



**Potash West NL
ACN 147 346 334**

Notice of General Meeting

**General Meeting of Shareholders to be held at Suite 3, 23
Belgravia Street, Belmont, Western Australia on 29 August
2016, commencing at 10:30am (WST).**

Important

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

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NOTICE OF GENERAL MEETING

Notice is given that a general meeting of the shareholders of Potash West NL ACN 147 346 334 (**Company**) will be held at Suite 3, 23 Belgravia Street, Belmont, Western Australia on 29 August 2016, commencing at 10:30am (WST). The Explanatory Statement that accompanies and forms part of this Notice of General Meeting describes in more detail the Resolutions to be considered.

Business

Resolution 1: Ratification of prior issue of Shares to Placement Applicants

To consider and, if thought fit, to pass the following Resolution as an **ordinary resolution**:

“That for the purpose of ASX Listing Rule 7.4, and for all other purposes, the 57,127,998 Shares to the Placement Applicants at an issue price of \$0.03 each as set out in the Explanatory Statement is hereby approved and ratified.”

Voting exclusion statement

The Company will disregard any votes cast on this Resolution by any person who participated in the issue and any person who might obtain a benefit (except a benefit solely in the capacity of a Shareholder) if the Resolution is passed, and any associate of those persons.

However, the Company need not disregard a vote if:

- 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
- it is cast by the Chair 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.

Resolution 2: Approval for issue of Shares to Placement Applicants

To consider and, if thought fit, to pass the following Resolution as an ordinary resolution:

“That, for the purposes of Listing Rule 7.1, and for all other purposes, approval be given for the issue of up to 30,000,000 Shares to Placement Applicants at an issue price of \$0.03 as set out in the Explanatory Statement.”

Voting exclusion statement

The Company will disregard any votes cast on this Resolution by any person who may participate in the proposed issue and a person who might obtain a benefit (except a benefit solely in the capacity of a Shareholder) if the Resolution is passed, and any associate of those persons.

However, the Company need not disregard a vote if:

- 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
- it is cast by the Chair 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.

Resolution 3: Approval for issue of Shares to an Exempt Investor

To consider and, if thought fit, to pass the following Resolution as an **ordinary resolution**:

“That, for the purposes of Listing Rule 7.1, and for all other purposes, approval be given for the issue of up to 100,000,000 Shares to an Exempt Investor at an issue price of at least 80% of the volume weighted average market price of Shares calculated over the last 5 days prior to the issue of the Shares and otherwise on the terms and conditions set out in the Explanatory Statement.”

Voting exclusion statement

The Company will disregard any votes cast on this Resolution by any person who may participate in the proposed issue and a person who might obtain a benefit (except a benefit solely in the capacity of a Shareholder) if the Resolution is passed, and any associate of those persons.

However, the Company need not disregard a vote if:

- 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
- it is cast by the Chair 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.

Resolution 4: Ratification of prior grant of Options to David Greenblatt

To consider and, if thought fit, to pass the following Resolution as an **ordinary resolution**:

“That for the purpose of ASX Listing Rule 7.1, and for all other purposes, the 1,500,000 Options granted to David Greenblatt as set out in the Explanatory Statement is hereby approved and ratified.”

Voting exclusion statement

The Company will disregard any votes cast on this Resolution by David Greenblatt, and any associate of that person.

However, the Company need not disregard a vote if:

- 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
- it is cast by the Chair 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.

Resolution 5: Grant of Options to State One Stockbroking Ltd

To consider and, if thought fit, to pass the following Resolution as an **ordinary resolution**:

“That, for the purposes of Listing Rule 7.1, and for all other purposes, approval be given for the grant of up to 5,712,800 Options to State One Stockbroking Ltd as set out in the Explanatory Statement.”

Voting exclusion statement

The Company will disregard any votes cast on this Resolution by State One Stockbroking Ltd, and any associate of that person.

However, the Company need not disregard a vote if:

- 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
- it is cast by the Chair 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.

By order of the Board

Amanda Wilton-Heald
Company Secretary
Potash West NL

29 July 2016

EXPLANATORY STATEMENT

This Explanatory Statement has been prepared for the information of the shareholders of Potash West NL ACN 147 346 334 (**Company**) in connection with the Resolutions to be considered at the General Meeting to be held at Suite 3, 23 Belgravia Street, Belmont, Western Australia on 29 August 2016, commencing at 10:30am (WST).

