Potash West NL

ACN 147 346 334

Prospectus

Entitlement Offer

For a non-renounceable, pro rata entitlement offer of New Shares at an issue price of $0.05 each on the basis of 1 New Share for every 5 Shares held at the Entitlement Offer Record Date to raise approximately $940,210 before costs (**Entitlement Offer**).

Bonus Offer

For a non-renounceable, pro rata bonus offer of New Partly Paid Shares at a total issue price of $0.05 each on the basis of 1 New Partly Paid Share for every 2 Shares held at the Bonus Offer Record Date with each New Partly Paid Share deemed to be paid up to $0.001 (**Bonus Offer**).

Underwriting

The Entitlement Offer is fully underwritten by Barclay Wells Limited.

IMPORTANT NOTICE

This Prospectus is a transaction specific prospectus issued in accordance with section 713 of the Corporations Act. This is an important document that should be read in its entirety. Please read the instructions in this Prospectus and on the accompanying Acceptance Forms regarding acceptance of the Offers. If you do not understand this document you should consult your stockbroker, lawyer, accountant or other professional adviser without delay. The New Securities offered under this Prospectus should be considered speculative.

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1. IMPORTANT INFORMATION

1.1 General

The Prospectus is dated 15 January 2014 and a copy of this Prospectus was lodged with ASIC on that date. ASIC and ASX do not take any responsibility for the contents of this Prospectus or the merits of the investment to which the Prospectus relates.

This Prospectus is a transaction specific prospectus for an offer of continuously quoted securities (as defined in the Corporations Act) and has been prepared in accordance with section 713 of the Corporations Act.

Within 7 days of the date of this Prospectus, the Company will make an application to ASX for the New Securities offered pursuant to this Prospectus to be admitted for quotation on ASX. No securities will be issued pursuant to this Prospectus later than 13 months after the date of this Prospectus.

1.2 Electronic Prospectus

In addition to issuing the Prospectus in printed form, a read-only version of the Prospectus is also available on the Company's website at www.potashwest.com.au. Applications cannot be made online. Any person accessing the electronic version of this Prospectus for the purpose of making an investment in the Company must be an Australian resident and must only access the Prospectus from within Australia. The Corporations Act prohibits any person passing onto another person an Acceptance Form unless it is attached to a hard copy of this Prospectus or it accompanies the complete and unaltered electronic version of this Prospectus.

1.3 Applications for New Securities

Please read the instructions in **Section 5.4** and on the accompanying Acceptance Forms regarding acceptance of the Offers.

By returning a completed Entitlement Offer Acceptance Form, making a payment for New Shares by BPAY®, or otherwise applying for New Shares in accordance with the instructions on the Entitlement Offer Acceptance Form, the applicant acknowledges that it has received and read this Prospectus, has acted in accordance with the terms of the Offers, agrees to all of the terms and conditions set out in this Prospectus and makes the statements set out in the Entitlement Offer Acceptance Form. Applicants who submit an Entitlement Offer Application are deemed to accept their entitlement to New Partly Paid Shares (if any) under the Bonus Offer.

By returning a completed Bonus Offer Acceptance Form in accordance with the instructions on the Bonus Offer Acceptance Form, the applicant acknowledges that it has received and read this Prospectus, has acted in accordance with the terms of the Bonus Offer, agrees to all of the terms and conditions set out in this Prospectus and makes the statements set out in the Bonus Offer Acceptance Form. Applicants are not required to submit an Entitlement Offer Application in order to accept their entitlement to New Partly Paid Shares under the Bonus Offer.

1.4 Risk factors

Before deciding to invest in the Company, Eligible Shareholders should read the entire Prospectus. In considering the prospects for the Company, Eligible Shareholders should

consider the assumptions underlying the prospective financial information and the risk factors set out in **Section 7** that could affect the performance of the Company. Eligible Shareholders should carefully consider these factors in light of personal circumstances (including financial and taxation issues) and seek professional advice from a stockbroker, accountant or other independent financial adviser before deciding to invest.

1.5 Publicly available information

Information about the Company is publicly available and can be obtained from ASIC and ASX (including ASX's website at www.asx.com.au). The contents of any website or ASIC or ASX filing by the Company are not incorporated into this Prospectus and do not constitute part of the Offers. This Prospectus is intended to be read in conjunction with the publicly available information in relation to the Company which has been notified to ASX. Eligible Shareholders should therefore have regard to the other publicly available information in relation to the Company before making a decision on whether or not to invest in the Company.

