy Form; or
- (b) it is cast by the person chairing the meeting as proxy for a person who is entitled to vote, in accordance with a direction on the proxy Form to vote as the proxy decides.

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**10. RESOLUTION 10 – RATIFICATION OF PRIOR ISSUE OF PLACEMENT SHARES TO DEMPSEY MINERALS LTD**

To consider and, if thought fit, to pass, with or without amendment, the following resolution as an **ordinary resolution**:

*“That for the purpose of ASX Listing Rule 7.4 and for all other purposes, Shareholders ratify the allotment and issue of 1,000,000 Shares to Dempsey Minerals Ltd on the terms and conditions set out in the Explanatory Statement.”*

**Voting Prohibition Statement:** The Company will disregard any votes cast on this Resolution by a person who participated in the issue and any associates of those persons. However, the Company need not disregard a vote if:

- (a) it is cast by a person as a proxy for a person who is entitled to vote, in accordance with the directions on the Proxy Form; or
- (b) it is cast by the person chairing the meeting as proxy for a person who is entitled to vote, in accordance with a direction on the proxy Form to vote as the proxy decides.

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## 11. RESOLUTION 11 – APPROVAL TO INCREASE AGGREGATE DIRECTOR REMUNERATION

To consider and, if thought fit, to pass, with or without amendment, the following resolution as an **ordinary resolution**:

*“That, for the purposes of clause 11.9 of the Constitution, ASX Listing Rule 10.17 and for all other purposes, the Company approves an increase in the maximum aggregate amount that may be paid to Directors as remuneration for their services in each financial year to \$400,000 which may be divided among those Directors in the manner determined by the Board from time to time.”*

**ASX Voting Exclusion:** The Company will disregard any votes cast on this Resolution by a Director and any of their associates. However, the Company need not disregard a vote if:

- (a) it is cast by a person as a proxy for a person who is entitled to vote, in accordance with the directions on the Proxy Form; or
- (b) it is cast by the person chairing the meeting as proxy for a person who is entitled to vote, in accordance with a direction on the Proxy Form to vote as the proxy decides.

### **Voting Prohibition Statement**

A person appointed as a proxy must not vote, on the basis of that appointment, on this Resolution if:

- (a) the proxy is either:
  - (i) a member of the Key Management Personnel; or
  - (ii) a Closely Related Party of such a member; and
- (b) the appointment does not specify the way the proxy is to vote on this Resolution.

However, the above prohibition does not apply if:

- (a) the proxy is the Chair of the Meeting; and
- (b) the appointment expressly authorises the Chair to exercise the proxy even if the Resolution is connected directly or indirectly with remuneration of a member of the Key Management Personnel.

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**DATED: 24 OCTOBER 2014**

**BY ORDER OF THE BOARD**

**ELIZABETH HUNT  
COMPANY SECRETARY  
POTASH WEST NL**

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## EXPLANATORY STATEMENT

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This Explanatory Statement has been prepared for the information of the Shareholders in connection with the business to be conducted at the Annual General Meeting of the Company to be held at the offices of Potash West NL: Suite 3, 23 Belgravia Street, Belmont WA 6104 at 2.00pm WST on Wednesday, 26 November 2014.

The purpose of this Explanatory Statement is to provide information which the Directors believe to be material to Shareholders in deciding whether or not to pass the resolutions in the Notice of Meeting.

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## FINANCIAL STATEMENTS

In accordance with the Constitution, the business of the Annual General Meeting will include receipt and consideration of the annual financial report of the Company for the financial year ended 30 June 2014 together with the declaration of the directors, the directors' report, the remuneration report and the auditor's report.

The audited financial statements for the year ended 30 June 2014 included an emphasis of matter in the audit report. The basis for the emphasis of matter was the material uncertainty regarding the Company's ability to continue as a going concern. Please refer to the 2014 Annual Report for further details.

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### 1. RESOLUTION 1 – REMUNERATION REPORT (NON-BINDING RESOLUTION)

The Corporations Act requires that at a listed company's annual general meeting, a resolution that the remuneration report be adopted must be put to the shareholders. However, such a resolution is advisory only and does not bind the Directors or the Company.

Under changes to the Corporations Act which came into effect on 1 July 2011, if at least 25% of the votes cast on Resolution 1 are voted against adoption of the Remuneration Report at the Annual General Meeting, and then again at the Company's 2015 annual general meeting, the Company will be required to put to Shareholders a resolution proposing the calling of a general meeting to consider the appointment of directors of the Company (**Spill Resolution**).

If more than 50% of Shareholders vote in favour of the Spill Resolution, the Company must convene the general meeting (**Spill Meeting**) within 90 days of the Company's 2015 annual general meeting. All of the Directors who were in office when the Company's 2014 directors' report was approved, other than the managing director of the Company, will cease to hold office immediately before the end of the Spill Meeting but may stand for re-election at the Spill Meeting. Following the Spill Meeting those persons whose election or re-election as Directors is approved will be the directors of the Company.

The Remuneration Report sets out the Company's remuneration arrangements for the Directors and senior management of the Company. The Remuneration Report is part of the directors' report contained in the 2014 Annual Report.

A reasonable opportunity will be provided for discussion of the Remuneration Report at the Annual General Meeting.

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### 2. RESOLUTION 2 – RE-ELECTION OF GEORGE SAKALIDIS

ASX Listing Rule 14.4 and section 11.3 of the Constitution provide that a director of an entity must not hold office (without re-election) past the third annual

general meeting following the Director's appointment or 3 years, whichever is longer.

A retiring Director is eligible for re-election. The Directors to retire at any annual general meeting must be those who have been longest in office since their last election but, as between persons who became Directors on the same day, those to retire must (unless they otherwise agree among themselves) be determined by lot.

Mr George Sakalidis retires and seeks re-election in accordance with ASX Listing Rule 14.4 and section 11.3 of the Constitution. Details regarding George Sakalidis are set out in the Company's 2014 Annual Report.

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### **3. RESOLUTION 3 – ELECTION OF CHEW WAI CHUEN**

In accordance with 11.5 of the Constitution, a person other than a Director seeking re-election shall be eligible for election to the office of Director at any general meeting provided that he or some Shareholder has proposed him, no later than 5 days after the date of this Notice.