The purpose of this Explanatory Statement is to provide Shareholders with all information known to the Company which is material to a decision on how to vote on the Resolutions in the accompanying Notice of General Meeting.

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

Capitalised terms used in this Notice have the meaning given to them in the Definitions section.

1. Voting

1.1 Proxies

Please note that:

- a Shareholder entitled to attend and vote at the General Meeting is entitled to appoint not more than two proxies. Each proxy will have the right to vote on a poll and also speak at the Meeting;
- a proxy need not be a member of the Company;
- a Shareholder may appoint a body corporate or an individual as its proxy;
- a body corporate appointed as a Shareholder's proxy may appoint an individual as its representative to exercise any of the powers that the body may exercise as the Shareholder's proxy; and
- Shareholders entitled to cast two or more votes may appoint two proxies and may specify the proportion or number of votes each proxy is appointed to exercise, but where the proportion or number is not specified, each proxy may exercise half of the votes.

The enclosed Proxy Form provides further details on appointing proxies and lodging Proxy Forms. If a Shareholder appoints a body corporate as its proxy and the body corporate wishes to appoint an individual as its representative, the body corporate should provide that person with a certificate or letter executed in accordance with the Corporations Act authorising him or her to act as that company's representative. The authority may be sent to the Company or its share registry in advance of the General Meeting or handed in at the General Meeting when registering as a corporate representative.

To vote by proxy, please complete and sign the enclosed Proxy Form and send by:

- post to the Company at Suite 3, 23 Belgravia Street, Belmont WA 6104
- facsimile to the Company on +61 9475 0847; or
- email to the Company at info@potashwest.com.au,

so that it is received by no later than 10:30am (WST) on 27 August 2016. Proxy Forms received later than this time will be invalid.

1.2 Voting entitlements

In accordance with Regulations 7.11.37 and 7.11.38 of the *Corporations Regulations 2001* (Cth), the Board has determined that a person's entitlement to vote at the General Meeting will be the entitlement of that person set out in the register of Shareholders as at 10:30am (WST) on 27 August 2016. Accordingly, transactions registered after this time will be disregarded in determining Shareholder's entitlement to attend and vote at the General Meeting.

2. Resolution 1: Ratification of prior issue of shares to Placement Applicants

2.1 Background

On 15 July 2016, the Company successfully raised \$1,713,849.94 for the offer of 57,127,998 shares at an issue price of \$0.03 (before costs) as part of a placement to professional and sophisticated investors who qualify under section 708 of the Corporations Act and announced to the ASX on 18 July 2016. The Company issued the Shares on 21 July 2016 using its placement capacity under Listing Rules 7.1 and 7.1A.

The Company is seeking Shareholder approval to ratify the prior issue of 57,127,998 Shares under the Placement to the Placement Applicants in accordance with Listing Rule 7.4.

2.2 Listing Rule 7.4

Listing Rule 7.1 provides that, subject to certain exceptions, prior approval of shareholders is required for an issue of securities by a company if those securities, when aggregated with the securities issued by the company during the previous 12 months (without approval and which were not subject to an exception), exceed 15% of the number of shares on issue at the commencement of that 12 month period.

Shareholders passed a special resolution under Listing Rule 7.1A at the Company's annual general meeting on 30 November 2015 which essentially provides the Company with additional Share placement capacity equal to 10% of its issued capital.

Listing Rule 7.4 provides that where a company ratifies a prior issue of securities, the issue will be treated as having been made with approval for the purpose of Listing Rule 7.1, thereby replenishing the company's 15% capacity and enabling it to issue further securities up to that limit. In addition, prior issues of securities under Listing Rule 7.1A can be ratified under Listing Rule 7.4 to replenish a company's additional 10% placement capacity and enable it to issue further Shares up to that limit.

Resolution 1 proposes the ratification of the issue of 57,127,998 Shares under the Placement for the purpose of satisfying the requirements of Listing Rule 7.4. If Resolution 1 is approved, the Shares will not be included in the Company's 15% calculation for the purposes of Listing Rule 7.1 or its 10% calculation for the purposes of Listing Rule 7.1A.