1.6 Offer restrictions

The offers of New Securities made pursuant to this Prospectus are not made to persons to which, or in places in which, it would not be lawful to make such an offer of New Securities. No action has been taken to register the Offers under this Prospectus or otherwise permit the Offers to be made in any jurisdiction outside Australia. The distribution of this Prospectus in jurisdictions outside Australia may be restricted by law in those jurisdictions and therefore persons who come into possession of this Prospectus should seek advice on and observe any of these restrictions. Failure to comply with these restrictions may violate securities laws.

1.7 Representations

No person is authorised to give any information or to make any representation in relation to the Offers which is not contained in this Prospectus. Any information or representation not so contained may not be relied upon as having been authorised by the Company or the Directors in relation to the Offers.

1.8 Forward-looking statements

This Prospectus contains forward-looking statements which incorporate an element of uncertainty or risk, such as 'intents', 'may', 'could', 'believes', 'estimates', 'targets' or 'expects'. These statements are based on an evaluation of current economic and operating conditions, as well as assumptions regarding future events. These events, as at the date of this Prospectus, are expected to take place, but there is no guarantee that such will occur as anticipated or at all given that many of the events are outside the Company's control.

Accordingly, the Company cannot and does not give any assurance that the results, performance or achievements expressed or implied by the forward-looking statements contained in this Prospectus will actually occur. Further, the Company may not update or revise any forward-looking statement if events subsequently occur or information subsequently becomes available that affects the original forward-looking statement.

1.9 Exposure Period

In accordance with Chapter 6D of the Corporations Act, this Prospectus is subject to an Exposure Period of 7 days from the date of lodgement of the Prospectus with ASIC. This period may be extended by ASIC for a further period of 7 days.

The purpose of the Exposure Period is to enable the Prospectus to be examined by market participants prior to the raising of funds. Such examination may result in the identification of deficiencies in this Prospectus. If this Prospectus is found to be deficient, applications received during the Exposure Period will be dealt with in accordance with section 724 of the Corporations Act. Applications received during the Exposure Period will not be processed until the expiry of the Exposure Period. No preference will be conferred on applications received during the Exposure Period.

1.10 Interpretation

A number of terms and abbreviations used in this Prospectus have defined meanings which are set out in **Section 10**.

All references in this Prospectus to **$**, **AUD** or **dollars** are references to Australian currency, unless otherwise stated.

All references to time in this Prospectus relate to the time in Perth, Western Australia.

2. CORPORATE DIRECTORY

Directors

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

Company Secretary

Amanda Wilton-Heald

Registered Office

Suite 3, 23 Belgravia Street
Belmont WA 6104

Share Registry

Advanced Share Registry Services
150 Stirling Highway
Nedlands WA 6009

Auditor (for information purposes only)

Ernst & Young
Ernst & Young Building
11 Mounts Bay Road
Perth WA 6000

Legal Adviser

Price Sierakowski Corporate
Level 24, 44 St Georges Terrace
Perth WA 6000

ASX Code

PWN

Website

www.potashwest.com.au

3. TIMETABLE

The timetable for the Offers is as follows:

Event	Date
Announcement of Offers, Appendix 3B lodged with ASX and Prospectus lodged with ASX and ASIC	15 January 2014
Entitlement Offer	
Notice sent to Optionholders	15 January 2014
Notice sent to Shareholders	16 January 2014
'Ex' date	21 January 2014
Entitlement Offer Record Date (5.00pm (WST))	28 January 2014
Prospectus issued to Eligible Shareholders and announcement of issue of Prospectus	31 January 2014
Opening Date for Offers	31 January 2014
Entitlement Offer Closing Date (5.00pm (WST))	14 February 2014
Deferred settlement trading commences	17 February 2014
ASX notified of under-subscriptions	19 February 2014
Issue of New Shares and deferred settlement trading ends	24 February 2014
Commencement of trading of New Shares	25 February 2014
Bonus Offer	
'Ex' date and deferred settlement trading commences	18 March 2014
Bonus Offer Record Date (5.00pm (WST))	24 March 2014
Bonus Offer Closing Date (5.00pm (WST))	25 March 2014
Issue of New Partly Paid Shares and deferred settlement trading ends	31 March 2014
Commencement of trading of New Partly Paid Shares[1]	1 April 2014