The Company has received Mr Chew Wai Chuen's nomination as a Director.

Mr Chuen is a financial advisor with more than 15 years of industry experience, specialising in the provision of corporate and wealth management for ultra-high net worth individuals. He has experience in South East Asia capital market and extensive networks of clients based in Singapore and Malaysia.

Mr Chuen is also the Managing Partner of a financial advisory firm, providing personal investment planning and wealth management for high net worth individuals and has a strong track record of investments into junior mining companies in Australia and South East Asia.

The Directors recommend Shareholder's vote in favour of the election of Mr Chew Wai Chuen.

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### **4. RESOLUTION 4 – APPROVAL FOR THE FUTURE PLACEMENT OF SHARES**

Resolution 4 seeks Shareholder approval for the issue and allotment of up to such number of Shares that, when multiplied by the issue price, will raise up to \$2M (before costs) on the terms set out below (**Placement**). The issue price for the Placement will be a price that is at least 80% of the volume weighted average market price of Shares calculated over the last 5 days on which sales in Shares were recorded before the date on which the issue is made.

The effect of Resolution 4 will be to allow the Directors to issue the Shares pursuant to the Placement during the period of three months after the Meeting (or a longer period, if allowed by ASX), without using the Company's 15% placement capacity.

#### **4.1 ASX Listing Rule 7.1**

ASX Listing Rule 7.1 provides that (subject to certain exceptions) prior approval of Shareholders is required for an issue of securities if the securities will, when aggregated with the securities issued by the Company during the previous 12 months, exceed 15% of the number of shares on issue at the commencement of that 12 month period.

Listing Rule 7.1 provides that where a company approves an issue of securities, the company's 15% capacity will be replenished and the company will be able to issue further securities up to that limit.

For the purposes of ASX Listing Rule 7.3, the following information is provided in relation to Resolution 4:

- (a) the maximum number of Shares that will be issued under the Placement will be determined by the following formula:

$$N = \frac{2,000,000}{0.8 \times V}$$

Where:

- N** is the maximum number of Shares to be issued; and
- V** is the volume weighted average market price of Shares calculated over last 5 days on which sales in Shares were recorded before the date on which the issue is made.
- (b) the issue price of the Shares are proposed to be allotted and issued will be at a price that is at least 80% of the volume weighted average market price of Shares calculated over the last 5 days on which sales in Shares were recorded before the date on which the issue is made;
- (c) the allottees in respect of Resolution 4 are not, as yet, identifiable, but will be sophisticated and/or professional investors identified by the Company and/or clients of any brokers appointed by the Company to manage the Placement. The allottees will not be related parties of the Company;
- (d) the Shares to be issued will rank pari-passu on allotment and issue with the existing fully paid ordinary shares of the Company;
- (e) the Shares to be issued will be allotted progressively as allottees are identified, however no Shares will be issued or allotted after the date which is three (3) months after the date of the Meeting;
- (f) the Company intends to use the funds raised by the issue of Shares the subject of Resolution 4, for general working capital purposes, current and potential projects, business development purposes, acquisition of new projects and consultancy fees.

#### **4.2 Directors' Recommendation**

None of the Directors has a material personal interest in the subject matter of Resolution 4. The Board recommends Shareholders vote in favour of Resolution 4 as it will enable the Company to fund its ongoing commitments.

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### **5. RESOLUTION 5 – APPROVAL FOR THE ISSUE OF SHARES TO GENERAL RESEARCH GMBH**

Resolution 5 seeks shareholder approval for the issue and allotment of 250,000 Shares to General Research GmbH in consideration of corporate advisory services provided to the Company.

#### **5.1 ASX Listing Rule 7.1**

ASX Listing Rule 7.1 provides that (subject to certain exceptions prior approval of Shareholders is required for an issue of securities if the securities will, when aggregated with the securities issued by the Company during the previous 12 months, exceed 15% of the number of shares on issue at the commencement of that 12 month period.

Listing Rule 7.1 provides that where a company approves an issue of securities, the company's 15% capacity will be replenished and the company will be able to issue further securities up to that limit.

For the purposes of ASX Listing Rule 7.3, the following information is provided in relation to Resolution 5:

- (a) the maximum number of Shares to be issued is 250,000 Shares;
- (b) the issue price of the Shares will be nil. The deemed price that is at least 80% of the volume weighted average market price of Shares calculated over the last 5 days on which sales in Shares were recorded before the date on which the issue is made;
- (c) the allottee in respect of Resolution 5 is General Resources GmbH which is not a related party of the Company;
- (d) the Shares to be issued will rank pari-passu on allotment and issue with the existing fully paid ordinary Shares of the Company; and
- (e) the Shares the subject of Resolution 5 will be issued and allotted on one date which is no later than three (3) months after the date of this Meeting or such later date as approved by ASX;
- (f) no cash will be raised via the issue of the Shares as they are issued in lieu of cash payment for services rendered, in order to preserve the Company's cash reserves.

## 5.2 Directors' Recommendation

None of the Directors has a material personal interest in the subject matter of Resolution 5. The Board recommends Shareholders vote in favour of Resolution 5 as it will assist the Company with preserving its cash reserves.

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## 6. RESOLUTION 6 – APPROVAL FOR ADDITIONAL PLACEMENT CAPACITY

### 6.1 General

ASX Listing Rule 7.1A provides that an Eligible Entity may seek Shareholder approval to allow it to issue Equity Securities totalling up to 10% of its issued capital over a period up to 12 months after the entity's annual general meeting (**10% Placement Capacity**).

**Resolution 6 is a special resolution. Accordingly, at least 75% of votes cast by Shareholders present and eligible to vote at the Meeting must be in favour of Resolution 6 for it to be passed.**

An Eligible Entity for the purposes of Listing Rule 7.1A is an entity that is not included in the SRP/ASX 300 Index and has a market capitalisation of \$300 million or less. The Company is an Eligible Entity.

If Shareholders approve Resolution 6, the number of Equity Securities the Company may issue under the 10% Placement Capacity will be determined in accordance with the formula prescribed in ASX Listing Rule 7.1A.2 (as set out in Section 6.2 below).