As required by Listing Rule 7.5, the following information is provided in relation to Resolution 1.

(a) **Number of securities issued**

57,127,998 Shares.

(b) **Price at which the securities were issued**

\$0.03 each.

(c) **Terms of the securities**

The Shares issued under the Placement rank equally in all respects with other Shares on issue.

(d) **Name of the persons to whom the entity will issue the securities or the basis on which those persons were determined**

The Shares were issued to the Placement Applicants, being clients of, or investors introduced by, State One Stockbroking Ltd.

(e) **Intended use of the funds raised**

The Company intends to use the funds raised under the Placement for:

- (i) the expenses of the Placement;

- (ii) costs associated with development activities of the Dinner Hill Fertiliser Project in the Dandaragan Trough, Western Australia;
- (iii) costs associated with evaluating new acquisitions or investment opportunities (including due diligence costs); and
- (iv) working capital, which may include wages, payments to contractors, rents and outgoings, insurance, accounting, audit, legal and listing fees, other items of a general administrative nature and cash reserves which may be used in connection with any project, investment or acquisition, as determined by the Board at the relevant time.

2.3 Directors' recommendations

The Directors unanimously recommend that Shareholders vote in favour of Resolution 1.

3. Resolution 2: Approval for issue of Shares to Placement Applicants

3.1 Background

As announced to the ASX on 18 July 2016, the Company successfully raised \$1,713,849.95 for the offer of 57,127,998 shares as part of a placement to professional and sophisticated investors who qualify under s708 of the Corporations Act. The Company issued the Shares using the placement capacity under Listing Rules 7.1 and 7.1A.

The Placement was heavily oversubscribed and to allow all Placement Applicants to participate in the Placement, the Company is seeking Shareholder approval for the issue of up to 30,000,000 Shares in accordance with Listing Rule 7.1.

3.2 Listing Rule 7.1

Listing Rule 7.1 provides that, subject to certain exceptions, prior approval of shareholders is required for an issue of securities by a company if those securities, when aggregated with the securities issued by the company without approval and which were not subject to an exception 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.

Resolution 2 seeks approval for the issue of up to 30,000,000 Shares for the purpose of satisfying the requirements of Listing Rule 7.1. If Resolution 2 is approved, the Shares will not affect the capacity of the Company to issue securities in the next 12 months under Listing Rule 7.1 as those securities, once issued, will be excluded from the calculations under Listing Rule 7.1.

For the purposes of Listing Rule 7.3, the following information is provided to Shareholders in relation to Resolution 2:

(a) **Maximum number of securities the entity is to issue**

Up to 30,000,000 Shares.

(b) **Date by which the entity will issue the securities**

It is anticipated that the Placement Applicants Shares will be issued to the Placement Applicants within 30 days of the General Meeting. In any event, however, no Placement Applicant Shares will be issued to the Placement Applicants later than 3 months after the Meeting (other than to the extent permitted by any waiver or modification of the Listing Rules).

(c) **Issue price of the securities**

\$0.03 each.

- (d) **Names of the persons to whom the entity will issue the securities (if known) or basis upon which those persons will be identified or selected**

The Shares will be issued to Placement Applicants, being clients of, or investors introduced by State One Stockbroking Ltd.

- (e) **Terms of the securities**

The Shares will rank equally in all respects with other Shares on issue.

- (f) **Intended use of funds raised**

The Company intends to use the funds raised for:

- (i) costs associated with development activities of the Dinner Hill Fertiliser Project in the Dandaragan Trough, Western Australia;
- (ii) costs associated with evaluating new acquisitions or investment opportunities (including due diligence costs); and
- (iii) working capital, which may include wages, payments to contractors, rents and outgoings, insurance, accounting, audit, legal and listing fees, other items of a general administrative nature and cash reserves which may be used in connection with any project, investment or acquisition, as determined by the Board at the relevant time.

3.3 Directors' recommendations

The Directors unanimously recommend that Shareholders vote in favour of Resolution 2.