Notes:

1. The Company will apply to ASX for quotation of the New Partly Paid Shares however there is no guarantee that ASX will approve the Company's application or that the New Partly Paid Shares will meet the spread requirements under the ASX Listing Rules. See **Sections 4.1** and **4.13** for further information.
2. All dates (other than the date of lodgement of the Prospectus with ASX and ASIC) are indicative only. The Company reserves the right, subject to the Corporations Act, the ASX Listing Rules and other applicable laws, to vary the dates of the Offers, including extending the Closing Dates or accepting late acceptances, either generally or in particular cases, without notice.

4. DETAILS OF THE OFFERS

4.1 Structure of the Offers

Entitlement Offer

Under the Entitlement Offer, approximately 18,804,213 New Shares are being offered at an issue price of $0.05 each to raise up to approximately $940,210 (before costs). Each Eligible Shareholder has the opportunity to subscribe for 1 New Share for every 5 Shares held on the Entitlement Offer Record Date. Eligible Shareholders may also apply for New Shares in excess of their entitlement (see **Section 4.3** for details).

Entitlements under the Entitlement Offer will be rounded to the nearest whole number. Subject to the eligibility requirements in **Section 4.4**, Optionholders who exercise their Options after the date of this Prospectus but before the Entitlement Offer Record Date will be entitled to participate in the Entitlement Offer.

Applicants who submit an Entitlement Offer Application are deemed to accept the whole of their entitlement to New Partly Paid Shares (if any) under the Bonus Offer.

Eligible Shareholders are being sent this Prospectus together with a personalised Entitlement Offer Acceptance Form and are invited to apply for New Shares. The Entitlement Offer opens on 31 January 2014 and closes at 5.00pm (WST) on 14 February 2014.

Bonus Offer

Under the Bonus Offer, New Partly Paid Shares are being offered for **no cash consideration** to Eligible Shareholders on the basis of 1 New Partly Paid Share for every 2 Shares held on the Bonus Offer Record Date. The New Partly Paid Shares will be deemed to be paid up to $0.001 upon issue. Each New Partly Paid Share has a total issue price of $0.05 and an initial unpaid amount of $0.049.

As the Company is a 'no liability' company, a holder of a New Partly Paid Share is not under any contractual obligation to pay a call in respect of the unpaid amount of a New Partly Paid Share. However, if a call is not paid, the New Partly Paid Share will be liable to forfeiture and may be sold by the Company via public auction. Please see **Section 8.4** for full terms of the New Partly Paid Shares.

The Company will apply to ASX for quotation of the New Partly Paid Shares however there is no guarantee that ASX will approve the Company's application or that the New Partly Paid Shares will meet the spread requirements under the ASX Listing Rules. If the New Partly Paid Shares are not quoted, the Offers will proceed in any event and holders will be unable to trade the New Partly Paid Shares on the ASX.

Entitlements under the Bonus Offer will be rounded to the nearest whole number. Subject to the eligibility requirements in **Section 4.4**, Optionholders who exercise their Options after the date of this Prospectus but before the Bonus Offer Record Date will be entitled to participate in the Bonus Offer.

Applicants are not required to apply for New Shares under the Entitlement Offer in order to accept their entitlement to New Partly Paid Shares under the Bonus Offer. However, Eligible Shareholders will not receive their entitlement to New Partly Paid Shares (if any) unless they submit an Entitlement Offer Application or a completed Bonus Offer Acceptance Form.

Eligible Shareholders are being sent this Prospectus together with a Bonus Offer Acceptance Form and are invited to apply for New Partly Paid Shares. The Bonus Offer opens on 31 January 2014 and closes at 5.00pm (WST) on 25 March 2014.

4.2 Purpose of the Offers

Entitlement Offer

The purpose of the Entitlement Offer is to raise approximately $940,210 (before costs) to enable the Company to:

- advance the feasibility study on the production of superphosphate from the greensands in the Dandaragan Trough; and
- manage the patents for the K-Max process.