The effect of Resolution 6 will be to allow the Directors to issue Equity Securities totalling up to 10% of the Company's fully paid ordinary securities on issue under the 10% Placement Capacity during a period of up to 12 months after the Meeting, without subsequent Shareholder approval and without using the Company's 15% annual placement capacity granted under Listing Rule 7.1.

The Board believes that Resolution 6 is in the best interests of the Company and unanimously recommends that Shareholders vote in favour of this resolution.

## 6.2 ASX Listing Rule 7.1A

ASX Listing Rule 7.1A came into effect on 1 August 2012 and enables an Eligible Entity to seek shareholder approval at its annual general meeting to issue Equity Securities in addition to those under the Eligible Entity's 15% annual placement capacity.

The Equity Securities must be in the same class as an existing class of quoted Equity Securities. The Company current has three classes of quoted Equity Securities on issue being its 196,314,005 Shares (fully paid ordinary); 35,960,024 partly paid Shares paid to \$0.001 and unpaid \$0.049 (**Partly Paid Shares**); and 8,221,457 Options exercisable at \$0.30 each and expiring 15 March 2015 (**Listed Options**).

The exact number of Equity Securities that the Company may issue pursuant to approval under Listing Rule 7.1A will be calculated according to the following formula:

$$(A \times B) - C$$

Where:

- A** = the number of Shares on issue 12 months before the date of issue or agreement:
- (i) plus the number of Shares issued in the previous 12 months under an exception in ASX Listing Rule 7.2;
  - (ii) plus the number of partly paid shares that became fully paid in the previous 12 months;
  - (iii) plus the number of Shares issued in the previous 12 months with approval of holders of Shares under Listing Rules 7.1 and 7.4;
  - (iv) less the number of Shares cancelled in the previous 12 months.
- B** = 10%.
- C** = the number of Equity Securities issued or agreed to be issued under ASX Listing Rule 7.1A.2 in the 12 months before the date of issue or agreement to issue that are not issued with the approval of holders of ordinary securities under ASX Listing Rule 7.1 or 7.4.

## 6.3 Technical information required by ASX Listing Rule 7.1A

Pursuant to and in accordance with ASX Listing Rule 7.3A, the information below is provided in relation to this Resolution 6:

### (a) **Minimum Price**

The minimum price at which the Equity Securities may be issued is 75% of the volume weighted average price of Equity Securities in that class, calculated over the 15 ASX trading days on which trades in that class were recorded immediately before:

- (i) the date on which the price at which the Equity Securities are to be issued is agreed; or
- (ii) if the Equity Securities are not issued within 5 ASX trading days of the date in section 6.3(a)(i), the date on which the Equity Securities are issued.

(b) **Date of Issue**

The Equity Securities may be issued under the 10% Placement Capacity commencing on the date of the Annual General Meeting and expiring on the first to occur of the following:

- (i) 12 months after the date of the Annual General Meeting; and
- (ii) the date of approval by Shareholders of any transaction under ASX Listing Rules 11.1.2 (a significant change to the nature or scale of the Company's activities) or 11.2 (disposal of the Company's main undertaking),

or such longer period if allowed by ASX (**10% Placement Capacity Period**).

(c) **Risk of voting dilution**

Any issue of Equity Securities under the 10% Placement Capacity will dilute the interests of Shareholders who do not receive any Shares under the issue.

If Resolution 6 is approved by Shareholders and the Company issues the maximum number of Equity Securities available under the 10% Placement Capacity, the economic and voting dilution of existing Shares would be as shown in the table below.

The table below shows the dilution of existing Shareholders calculated in accordance with the formula outlined in ASX Listing Rule 7.1A.2, on the basis of the current market price of Shares and the current number of Equity Securities on issue as at the date of this Notice.

The table also shows the voting dilution impact where the number of Shares on issue (variable A in the formula) changes and the economic dilution where there are changes in the issue price of Shares issued under the 10% Placement Capacity.

Number of Shares on Issue	Dilution			
	Number of Shares issued under 10% Placement Capacity	Funds raised based on issue price of \$0.025 (50% decrease in current issue price)	Funds raised based on issue price of \$0.050 (Current issue price)	Funds raised based on issue price of \$0.075 (50% increase in current issue price)
<b>196,315,005 (Current)</b>	<b>19,631,501</b>	490,788	981,575	1,472,363
<b>294,472,508 (50% increase)*</b>	<b>29,447,251</b>	736,181	1,472,363	2,208,544
<b>392,630,010 (100% increase)*</b>	<b>39,263,001</b>	981,575	1,963,150	2,944,725

\*The number of Shares on issue (variable A in the formula) could increase as a result of the issue of Shares that do not require Shareholder approval (such as under a pro-rata rights issue or scrip issued under a takeover offer) or that are issued with Shareholder approval under Listing Rule 7.1.

**The table above uses the following assumptions:**

1. The current Shares on issue are the Shares on issue as at 20 October 2014.
2. The issue price set out above is the issue price for the Placement completed on 20 October 2014.
3. The Company issues the maximum possible number of Equity Securities under the 10% Placement Capacity.
4. The issue of Equity Securities under the 10% Placement Capacity consists only of Shares (it does not include Partly Paid Shares or Listed Options even though Partly Paid Shares and Listed Options may be issued under the 10% Placement Capacity). It is assumed that no Options are exercised into Shares before the date of issue of the Equity Securities.
5. The calculations above do not show the dilution that any one particular Shareholder will be subject to. All Shareholders should consider the dilution caused to their own shareholding depending on their specific circumstances.
6. This table does not set out any dilution pursuant to approvals under ASX Listing Rule 7.1.

Shareholders should note that there is a risk that:

- (i) the market price for the Company's Shares may be significantly lower on the issue date than on the date of the Annual General Meeting; and
- (ii) the Shares may be issued at a price that is at a discount to the market price for those Shares on the date of issue.

(d) **Purpose of Issue under 10% Placement Capacity**

The Company may decide to issue Equity Securities under the 10% Placement Capacity to raise funds for the purpose of increasing the JORC compliant resource at its Dandaragan Trough Project. Funds may also be raised to fund working capital requirements of the Company relevant at, or about, the time of the issue.