4. Resolution 3: Approval for issue of Shares to an Exempt Investor

4.1 Background

Resolution 3 seeks Shareholder approval for the issue of up to 100,000,000 Shares to an Exempt Investor at an issue price of at least 80% of the volume weighted average price of Shares calculated over the last 5 days prior to the issue of Shares.

The Company is currently in negotiations with an Exempt Investor to raise funds to assist with the development activities of the Dinner Hill Fertiliser Project. This negotiation is at an early stage, but putting this facility in place will allow the Board to make a quick decision, if required in the negotiations. This will be done with the view to maximizing the Company's ability to raise funds to enable an aggressive development program to continue, the Directors believe that it is prudent to seek approval for the future issue of Shares to the Exempt Investor (**Exempt Investor Shares**).

The Company is seeking Shareholder approval to approve the issue of up to 100,000,000 Shares to an Exempt Investor in accordance with Listing Rule 7.1.

4.2 Listing Rule 7.1

Listing Rule 7.1 provides that, subject to certain exceptions, prior approval of shareholders is required for an issue of securities by a company if those securities, when aggregated with the securities issued by the company without approval and which were not subject to an exception 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.

Resolution 3 seeks approval for the issue of up to 100,000,000 Shares for the purpose of satisfying the requirements of Listing Rule 7.1. If Resolution 3 is approved, the Shares will not affect the capacity of the

Company to issue securities in the next 12 months under Listing Rule 7.1 as those securities, once issued, will be excluded from the calculations under Listing Rule 7.1.

For the purposes of Listing Rule 7.3, the following information is provided to Shareholders in relation to Resolution 3:

(a) **Maximum number of securities the entity is to issue**

Up to 100,000,000 Shares

(b) **Date by which the entity will issue the securities**

It is anticipated that the Exempt Investor Shares will be issued to the Exempt Investor within 30 days of the General Meeting. In any event, however, no Exempt Investor Shares will be issued to the Exempt Investor later than 3 months after the Meeting (other than to the extent permitted by any waiver or modification of the Listing Rules).

(c) **Issue price of the securities**

The shares will be issued at a price of at least 80% of the volume weighted average price of Shares calculated over the last 5 days prior to the issue of Shares.

(d) **Names of the persons to whom the entity will issue the securities (if known) or basis upon which those persons will be identified or selected**

The Exempt Investor Shares will be issued to the Exempt Investor (or its nominee).

(e) **Terms of the securities**

The Exempt Investor Shares will rank equally in all respects with other Shares on issue.

(f) **Intended use of the funds raised**

The Company intends to use the funds raised for:

- (i) costs associated with development activities of the Dinner Hill Fertiliser Project in the Dandaragan Trough, Western Australia;
- (ii) costs associated with evaluating new acquisitions or investment opportunities (including due diligence costs); and
- (iii) working capital, which may include wages, payments to contractors, rents and outgoings, insurance, accounting, audit, legal and listing fees, other items of a general administrative nature and cash reserves which may be used in connection with any project, investment or acquisition, as determined by the Board at the relevant time.

4.3 Directors' recommendations

The Directors unanimously recommend that Shareholders vote in favour of Resolution 3.

5. Resolution 4: Ratification of prior grant of Options to David Greenblatt

5.1 Background

On 14 December 2015, the Company granted 1,500,000 Options to David Greenblatt in consideration of consultancy services provided to the Company. The Company granted the Options using its placement capacity under Listing Rules 7.1.

The Company is seeking Shareholder approval to ratify the prior grant of 1,500,000 Options in accordance with Listing Rule 7.4.

5.2 Listing Rule 7.4

Listing Rule 7.1 provides that, subject to certain exceptions, prior approval of shareholders is required for an issue of securities by a company if those securities, when aggregated with the securities issued by the company during the previous 12 months (without approval and which were not subject to an exception), exceed 15% of the number of shares on issue at the commencement of that 12 month period.

Shareholders passed a special resolution under Listing Rule 7.1A at the Company's annual general meeting on 30 November 2015 which essentially provides the Company with additional Share placement capacity equal to 10% of its issued capital.