Assuming that the Entitlement Offer is fully subscribed (on the basis that it is fully underwritten), the funds raised under the Entitlement Offer are planned to be used in accordance with the table set out below:

Use of funds	Amount
Advancing the phosphate feasibility study at Dandaragan Trough	$500,000
Managing the K-Max patents	$80,000
Working capital	$260,210
Expenses of the Offer (excluding GST)	$100,000
Total	**$940,210**

The above table is a statement of the Board's current intention as at the date of this Prospectus. However, Shareholders should note that, as with any budget, the allocation of funds set out in the above table may change depending on a number of factors, including the outcome of operational and development activities, regulatory developments, market and general economic conditions and environmental factors. In light of this, the Board reserves the right to alter the way the funds are applied.

Bonus Offer

The purpose of the Bonus Offer is to reward Eligible Shareholders for their loyalty and to provide those Shareholders with an opportunity to participate in the continued growth of the Company. Please note, however, that Eligible Shareholders will not receive their entitlement to New Partly Paid Shares unless they either submit an Entitlement Offer Application or a completed Bonus Offer Acceptance Form.

No funds will initially be raised from the issue of the New Partly Paid Shares. The proceeds received from any calls on the New Partly Paid Shares, however, are intended to be applied towards meeting working capital requirements of the Company relevant at, or about, the time of the call at the discretion of the Board.

4.3 Additional New Shares

Eligible Shareholders may also apply for New Shares in excess of their entitlement under the Entitlement Offer (**Additional New Shares**).

Any Additional New Shares will be limited to the extent that there are sufficient New Shares from Eligible Shareholders who do not take up their full entitlement (i.e. that form part of the Shortfall) or from New Shares that would have been offered to Ineligible Shareholders if they had been entitled to participate in the Entitlement Offer.

Additional New Shares will only be allocated to Eligible Shareholders, if and to the extent that the Company so determines, in its absolute discretion, having regard to circumstances as at the time of the close of the Entitlement Offer and subject to the Corporations Act and the ASX Listing Rules. The Company may apply any scale-back in its absolute discretion. The Company decision on the number of Additional New Shares allocated to Eligible Shareholders will be final.

To the extent that there remains any shortfall in the take-up of the Entitlement Offer following allocations of Additional New Shares, the Directors reserve the right to issue the Shortfall at their discretion, subject to the Company's obligations under the Underwriting Agreement (see **Section 8.5** for further details).

Eligible Share may not apply for New Partly Paid Shares in excess of their entitlement under the Bonus Offer.

4.4 Eligible Shareholders

Entitlement Offer

Eligible Shareholders for the purposes of the Entitlement Offer are those persons who:

- are registered as a holder Shares as at 5.00pm (WST) on 28 January 2014; and
- have a registered address in Australia or New Zealand or are otherwise eligible under all applicable securities laws to receive an offer of New Shares under the Entitlement Offer.

Please see **Section 4.5** for information regarding the treatment of foreign Shareholders.

Bonus Offer

Eligible Shareholders for the purposes of the Bonus Offer are those persons who:

- are registered as a holder Shares as at 5.00pm (WST) on 24 March 2014; and
- have a registered address in Australia or New Zealand or are otherwise eligible under all applicable securities laws to receive an offer of New Partly Paid Shares under the Bonus Offer.

Please see **Section 4.5** for information regarding the treatment of foreign Shareholders.

4.5 Treatment of foreign Shareholders

This Prospectus and the accompanying Acceptance Forms do not constitute an offer of New Securities in any jurisdiction in which it would be unlawful. Return of a completed Entitlement Offer Acceptance Form or payment to the Company via BPAY® will be taken by

the Company to constitute a representation and warranty by the applicant that it is eligible to receive an offer of, and be issued, New Securities under the Entitlement Offer and the Bonus Offer and that there has been no breach of applicable securities laws. Return of a completed Bonus Offer Acceptance Form will be taken by the Company to constitute a representation and warranty by the applicant that it is eligible to receive an offer of, and be issued, New Partly Paid Shares under the Bonus Offer and that there has been no breach of applicable securities laws.

The distribution of this Prospectus in jurisdictions outside Australia may be restricted by law and anyone who receives this Prospectus should seek advice on and observe such restrictions. Any failure to comply with such restrictions may constitute a violation of applicable securities laws. No action has been taken to register or qualify the New Securities or the Offers, or otherwise permit a public offering of New Securities, in any jurisdiction outside Australia. New Securities may not be offered or sold in any country outside Australia except to the extent permitted below.