The Company may also issue Equity Securities for non-cash consideration, such as for the acquisition of new assets or investments. If the Company issues Equity Securities for non-cash consideration, the

Company will release on valuation of the non-cash consideration that demonstrates that the deemed issue price of the Equity Securities complies with Listing Rule 7.1A.3.

The Company will comply with the disclosure obligations under Listing Rules 7.1A.4 and 3.10.5A upon any issue of Equity Securities under Listing Rule 7.1A.

(e) **Allocation under the 10% Placement Capacity**

The allottees of the Equity Securities to be issued under the 10% Placement Capacity have not yet been determined. However, the allottees of Equity Securities could consist of current Shareholders or new investors (or both), none of whom will be related parties of the Company.

The Company will determine the allottees at the time of the issue under the 10% Placement Capacity, having regard to the following factors:

- (i) the purpose of the issue;
- (ii) alternative methods for raising funds available to the Company at that time, including, but not limited to, an entitlement issue or other offer where existing Shareholders may participate;
- (iii) the effect of the issue of the Equity Securities on the control of the Company;
- (iv) the Company's circumstances, including, but not limited to, its financial position and solvency;
- (v) prevailing market conditions; and
- (vi) advice from corporate, financial and broking advisers (if applicable).

(f) **Previous Approval under ASX Listing Rule 7.1A**

The Company obtained approval under ASX Listing Rule 7.1A at its previous annual general meeting on 25 November 2013. In accordance with Listing Rule 7.3A.6, since 25 November 2013, the Company has issued 138,252,965 Shares (102,292,941 fully paid, 35,960,024 partly paid) which represents 59.5% of the total number of Equity Securities on issue on 20 October 2014. The Equity Securities issued during this time were as follows:

Issue date	Equity Securities	Persons issued to or basis of issue	Price, discount, amount raised and use of funds or value of non-cash consideration
6 February 2014	500,000 Unlisted Options expiring 7 February 2017	Consultant (Intuitive Pty Ltd)	The Options were issued for nil consideration as an incentive for performance of consulting services per service agreement.
20 February to 27 March 2014	18,824,213 fully paid ordinary shares	Existing Shareholders via a rights issue	The Shares were issued for \$0.05 each to raise \$941,210. This represented a 23% discount to the closing Share price as at 20 February 2014. The funds have primarily been spent on

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			advancing feasibility studies on the Company's Dandaragan Trough project and managing the Company's patents for the K-Max process.
28 March 2014	35,960,024 Partly paid shares deemed to be paid up to \$0.001 and unpaid to \$0.049	Existing Shareholders via a rights issue	Bonus offer to existing shareholders as per the Company's prospectus. Accordingly, no funds were raised.
8 April 2014	460,871 fully paid ordinary shares	Directors pursuant to Director Fee & Remuneration Sacrifice Plan	Shares issued at an implied issue price of \$0.054 each (no discount) to Directors in lieu of cash remuneration payments.
8 April 2014	250,000 fully paid ordinary shares	Consultant (General Research GmbH)	The Shares were issued at an implied issue price of \$0.05 each (no discount) as consideration for consulting services rendered to the Company.
20 June 2014	250,000 fully paid ordinary shares	Consultant (General Research GmbH)	The Shares were issued at an implied issue price of \$0.05 each. This represented a premium to the closing Share price as at 20 June 2014. No funds were raised as the Shares were issued in consideration of consulting services rendered to the Company.
11 July 2014 to 25 July 2014	23,607,857 fully paid ordinary shares	Sophisticated Investors	The Shares were issued for \$0.035 raising \$826,275. This represented a 5.4% discount to the closing Share price as at 11 July 2014. The funds have primarily been directed to ongoing project development activities at the Company's Dandaragan Trough project.
20 October 2014	56,400,000 fully paid ordinary shares	Sophisticated Investors	The Shares were issued for \$0.05 raising \$2,820,000. This represented a 7.4% discount to the closing Share price as at 17 October 2014. The funds will primarily be directed to ongoing project development activities at the Company's Dandaragan Trough project and all funds are on hand at 20 October 2014.
20 October 2014	250,000 fully paid ordinary shares	General Research GmbH (Consultant)	Shares were issued at an implied issue price of \$0.05 each. This represented a 7.4% discount to the closing Share price as at 17 October 2014. No funds were raised as the Shares were issued in consideration of consulting services valued at \$12,500 provided to the Company.
20 October 2014	1,250,000 fully paid ordinary shares	Helmsec Global Capital Limited (Consultant)	Shares were issued at an implied issue price of \$0.035 each. This represented a 35.2% discount to the closing Share price as at 17 October 2014. No funds were raised as the Shares were issued in consideration of consulting services valued at \$43,750 provided to the Company.

20 October 2014	1,000,000 fully paid ordinary shares	Dempsey Resources Ltd	Shares were issued at an implied issue price of \$0.05] each. This represented a 7.4% discount to the closing Share price as at 17 October 2014. No funds were raised as the Shares were issued in consideration of exploration data provided to the Company.
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#### 6.4 Voting Exclusion

A voting exclusion statement is included in this Notice. As at the date of this Notice, the Company has not invited any existing Shareholder to participate in an issue of Equity Securities under ASX Listing Rule 7.1A. Therefore, no existing Shareholders will be excluded from voting on Resolution 6.

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### 7. RESOLUTION 7 – RATIFICATION OF PRIOR ISSUE OF SHARES

Resolution 7 seeks Shareholder ratification pursuant to ASX Listing Rule 7.4 for the issue of 16,400,000 Shares to Exempt Investors on the terms set out below.

These Shares were issued at \$0.05 per Share as part of a placement to institutional investors who qualify under section 708 of the Corporations Act.

As announced on 20 October 2014, the Company completed a placement of \$2.82 million. Shareholders had previously approved a placement of \$2.0 million at the general meeting held on 12 September 2014. The Company now seeks Shareholder ratification of the remaining \$820,000 issued under the Company's 15% placement capacity set out in ASX Listing Rule 7.1.