Listing Rule 7.4 provides that where a company ratifies a prior issue of securities, the issue will be treated as having been made with approval for the purpose of Listing Rule 7.1, thereby replenishing the company's 15% capacity and enabling it to issue further securities up to that limit. In addition, prior issues of securities under Listing Rule 7.1A can be ratified under Listing Rule 7.4 to replenish a company's additional 10% placement capacity and enable it to issue further Shares up to that limit.

Resolution 4 proposes the ratification of the grant of 1,500,000 Options for the purpose of satisfying the requirements of Listing Rule 7.4. If Resolution 4 is approved, the Options will not be included in the Company's 15% calculation for the purposes of Listing Rule 7.1 or its 10% calculation for the purposes of Listing Rule 7.1A.

As required by Listing Rule 7.5, the following information is provided in relation to Resolution 4.

(g) **Number of securities granted**

1,500,000 Options

(h) **Exercise price at which the securities were granted**

Exercisable at \$0.07 per Options

(i) **Price at which the securities were granted**

Granted for \$Nil consideration

(j) **Expiry date of the securities**

Expiring 30 November 2018

(k) **Terms of the securities**

The Options granted are an unlisted class of securities and the terms and conditions of the attaching options are set out in Annexure "A"

(l) **Names of the persons to whom the securities were granted**

David Greenblatt

5.3 Directors' recommendations

The Directors unanimously recommend that Shareholders vote in favour of Resolution 4.

6. Resolution 5: Grant of Options to State One Stockbroking Ltd

6.1 Background

Resolution 5 seeks Shareholder approval for the grant of up to 5,712,800 Options to State One Stockbroking Ltd to the Placement at an exercise price of a 25% premium (3.75 cents) over the share price of the Shares issued in Resolution 1, expiring 30 June 2019 in consideration of capital raising services provided to the Company.

The Company is seeking Shareholder approval to approve the grant of up to 5,712,800 Options to State One Stockbroking Ltd in accordance with Listing Rule 7.1.

6.2 Listing Rule 7.1

Listing Rule 7.1 provides that, subject to certain exceptions, prior approval of shareholders is required for an issue of securities by a company if those securities, when aggregated with the securities issued by the company without approval and which were not subject to an exception 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.

Resolution 5 seeks approval for the grant of up to 5,712,800 Options for the purpose of satisfying the requirements of Listing Rule 7.1. If Resolution 5 is approved, the Options will not affect the capacity of the Company to issue securities in the next 12 months under Listing Rule 7.1 as those securities, once issued, will be excluded from the calculations under Listing Rule 7.1.

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

(a) **Maximum number of securities the entity is to grant**

Up to 5,712,800 Options

(b) **Date by which the entity will grant the securities**

It is anticipated that the Options will be granted to State One Stockbroking Ltd within 7 days of the General Meeting. In any event, however, no Options will be granted to State One Stockbroking Ltd later than 3 months after the Meeting (other than to the extent permitted by any waiver or modification of the Listing Rules).

(c) **Exercise price at which the securities will be granted**

3.75 cents

(d) **Price at which the securities will be granted**

Granted for \$Nil consideration

(e) **Expiry date of the securities**

Expiring 30 June 2019

(f) **Terms of the securities**

The Options granted are an unlisted class of securities and the terms and conditions of the attaching options are set out in Annexure "B"

(g) **Names of the persons to whom the options will be granted**

State One Stockbroking Ltd or their nominee

6.3 Directors' recommendations

The Directors unanimously recommend that Shareholders vote in favour of Resolution 5.

DEFINITIONS

In this Notice and Explanatory Statement, the following terms have the following meanings:

Annexure an annexure to this Explanatory Statement.

ASIC means the Australian Securities and Investments Commission.

ASX means ASX Limited ACN 008 624 691 or the Australian Securities Exchange, as the context requires.

Board means the board of Directors.

Business Day means any day other than a Saturday, a Sunday or a public holiday in Perth, Western Australia.

Chair means the chairperson of the Meeting.

Company means Potash West NL ACN 147 346 334.

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

Director means a director of the Company.

Equity Securities has the meaning given in the Listing Rules.

Explanatory Statement means the explanatory statement incorporated in the Notice.

Exempt Investor means a professional or sophisticated investor under section 708 of the Corporations Act.

General Meeting or **Meeting** means the general meeting of Shareholders to be held on 29 August 2016, at 10:30am (WST).