New Zealand

The New Securities are not being offered or sold to the public within New Zealand other than to existing Shareholders with registered addresses in New Zealand to whom the offer of New Securities is being made in reliance on the *Securities Act (Overseas Companies) Exemption Notice 2002* (New Zealand). This Prospectus has not been registered, filed with or approved by any New Zealand regulatory authority under the *Securities Act 1978* (New Zealand). This Prospectus is not an investment statement or prospectus under New Zealand law and is not required to, and may not, contain all the information that an investment statement or prospectus under New Zealand law is required to contain.

Singapore

This Prospectus and any other materials relating to the New Securities have not been, and will not be, lodged or registered as a prospectus in Singapore with the Monetary Authority of Singapore. Accordingly, this Prospectus and any other document or materials in connection with the offer or sale, or invitation for subscription or purchase, of the New Securities, may not be issued, circulated or distributed, nor may the New Securities be offered or sold, or be made the subject of an invitation for subscription or purchase, whether directly or indirectly, to persons in Singapore except pursuant to and in accordance with the exemptions in Subdivision (4) Division 1, Part XIII of the *Securities and Futures Act, Chapter 289* of Singapore (**SFA**), or as otherwise pursuant to, and in accordance with the conditions of any other applicable provisions of the SFA.

This Prospectus has been given to Shareholders located in Singapore on the basis that they are existing holders of Shares. Persons who receive this Prospectus and are not existing holders of Shares must return this Prospectus immediately. This Prospectus must not be forwarded or circulated to any other person in Singapore.

Any offer is not made to Shareholders with a view to the New Securities under this Prospectus being subsequently offered for sale to any other party. There are on-sale restrictions in Singapore that may be applicable to investors who acquire New Securities. As such, investors are advised to acquaint themselves with the SFA provisions relating to resale restrictions in Singapore and comply accordingly.

Malaysia

This Prospectus and any other materials relating to the New Securities have not been and will not be registered as a prospectus with the Malaysian Securities Commission under the *Capital Markets and Services Act 2007* (Cth) (**CMSA**). However, this Prospectus will be lodged as an information memorandum with the Malaysian Securities Commission in

accordance with the CMSA. Accordingly, this Prospectus and any other document or materials in connection with the offer or sale, or invitation for subscription or purchase, of New Securities, may not be issued, circulated or distributed, nor may the New Securities be offered or sold, or be made the subject of an invitation for subscription or purchase, whether directly or indirectly, to persons in Malaysia except pursuant to and in accordance with the exemptions in Schedule 6 of the CMSA, or as otherwise pursuant to, and in accordance with the conditions of any other applicable provisions of the CMSA.

This Prospectus has been given to Shareholders located in Malaysia on the basis that they are existing holders of Shares. Persons who receive this Prospectus and are not existing holders of Shares must return this Prospectus immediately. This Prospectus must not be forwarded or circulated to any other person in Malaysia.

Ineligible Shareholders

Shareholders who are not Eligible Shareholders are **Ineligible Shareholders**.

The Company has determined, in reliance on ASX Listing Rule 7.7.1, that it would be unreasonable to extend the Offers to Ineligible Shareholders, having regard to:

- the small number of Ineligible Shareholders;
- the small number and value of the New Securities which would be offered to Ineligible Shareholders if they were Eligible Shareholders; and
- the cost of complying with the legal and regulatory requirements in the respective overseas jurisdictions.

Accordingly, these Offers are not being extended to any Shareholders outside Australia and New Zealand unless that Shareholder would be eligible under all applicable securities laws to receive an offer of, and be issued, New Securities under the Offers. The Company will notify all Ineligible Shareholders of the Offers and advise that the Company is not extending the Offers to those Shareholders.

4.6 Nominees, trustees and custodians

The foreign selling restrictions summarised in **Section 4.5** apply to the underlying beneficial holder. Nominees, trustees or custodians must not apply on behalf of any beneficial holder that would not itself be an Eligible Shareholder.

Shareholders who hold Shares on behalf of persons who are resident outside Australia or New Zealand are responsible for ensuring that accepting an Offer and receiving New Securities does not breach regulations in the relevant overseas jurisdictions. Return of a completed Entitlement Offer Acceptance Form or payment via BPAY® will constitute a representation by the applicant that there has been no breach of such regulations with respect to the Entitlement Offer and the Bonus Offer. Return of a completed Bonus Offer Acceptance Form will constitute a representation by the applicant that there has been no breach of such regulations with respect to the Bonus Offer.