By ratifying this issue, the Company will retain the flexibility to issue equity securities in the future up to the 15% placement capacity set out in ASX Listing Rule 7.1 without the requirement to obtain prior Shareholder approval.

#### 7.1 ASX Listing Rule 7.4

Under Chapter 7 of the ASX Listing Rules, there are limitations on the capacity of a company to enlarge its capital by the issue of equity securities.

ASX Listing Rule 7.1 provides that a company must not, subject to specified exceptions, issue or agree to issue during any 12 month period any equity securities, or other securities with rights to conversion to equity (such as an option), if the number of those securities exceeds 15% of the number of securities in the same class on issue at the commencement of that 12 month period.

ASX Listing Rule 7.4 sets out an exception to ASX Listing Rule 7.1. It provides that where a company in general meeting ratifies the previous issue of securities made pursuant to ASX Listing Rule 7.4 (and provided that the previous issue did not breach ASX Listing Rule 7.1) those securities will be deemed to have been made with shareholder approval for the purpose of ASX Listing Rule 7.1.

Approval is sought under Resolution 7 to allow the Company to ratify the issue and allotment of the 16,400,000 Shares issued not previously approved by Shareholders pursuant to ASX Listing Rule 7.4. The reason for an approval under ASX Listing Rule 7.4 is to reinstate the Company's capacity to issue up to 15% of its issued Shares without the approval of its Shareholders in any 12 month period.

The following information is provided to Shareholders for the purposes of obtaining Shareholder approval of the share issue, the subject of Resolution 7 in accordance with ASX Listing Rule 7.5:

- (a) the number of securities allotted by the Company was 16,400,000 Shares;

- (b) the Shares were issued and allotted on 20 October 2014;
- (c) the Shares were issued at \$0.05 each;
- (d) the issued Shares are fully paid ordinary shares and rank equally with the existing Shares on issue;
- (e) the allottee of the Shares were institutional investors none of which are related parties of the Company; and
- (f) a total of \$820,000 was raised via the issue of the Shares which will be used for the Company's ongoing project development.

## **7.2 Directors' Recommendation**

None of the Directors has a material personal interest in the subject matter of Resolution 7. The Board believes that the ratification of the Share issue the subject of Resolution 7 is beneficial for the Company. The Board recommends Shareholders vote in favour of Resolution 7 as it provides the Company with the flexibility to issue further securities representing up to 15% of the Company's share capital during the next 12 months without shareholder approval.

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## **8. RESOLUTION 8 – RATIFICATION OF PRIOR ISSUE OF SHARES**

Resolution 8 seeks Shareholder ratification pursuant to ASX Listing Rule 7.4 for the issue of 250,000 Shares on the terms set out below.

These Shares were issued at a deemed price of \$0.05 per Share in lieu of cash payments for investor relations services provided by General Research GmbH.

By ratifying this issue, the Company will retain the flexibility to issue equity securities in the future up to the 15% placement capacity set out in ASX Listing Rule 7.1 without the requirement to obtain prior Shareholder approval.

### **8.1 ASX Listing Rule 7.4**

Under Chapter 7 of the ASX Listing Rules, there are limitations on the capacity of a company to enlarge its capital by the issue of equity securities.

ASX Listing Rule 7.1 provides that a company must not, subject to specified exceptions, issue or agree to issue during any 12 month period any equity securities, or other securities with rights to conversion to equity (such as an option), if the number of those securities exceeds 15% of the number of securities in the same class on issue at the commencement of that 12 month period.

ASX Listing Rule 7.4 sets out an exception to ASX Listing Rule 7.1. It provides that where a company in general meeting ratifies the previous issue of securities made pursuant to ASX Listing Rule 7.4 (and provided that the previous issue did not breach ASX Listing Rule 7.1) those securities will be deemed to have been made with shareholder approval for the purpose of ASX Listing Rule 7.1.

Approval is sought under Resolution 7 to allow the Company to ratify the issue and allotment of the 250,000 Shares issued not previously approved by Shareholders pursuant to ASX Listing Rule 7.4. The reason for an approval under ASX Listing Rule 7.4 is to reinstate the Company's capacity to issue up to 15% of its issued Shares without the approval of its Shareholders in any 12 month period.

The following information is provided to Shareholders for the purposes of obtaining Shareholder approval of the share issue, the subject of Resolution 9 in accordance with ASX Listing Rule 7.5:

- (a) the number of securities allotted by the Company was 250,000 Shares;
- (b) those Shares were issued and allotted on 20 October 2014;
- (c) the Shares were issued for nil cash consideration but at a deemed price of \$0.05 each;
- (d) the issued Shares are fully paid ordinary shares and rank equally with the existing Shares on issue;
- (e) the allottee of the Shares was General Research GmbH which is not a related party of the Company; and
- (f) no cash was raised via the issue of the Shares as they were issued in lieu of cash payment for services rendered in order to preserve the Company's cash reserves.

## **8.2 Directors' Recommendation**

None of the Directors has a material personal interest in the subject matter of Resolution 8. The Board believes that the ratification of the Share issue the subject of Resolution 8 is beneficial for the Company. The Board recommends Shareholders vote in favour of Resolution 8 as it provides the Company with the flexibility to issue further securities representing up to 15% of the Company's share capital during the next 12 months without shareholder approval.

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## **9. RESOLUTION 9 – RATIFICATION OF PRIOR ISSUE OF SHARES**

Resolution 9 seeks Shareholder ratification pursuant to ASX Listing Rule 7.4 for the issue of 1,250,000 Shares on the terms set out below.

These Shares were issued at a deemed price of \$0.035 per Share in lieu of cash payments for capital raising services provided by Helmsec Global Capital Limited.

By ratifying this issue, the Company will retain the flexibility to issue equity securities in the future up to the 15% placement capacity set out in ASX Listing Rule 7.1 without the requirement to obtain prior Shareholder approval.

### **9.1 ASX Listing Rule 7.4**

Under Chapter 7 of the ASX Listing Rules, there are limitations on the capacity of a company to enlarge its capital by the issue of equity securities.

ASX Listing Rule 7.1 provides that a company must not, subject to specified exceptions, issue or agree to issue during any 12 month period any equity securities, or other securities with rights to conversion to equity (such as an option), if the number of those securities exceeds 15% of the number of securities in the same class on issue at the commencement of that 12 month period.