Key Management Personnel means the key management personnel of the Company as defined in section 9 of the Corporations Act and Australian Accounting Standards Board accounting standard 124, being 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).

Listing Rules means the official Listing Rules of ASX.

Notice of General Meeting or **Notice** means the notice of general meeting incorporating the Explanatory Statement.

Option means an option to acquire a Share.

Optionholder means a holder of one or more Options.

Placement means the placement of 57,127,998 Shares to professional and sophisticated investors under section 708 of the Corporations Act as announced by the Company on 18 July 2016 at an issue price of \$0.03 per Share.

Placement Applicant means a person who applied for Shares under the Placement. No Placement Applicant is a related party.

Proxy Form means the proxy form attached to this Notice.

Relevant Interest has the meaning given in sections 608 and 609 of the Corporations Act.

Resolution means a resolution contained in the Notice.

Section means a section contained in the Explanatory Statement.

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

Shareholder means a holder of one or more Shares.

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

ANNEXURE A – TERMS AND CONDITIONS OF 30 NOVEMBER 2018 OPTIONS

The terms and conditions of the Options are set out below.

(a) Exercise price

The exercise price of each Option is \$0.07 per Share to be issued.

(b) Entitlement

Each Option shall entitle the holder the right to subscribe (in cash) for one Share.

(c) Option period

The Options will expire at 5.00pm (WST) on 30 November 2018 (**Expiry Date**). Subject to clause (g), Options may be exercised at any time prior to the Expiry Date and any not exercised shall automatically expire on the Expiry Date.

(d) Ranking of Shares allotted on exercise

Each Share allotted as a result of the exercise of any Option will, subject to the Constitution of the Company, rank in all respects *pari passu* with the existing Shares on issue at the date of allotment.

(e) Voting

A registered holder of an Option (Optionholder) will not be entitled to attend or vote at any meeting of the members of the Company unless they are, in addition to being an Optionholder, a Shareholder.

(f) Transfer

Options are transferable at any time prior to the Expiry Date. This right is subject to any restrictions on the transfer of Options that may be imposed by the ASX in circumstances where the Company is listed on the ASX.

(g) Method of exercise

- (i) The Company will provide to each Option holder a notice that is to be completed when exercising the Options (Exercise Notice). Options may be exercised by the Option holder completing the Exercise Notice and forwarding the same to the Company Secretary to be received prior to the Expiry Date. The Exercise Notice must state the number of Options being exercised and the consequent number of Shares to be allotted; which number of Options must be a multiple of 2,500 if only part of the Optionholder's total Options are exercised, or if the total number of Options held by an Option holder is less than 2,500, then the total of all Options held by that Optionholder must be exercised.
- (ii) The Exercise Notice of Options by an Optionholder must be accompanied by payment in full for the relevant number of Shares being subscribed, being an amount of \$0.07 per Share.
- (iii) Subject to paragraph (g)(i) above, the exercise of less than all of an Optionholder's Options will not prevent the Optionholder from exercising the whole or any part of the balance of the Optionholder's entitlement under the Optionholder's remaining Options.
- (iv) Within 14 days from the date the Optionholder properly exercises Options, the Company shall issue and allot to the Optionholder that number of Shares so subscribed for by the Optionholder.
- (v) The Company will within 3 Business Days from the date of issue and allotment of Shares pursuant to the exercise of an Option, apply to the ASX for, and use its best endeavours to obtain, Official Quotation of all such shares, in accordance with the Corporations Act and the Listing Rules.

(vi) The Company will generally comply with the requirements of the Listing Rules in relation to the timetables imposed when quoted Options are due to expire. Where there shall be any inconsistency between the timetables outlined herein regarding the expiry of the Options and the timetable outlined in the Listing Rules, the timetable outlined in the Listing Rules shall apply.

(h) ASX listing

The Options are quoted on the ASX.

(i) Reconstruction

In the event of a reconstruction (including a consolidation, sub-division, reduction or return) of the issued capital of the Company, all rights of the Option holder will be changed to the extent necessary to comply with the Listing Rules applying to the reconstruction of capital, at the time of the reconstruction.