Shareholders who are nominees, trustees and custodians are therefore advised to seek independent advice as how they should proceed. Failure to comply with restrictions set out in this Prospectus may result in violations of applicable securities laws.

4.7 No rights trading

Entitlements under the Offers are non-renounceable and accordingly cannot be traded on the ASX or any other stock exchange, or privately transferred.

4.8 Minimum subscription

There is no minimum level of subscription for either Offer.

4.9 Ranking of New Securities

New Shares to be issued pursuant to the Entitlement Offer will be issued on a fully paid basis and will rank equally in all respect with existing Shares. A summary of the rights and liabilities attaching to Shares is set out in **Section 8.2**.

New Partly Paid Shares to be issued pursuant to the Bonus Offer will be issued on a partly paid basis and will rank equally in all respect with existing Shares subject to the terms and conditions set out in **Section 8.4**.

4.10 Underwriting

The Entitlement Offer is fully underwritten by Barclay Wells Limited. Details of the Underwriting Agreement are contained in **Section 8.5**.

The Bonus Offer is not underwritten.

4.11 Issue of New Securities

The issue of New Securities under this Prospectus will occur in accordance with the timetable set out in **Section 3**. Upon New Securities being issued under each Offer, holding statements will be issued to applicants as required by ASX. It is the responsibility of applicants to determine their allocation prior to trading in the New Securities. Applicants who sell their New Securities before they receive their holding statement will do so at their own risk.

4.12 Application Monies

All Application Monies for New Shares to be issued pursuant to the Entitlement Offer will be held in the Application Account on behalf of applicants until the New Shares are issued or, if the New Shares are not issued, until the Application Monies are returned to applicants. All interest earned on Application Monies (including those which do not result in the issue of New Shares) will be retained by the Company.

Amounts received by the Company in excess of an applicant's entitlement (**Excess Amount**) may be treated as application to apply for as many Additional New Shares as the Excess Amount will pay for in full. Alternatively, such Entitlement Offer Applications may not be accepted.

Any Applications Monies received for more than an applicant's final allocation of New Shares and Additional New Shares (if any) will be refunded as soon as practicable after the Entitlement Offer Closing Date.

If the New Shares are not issued to an applicant, a cheque will be drawn and the relevant Application Monies will be refunded as soon as practicable after the Entitlement Offer Closing Date.

4.13 ASX quotation

The Company will apply to ASX within 7 days after the date of this Prospectus for quotation of the New Securities offered under this Prospectus.

If approval for quotation of the New Shares to be issued under the Entitlement Offer is not granted within 3 months after the date of this Prospectus, the Company will not issue any New Shares and will repay all Application Monies without interest as soon as practicable.

The Bonus Offer will proceed irrespective of whether or not the Company obtains approval for quotation of the New Partly Paid Shares on the ASX. The Entitlement Offer will be unaffected in the event that the Company fails to obtain quotation of the New Partly Paid Shares.

4.14 CHESS

The Company participates in the Clearing House Electronic Subregister System (**CHESS**). ASX Settlement Pty Ltd (**ASX Settlement**), a wholly-owned subsidiary of ASX, operates CHESS in accordance with the ASX Listing Rules and the ASX Settlement Operating Rules.

ASX Settlement will send a CHESS statement to Shareholders who are broker sponsored following the completion of each Offer. Each CHESS statement will set out the number of New Securities issued to the Shareholder under this Prospectus, and provide details of the Shareholder's holder identification number and the participant identification number of the sponsor. CHESS allotment advices will be sent by the Share Registry.

The Share Registry will send a statement to Shareholders who are registered on the Issuer Sponsored sub-register following the completion of each Offer. Each statement will contain the number of New Securities issued to the Shareholder under this Prospectus and the Shareholder's security holder reference number.

A CHESS statement or Issuer Sponsored statement will routinely be sent to Shareholders at the end of any calendar month during which the balance of their shareholding changes.