ASX Listing Rule 7.4 sets out an exception to ASX Listing Rule 7.1. It provides that where a company in general meeting ratifies the previous issue of securities made pursuant to ASX Listing Rule 7.4 (and provided that the previous issue did not breach ASX Listing Rule 7.1) those securities will be deemed to have been made with shareholder approval for the purpose of ASX Listing Rule 7.1.

Approval is sought under Resolution 9 to allow the Company to ratify the issue and allotment of the 1,250,000 Shares issued not previously approved by Shareholders pursuant to ASX Listing Rule 7.4. The reason for an approval under ASX Listing Rule 7.4 is to reinstate the Company's capacity to issue up to 15% of its issued Shares without the approval of its Shareholders in any 12 month period.

The following information is provided to Shareholders for the purposes of obtaining Shareholder approval of the share issue, the subject of Resolution 9 in accordance with ASX Listing Rule 7.5:

- (a) the number of securities allotted by the Company was 1,250,000 Shares;
- (b) those Shares were issued and allotted on 20 October 2014;
- (c) the Shares were issued for nil cash consideration but at a deemed price of \$0.035 each;
- (d) the issued Shares are fully paid ordinary shares and rank equally with the existing Shares on issue;
- (e) the allottee of the Shares was Helmsec Global Capital Limited (and/or their nominees), who is not a related party of the Company; and
- (f) no cash was raised via the issue of the Shares as they were issued in lieu of cash payment for services rendered in order to preserve the Company's cash reserves.

## **9.2 Directors' Recommendation**

None of the Directors has a material personal interest in the subject matter of Resolution 9. The Board believes that the ratification of the Share issue the subject of Resolution 9 is beneficial for the Company. The Board recommends Shareholders vote in favour of Resolution 9 as it provides the Company with the flexibility to issue further securities representing up to 15% of the Company's share capital during the next 12 months without shareholder approval.

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## **10. RESOLUTION 10 – RATIFICATION OF PRIOR ISSUE OF SHARES**

Resolution 10 seeks Shareholder ratification pursuant to ASX Listing Rule 7.4 for the issue of 1,000,000 Shares on the terms set out below.

These Shares were issued at a deemed price of \$0.05 per Share in lieu of cash payments for tenement data provided by Dempsey Minerals Ltd.

By ratifying this issue, the Company will retain the flexibility to issue equity securities in the future up to the 15% placement capacity set out in ASX Listing Rule 7.1 without the requirement to obtain prior Shareholder approval.

### **10.1 ASX Listing Rule 7.4**

Under Chapter 7 of the ASX Listing Rules, there are limitations on the capacity of a company to enlarge its capital by the issue of equity securities.

ASX Listing Rule 7.1 provides that a company must not, subject to specified exceptions, issue or agree to issue during any 12 month period any equity securities, or other securities with rights to conversion to equity (such as an option), if the number of those securities exceeds 15% of the number of securities in the same class on issue at the commencement of that 12 month period.

ASX Listing Rule 7.4 sets out an exception to ASX Listing Rule 7.1. It provides that where a company in general meeting ratifies the previous issue of securities made pursuant to ASX Listing Rule 7.4 (and provided that the previous issue did not breach ASX Listing Rule 7.1) those securities will be deemed to have been made with shareholder approval for the purpose of ASX Listing Rule 7.1.

Approval is sought under Resolution 10 to allow the Company to ratify the issue and allotment of the 1,000,000 Shares issued not previously approved by

Shareholders pursuant to ASX Listing Rule 7.4. The reason for an approval under ASX Listing Rule 7.4 is to reinstate the Company's capacity to issue up to 15% of its issued Shares without the approval of its Shareholders in any 12 month period.

The following information is provided to Shareholders for the purposes of obtaining Shareholder approval of the share issue, the subject of Resolution 10 in accordance with ASX Listing Rule 7.5:

- (a) the number of securities allotted by the Company was 1,000,000 Shares;
- (b) those Shares were issued and allotted on 20 October 2014;
- (c) the Shares were issued for nil cash consideration but at a deemed price of \$0.05 each;
- (d) the issued Shares are fully paid ordinary shares and rank equally with the existing Shares on issue;
- (e) the allottee of the Shares was Dempsey Minerals Ltd (and/or their nominees), who is not a related party of the Company; and
- (f) no cash was raised via the issue of the Shares as they were issued in lieu of cash payment for tenement data provided to the Company.

## **10.2 Directors' Recommendation**

None of the Directors has a material personal interest in the subject matter of Resolution 10. The Board believes that the ratification of the Share issue the subject of Resolution 10 is beneficial for the Company. The Board recommends Shareholders vote in favour of Resolution 10 as it provides the Company with the flexibility to issue further securities representing up to 15% of the Company's share capital during the next 12 months without shareholder approval.

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## **11. RESOLUTION 11 – APPROVAL TO INCREASE AGGREGATE DIRECTOR REMUNERATION**

### **11.1 General**

Resolution 11 seeks the approval of Shareholders to increase the maximum aggregate annual amount that may be paid to Directors as remuneration for their services.

### **11.2 ASX Listing Rule 10.17**

Clause 11.9 of the Constitution requires that the total aggregate fixed sum per annum to be paid to the Directors (excluding salaries of executive Directors) from time to time will not exceed the sum determined by the Shareholders in general meeting and the total aggregate fixed sum will be divided between the Directors as the Directors shall determine and, in default of agreement between them, then in equal shares.

ASX Listing Rule 10.17 provides that an entity must not increase the total amount of Director's fees payable by it or any of its child entities without the approval of Shareholders. This rule does not apply to the salaries of executive Directors.

The current maximum aggregate amount payable to Directors in any year is \$200,000. This Resolution seeks the approval of Shareholders to increase the maximum aggregate annual remuneration for all non-executive Directors by \$200,000 to \$400,000.

The total amount of Directors' fees payable includes superannuation contributions made by the Company for the benefit of non-executive directors and any fees which a non-executive Director agrees to sacrifice on a pre-tax basis.