(j) Participation in new share issues

There are no participating rights or entitlements inherent in the Options to participate in any new issues of capital which may be made or offered by the Company to its shareholders from time to time prior to the Expiry Date unless and until the Options are exercised. The Company will ensure that the record date for the purposes of determining entitlements to any new issue will be at least seven (7) Business Days after such new issues are announced (or such other date if required under the Listing Rules) in order to afford the Optionholder an opportunity to exercise the Options held by the Option Holder.

(k) No change of exercise price or number of underlying shares

There are no rights to change the exercise price of the Options or the number of underlying Shares.

For personal use only

ANNEXURE B – TERMS AND CONDITIONS OF 30 JUNE 2019 OPTIONS

The terms and conditions of the Options are set out below.

(a) Exercise price

3.75 cents (\$0.0375)

(b) Entitlement

Each Option shall entitle the holder the right to subscribe (in cash) for one Share.

(c) Option period

The Options will expire at 5.00pm (WST) on 30 June 2019 (**Expiry Date**). Subject to clause (g), Options may be exercised at any time prior to the Expiry Date and any not exercised shall automatically expire on the Expiry Date.

(d) Ranking of Shares allotted on exercise

Each Share allotted as a result of the exercise of any Option will, subject to the Constitution of the Company, rank in all respects pari passu with the existing Shares in the capital of the Company on issue at the date of allotment.

(e) Voting

A registered holder of an Option (**Optionholder**) will not be entitled to attend or vote at any meeting of the members of the Company unless they are, in addition to being an Optionholder, a Shareholder.

(f) Transfer

Options are transferable at any time prior to the Expiry Date. This right is subject to any restrictions on the transfer of Options that may be imposed by the ASX in circumstances where the Company is listed on the ASX.

(g) Method of exercise

(i) The Company will provide to each Optionholder a notice that is to be completed when exercising the Options (**Exercise Notice**). Options may be exercised by the Optionholder completing the Exercise Notice and forwarding the same to the Company Secretary to be received prior to the Expiry Date. The Exercise Notice must state the number of Options being exercised and the consequent number of Shares to be allotted; which number of Options must be a multiple of 2,500 if only part of the Optionholder's total Options are exercised, or if the total number of Options held by an Optionholder is less than 2,500, then the total of all Options held by that Optionholder must be exercised.

(ii) The Exercise Notice of Options by an Optionholder must be accompanied by payment in full for the relevant number of Shares being subscribed, being at a 25% premium over the share price of the Shares issued in Resolution 1 per Share.

(iii) Subject to paragraph (g)(i) above, the exercise of less than all of an Optionholder's Options will not prevent the Optionholder from exercising the whole or any part of the balance of the Optionholder's entitlement under the Optionholder's remaining Options.

(iv) Within 14 days from the date the Optionholder properly exercises Options, the Company shall issue and allot to the Optionholder that number of Shares so subscribed for by the Optionholder.

- (v) The Company will within 3 Business Days from the date of issue and allotment of Shares pursuant to the exercise of an Option, apply to the ASX for, and use its best endeavours to obtain, Official Quotation of all such Shares, in accordance with the Corporations Act and the Listing Rules.
- (vi) The Company will generally comply with the requirements of the Listing Rules in relation to the timetables imposed when quoted Options are due to expire. Where there shall be any inconsistency between the timetables outlined herein regarding the expiry of the Options and the timetable outlined in the Listing Rules, the timetable outlined in the Listing Rules shall apply.

(h) ASX listing

The Options will not be listed on the ASX.

(i) Reconstruction

In the event of a reconstruction (including a consolidation, sub-division, reduction or return) of the issued capital of the Company, all rights of the Optionholder will be changed to the extent necessary to comply with the Listing Rules applying to the reconstruction of capital, at the time of the reconstruction.

(j) Participation in new Share issues

There are no participating rights or entitlements inherent in the Options to participate in any new issues of capital which may be made or offered by the Company to its Shareholders from time to time prior to the Expiry Date unless and until the Options are exercised. The Company will ensure that the record date for the purposes of determining entitlements to any new issue will be at least seven (7) Business Days after such new issues are announced (or such other date if required under the Listing Rules) in order to afford the Optionholder an opportunity to exercise the Options held by the Optionholder.