The Company has been fortunate with the technical expertise and experience of the Directors it has been able to attract. With the increasing demands placed on directors of public companies generally, and the additional roles as members of the remuneration and audit committees recommended in the ASX Corporate Governance guidelines, the increase in aggregate remuneration payable to non-executive Directors will allow for the extra time and effort in their expanded roles, and also to appoint additional non-executive Directors who the other Directors think can deliver additional skills to the Board.

The Directors believe that the proposed increase in aggregate remuneration is appropriate for the Company and is in line with the remuneration paid by ASX-listed companies of similar size and nature.

If this resolution is passed, the Company will have the capacity to pay the non-executive Directors up to \$400,000 per annum in aggregate, although it is not proposed at this stage that this capacity will be used in full.

Details of the securities issued to the Directors over the past 3 years are set out in the table below.

Director	Issues of Securities
Adrian Griffin	<ul style="list-style-type: none"> <li>• 30 November 2011: 250,000 Options exercisable at \$0.28 and expiring on 30 November 2014 for nil cash consideration under the employee option plan.</li> <li>• 13 November 2012: 200,000 Options exercisable at \$0.355 and expiring on 13 November 2015 for nil cash consideration as part of remuneration and to incentivise performance.</li> <li>• 2 April 2013: 610,923 Shares at \$0.22 each under an entitlement offer to Shareholders.</li> <li>• 2 April 2013: 610,923 Options exercisable at \$0.30 and expiring 15 March 2015 for nil cash consideration under an entitlement offer to Shareholders.</li> <li>• 20 February 2014: 1,166,841 Shares at \$0.05 each under an entitlement offer to Shareholders.</li> <li>• 28 March 2014: 2,895,317 Partly Paid Shares deemed paid up to \$0.001 (\$0.049 unpaid) for nil cash consideration under a bonus offer to Shareholders.</li> </ul>
Patrick McManus	<ul style="list-style-type: none"> <li>• 30 November 2011: 500,000 Options exercisable at \$0.28 and expiring on 30 November 2014 for nil cash consideration under the employee option plan.</li> <li>• 13 November 2012: 750,000 Options exercisable at \$0.355 and expiring on 13 November 2015 for nil cash consideration as part of remuneration and to incentivise performance.</li> <li>• 2 April 2013: 285,834 Shares at \$0.22 each under an</li> </ul>

	<p>entitlement offer to Shareholders.</p> <ul style="list-style-type: none"> <li>• 2 April 2013: 285,834 Options exercisable at \$0.30 and expiring 15 March 2015 for nil cash consideration under an entitlement offer to Shareholders.</li> <li>• 20 February 2014: 522,441 Shares at \$0.05 each under an entitlement offer to Shareholders.</li> <li>• 28 March 2014: 1,567,323 Partly Paid Shares deemed paid up to \$0.001 (\$0.049 unpaid) for nil cash consideration under a bonus offer to Shareholders.</li> </ul>
<p>Gary Johnson</p>	<ul style="list-style-type: none"> <li>• 30 November 2011: 250,000 Options exercisable at \$0.28 and expiring on 30 November 2014 for nil cash consideration under the employee option plan.</li> <li>• 13 November 2012: 200,000 Options exercisable at \$0.355 and expiring on 13 November 2015 for nil cash consideration as part of remuneration and to incentivise performance.</li> <li>• 2 April 2013: 41,667 Shares at \$0.22 each under an entitlement offer to Shareholders.</li> <li>• 2 April 2013: 41,667 Options exercisable at \$0.30 and expiring 15 March 2015 for nil cash consideration under an entitlement offer to Shareholders.</li> </ul>
<p>George Sakalidis</p>	<ul style="list-style-type: none"> <li>• 30 November 2011: 250,000 Options exercisable at \$0.28 and expiring on 30 November 2014 for nil cash consideration under the employee option plan.</li> <li>• 13 November 2012: 200,000 Options exercisable at \$0.355 and expiring on 13 November 2015 for nil cash consideration as part of remuneration and to incentivise performance.</li> <li>• 2 April 2013: 25,000 Shares at \$0.22 each under an entitlement offer to Shareholders.</li> <li>• 2 April 2013: 25,000 Options exercisable at \$0.30 and expiring 15 March 2015 for nil cash consideration under an entitlement offer to Shareholders.</li> <li>• 20 February 2014: 76,975 Shares at \$0.05 each under an entitlement offer to Shareholders.</li> <li>• 28 March 2014: 454,705 Partly Paid Shares deemed paid up to \$0.001 (\$0.049 unpaid) for nil cash consideration under a bonus offer to Shareholders.</li> </ul>

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## GLOSSARY

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In this Explanatory Statement, the following terms have the following meaning:

**10% Placement Capacity** has the meaning given in section 6.1.

**2014 Annual Report** means the Company's annual report for the year ended 30 June 2014, which can be downloaded from the Company's website at [potashwest.com.au](http://potashwest.com.au).

**ASIC** means Australian Securities and Investments Commission.

**ASX** means ASX Limited (ACN 008 724 791) or the Australian Securities Exchange, as the context requires.

**ASX Listing Rules** or **Listing Rules** means the official Listing Rules of ASX.

**Board** means the board of directors of the Company.

**Closely Related Party** of a member of the Key Management Personnel means:

- (a) a spouse or child of the member;
- (b) a child of the member's spouse;
- (c) a dependent of the member or the member's spouse;
- (d) anyone else who is one of the member's family and may be expected to influence the member, or be influenced by the member, in the member's dealing with the entity;
- (e) a company the member controls; or
- (f) a person prescribed by the Corporations Regulations.

**Company** means Potash West NL (ABN 62 147 346 334).

**Constitution** means the Company's constitution.

**Corporations Act** means the *Corporations Act 2001* (Cth).

**Director** mean a director of the Company.

**Eligible Entity** means an entity that, at the date of the relevant general meeting:

- (a) is not included in the S&P/ASX 300 Index; and
- (b) has a maximum market capitalisation (excluding restricted securities and securities quoted on a deferred settlement basis) of \$300,000,000.