(k) No change of exercise price or number of underlying Shares

There are no rights to change the exercise price of the Options or the number of underlying Shares.

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Potash West NL
ACN 147 346 334

PROXY FORM

I/We

of

being a member of Potash West NL ACN 147 346 334 entitled to attend and vote at the General Meeting, hereby

Appoint

Name of Proxy

OR

the Chair of the General Meeting as your proxy

or failing the person so named or, if no person is named, the Chair of the General Meeting, or the Chair's nominee, to vote in accordance with the following directions, or, if no directions have been given, and subject to the relevant laws as the proxy sees fit, at the General Meeting to be held at 10:30am (WST) on 29 August 2016, at Suite 3, 23 Belgravia Street, Belmont, Western Australia, and at any adjournment thereof.

The Chair intends to vote all undirected proxies in favour of all Resolutions. If you have appointed the Chair as your proxy (or the Chair becomes your proxy by default), and you wish to give the Chair specific voting directions on a Resolution, you should mark the appropriate box(es) opposite those Resolutions in the panel below (i.e. directing the Chair to vote for, against or to abstain from voting).

OR

Voting on business of the General Meeting

		For	Against	Abstain
Resolution 1	Ratification of prior issue of Shares to the Placement Applicants	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Resolution 2	Approval for issue of Shares to Placement Applicants	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Resolution 3	Approval for issue of Shares to an Exempt Investor	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Resolution 4	Ratification of prior grant of Options to David Greenblatt	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Resolution 5	Grant of Options to State One Stockbroking Ltd.	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

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.

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

Signature of Member(s):

Date: _____

Individual or Member 1

Sole Director/Company Secretary

Member 2

Director

Member 3

Director/Company Secretary

Contact Name: _____

Contact Ph (daytime): _____

Instructions for Proxy Form

1. Your name and address

Please print your name and address as it appears on your holding statement and the Company's share register. If Shares are jointly held, please ensure the name and address of each joint shareholder is indicated. Shareholders should advise the Company of any changes. Shareholders sponsored by a broker should advise their broker of any changes. Please note you cannot change ownership of your securities using this form.

2. Appointment of a proxy

You are entitled to appoint no more than two proxies to attend and vote on a poll on your behalf. The appointment of a second proxy must be done on a separate copy of the Proxy Form. Where more than one proxy is appointed, such proxy must be allocated a proportion of your voting rights. If you appoint two proxies and the appointment does not specify this proportion, each proxy may exercise half of your votes.

If you wish to appoint the Chair of the General Meeting as your proxy, please mark the box. If you leave this section blank or your named proxy does not attend the General Meeting, the Chair will be your proxy. A proxy need not be a Shareholder.

3. Voting on Resolutions

You may direct a proxy how to vote by marking one of the boxes opposite each item of business. Where a box is not marked the proxy may vote as they choose. Where more than one box is marked on an item your vote will be invalid on that item.

4. Signing instructions

You must sign this form as follows in the spaces provided:

- **(Individual)** Where the holding is in one name, the holder must sign.
- **(Joint holding)** Where the holding is in more than one name, all of the shareholders should sign.
- **(Power of attorney)** If you have not already lodged the power of attorney with the Company's share registry, please attach a certified photocopy of the power of attorney to this form when you return it.
- **(Companies)** Where the company has a sole director who is also the sole company secretary, this form must be signed by that person. If the company (pursuant to section 204A of the Corporations Act) does not have a company secretary, as sole director can also sign alone. Otherwise this form must be signed by a director jointly with either another director or a company secretary. Please indicate the office held by signing in the appropriate place.

If a representative of the corporation is to attend the meeting a "Certificate of Appointment of Corporate Representative" should be produced prior to admission.

5. Return of a Proxy Form

To vote by proxy, please complete and sign the enclosed Proxy Form (and any power of attorney and/or second Proxy Form) and return by:

- post to the Company at Suite 3, 23 Belgravia Street, Belmont WA 6104; or
- facsimile to the Company on +61 8 9475 0847; or
- email to the Company Secretary at info@potashwest.com.au,

so that it is received by no later than 10:30am (WST) on 27 August 2016. **Proxy Forms received later than this time will be invalid.**

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