**Equity Securities** has the meaning given in the Listing Rules.

**Explanatory Statement** means the explanatory statement to this Notice.

**Key Management Personnel** has the same meaning as in the accounting standards and broadly includes those persons having authority and responsibility for planning, directing and controlling the activities of the Company, directly or indirectly, including any director (whether executive or otherwise) of the Company.

**Meeting** means the meeting convened by the Notice.

**Notice** or **Notice of Meeting** means the notice of meeting accompanying this Explanatory Statement.

**Option** means an option to acquire a Share.

**Remuneration Report** means that section of the Directors' Report under the heading "Remuneration Report" set out in the 2014 Annual Report.

**Share** means a fully paid ordinary share in the capital of the Company.

**Shareholder** means a shareholder of the Company.

**VWAP** means the volume weighted average price of the Shares.

**WST** means Western Standard Time, being the time in Perth, Western Australia.

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**POTASH WEST NL**  
**ABN 62 147 346 334**  
**Proxy Form Instructions**

**APPOINTMENT OF PROXY**  
**POTASH WEST NL**  
**ABN 62 147 346 334**

**ANNUAL GENERAL MEETING**

I/We

of

being a member of Potash West NL entitled to attend and vote at the Annual General Meeting, hereby

Appoint

Name of proxy

OR  the Chair of the Annual General Meeting as your proxy

or failing the person so named or, if no person is named, the Chair of the Annual General Meeting, or the Chair's nominee, to vote in accordance with the following directions, or, if no directions have been given, as the proxy sees fit, at the Annual General Meeting to be held at the offices of Potash West NL: Suite 3, 23 Belgravia Street, Belmont WA 6104 at 2.00pm WST on Wednesday, 26 November 2014, and at any adjournment thereof.

**AUTHORITY FOR CHAIR TO VOTE UNDIRECTED PROXIES ON REMUNERATION RELATED RESOLUTIONS**

Where I/we have appointed the Chair as my/our proxy (or where the Chair becomes my/our proxy by default), I/we expressly authorise the Chair to exercise my/our proxy on Resolutions 1 and 11 (except where I/we have indicated a different voting intention below) even though Resolutions 1 and 11 are connected directly or indirectly with the remuneration of a member of the Key Management Personnel, which includes the Chair.

**CHAIR'S VOTING INTENTION IN RELATION TO UNDIRECTED PROXIES**

The Chair intends to vote undirected proxies in favour of all Resolutions. In exceptional circumstances the Chair may change his/her voting intention on any Resolution. In the event this occurs an ASX announcement will be made immediately disclosing the reasons for the change.

**Voting on Business of the Annual General Meeting**

		FOR	AGAINST	ABSTAIN
Resolution 1	Adoption of Remuneration Report	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Resolution 2	Re-election of Director – George Sakalidis	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Resolution 3	Election of Director – Chew Wai Chuen	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Resolution 4	Approval for the Future Placement of 250,000 shares	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Resolution 5	Approval for the issue of Shares to General Research GmbH	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Resolution 6	Approval for Additional Placement Capacity	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Resolution 7	Ratification of Prior Share Issue of Placement Shares to Institutional Investors	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Resolution 8	Ratification of Prior Share Issue of Placement Shares to General Research GmbH	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Resolution 9	Ratification of Prior Share Issue of Placement Shares to Helmsec Global Capital Limited	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Resolution 10	Ratification of Prior Share Issue of Placement Shares to Dempsey Minerals Ltd	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Resolution 11	Approval to increase director remuneration aggregate	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

**Please note:** If you mark the abstain box for a particular Resolution, you are directing your proxy not to vote on that Resolution on a show of hands or on a poll and your votes will not to be counted in computing the required majority on a poll.

If two proxies are being appointed, the proportion of voting rights this proxy represents is \_\_\_\_\_%

**Signature of Member(s):** \_\_\_\_\_ **Date:** \_\_\_\_\_

**Individual or Member 1**

**Member 2**

**Member 3**




**Sole Director/Company Secretary**

**Director**

**Director/Company Secretary**

**POTASH WEST NL**  
**ABN 62 147 346 334**  
**Proxy Form Instructions**

**Contact Name:** \_\_\_\_\_ **Contact Ph (daytime):** \_\_\_\_\_

**E-mail Address:** \_\_\_\_\_ **Consent for contact by e-mail** YES  NO

1. A shareholder entitled to attend and vote at a meeting is entitled to appoint not more than two proxies to attend and vote on their behalf. Where more than one proxy is appointed, such proxy must be allocated a proportion of the shareholder's voting rights. If the shareholder appoints two proxies and the appointment does not specify this proportion, each proxy may exercise half the votes.

2. A duly appointed proxy need not be a shareholder of the Company. In the case of joint holders, all must sign.

3. Corporate shareholders should comply with the execution requirements set out on the proxy form or otherwise with the provisions of section 127 of the Corporations Act. section 127 of the Corporations Act provides that a company may execute a document without using its common seal if the document is signed by:

- Directors of the company;
- a Director and a company secretary of the company; or
- for a proprietary company that has a sole Director who is also the sole company secretary – that Director.

For the Company to rely on the assumptions set out in section 129(5) and (6) of the Corporations Act, a document must appear to have been executed in accordance with section 127(1) or (2). This effectively means that the status of the persons signing the document or witnessing the affixing of the seal must be set out and conform to the requirements of section 127(1) or (2) as applicable. In particular, a person who witnesses the affixing of a common seal and who is the sole Director and sole company secretary of the company must state that next to his or her signature.

4. Completion of a proxy form will not prevent individual shareholders from attending the meeting in person if they wish. Where a shareholder completes and lodges a valid proxy form and attends the meeting in person, then the proxy's authority to speak and vote for that shareholder is suspended while the shareholder is present at the meeting.

5. Where a proxy form or form of appointment of corporate representative is lodged and is executed under power of attorney, the power of attorney must be lodged in like manner as this proxy.

6. To vote by proxy, please complete and sign the proxy form enclosed and either:

(a) send the proxy form by post to Potash West NL, PO Box 588, Belmont, Western Australia 6984; or

(b) send the proxy form by facsimile to the Company on facsimile number (08) 9475 0847,

so that it is received not later than 2.00pm WST on Monday, 24 November 2014.

**Proxy forms received later than this time will be invalid.**