4.15 Privacy disclosure

Persons who apply for New Securities under this Prospectus are asked to provide personal information to the Company, either directly or through the Share Registry. The Company and the Share Registry collect, hold and use that personal information to assess applications, to provide facilities and services to security holders and to carry out various administrative functions. Access to the information collected may be provided to the Company's agents and service providers and to ASX, ASIC and other regulatory bodies on the basis that they deal with such information in accordance with the relevant privacy laws. If the information requested is not supplied, Applications may not be processed. In accordance with privacy laws, information collected in relation to specific Shareholders can be obtained by that Shareholder through contacting the Company or the Share Registry.

4.16 Taxation

It is the responsibility of all Shareholders to satisfy themselves of the particular taxation treatment that applies to them in relation to the Offers by consulting their own professional tax advisers. Neither the Company nor the Directors accept any liability or responsibility in respect of the taxation consequences for Shareholders as a result of the matters referred to in this Prospectus.

5. HOW TO APPLY

This **Section 5** sets out the choices for an Eligible Shareholder with respect to applying for New Shares under the Entitlement Offer and New Partly Paid Shares under the Bonus Offer.

Please refer to **Section 4.4** to determine who is an Eligible Shareholder.

5.1 Choices available

Entitlement Offer

Eligible Shareholders may do any of the following:

- take up all or part of their entitlement under the Entitlement Offer (which will deem acceptance of all of their entitlement (if any) under the Bonus Offer) (refer to **Section 5.2**); or
- do nothing (refer to **Section 5.3**).

Eligible Shareholders may also choose to apply for Additional New Shares as described in **Section 4.3**.

The Entitlement Offer is a non-renounceable pro rata offer to Eligible Shareholders and is fully underwritten by Barclay Wells Limited. Eligible Shareholders who take up their entitlement in full will not have their percentage shareholding in the Company diluted by the Entitlement Offer. The percentage shareholdings of Eligible Shareholders who do not take up all of their entitlement will be diluted. For further details on the effects of the Entitlement Offer, please refer to **Section 6**.

Eligible Shareholders who accept all or part of their entitlement under the Entitlement Offer are deemed to accept the whole of their entitlement to New Partly Paid Shares (if any) under the Bonus Offer and, accordingly, are not required to take any further action in order to accept their entitlement under the Bonus Offer.

Bonus Offer

Eligible Shareholders may do any of the following:

- take up all of their entitlement (refer to **Section 5.2**); or
- do nothing (refer to **Section 5.3**).

The Bonus Offer is a non-renounceable pro rata offer of New Partly Paid Shares to Eligible Shareholders for **no cash consideration**. Eligible Shareholders who accept their entitlement in full will not have their percentage shareholding in the Company diluted by the Bonus Offer. The percentage shareholdings of Eligible Shareholders who do not accept their entitlement will be diluted. For further details on the effects of the Bonus Offer, please refer to **Section 6**.

Eligible Shareholders who accept all or part of their entitlement under the Entitlement Offer are deemed to accept the whole of their entitlement to New Partly Paid Shares (if any) under the Bonus Offer and, accordingly, are not required to take any further action in order to accept their entitlement under the Bonus Offer.

Eligible Shareholders are not required to take up all or part of their entitlement under the Entitlement Offer in order to accept their entitlement to New Partly Paid Shares under the Bonus Offer.

5.2 Take up all or part of entitlements

Entitlement Offer

Eligible Shareholders who wish to take up all or part of their entitlement under the Entitlement Offer and all of their entitlement under the Bonus Offer should complete the Entitlement Offer Acceptance Form in respect of the number of New Shares (including any Additional New Shares) they wish to subscribe for and arrange for payment of the Application Monies in accordance with **Section 5.4**.

Bonus Offer

Eligible Shareholders who do not wish to take up all or part of their entitlement under the Entitlement Offer but do wish to accept their entitlement under the Bonus Offer should return a completed Bonus Offer Acceptance Form. No payment is required to be made by Eligible Shareholders under the Bonus Offer. Eligible Shareholders who return a Bonus Offer Acceptance Form or submit an Entitlement Offer Application are deemed to accept the number of New Partly Paid Shares that they are entitled to (if any) as at the Bonus Offer Record Date.

5.3 Allow all or part of entitlement to lapse

Entitlement Offer

If Eligible Shareholders decide not to accept all or part of their entitlement to New Shares, or fail to accept by the Entitlement Offer Closing Date, the part of their entitlement not accepted will lapse. The New Shares not subscribed for will form part of the Shortfall.

Eligible Shareholders should note that if they do not take up their entitlement then although they will continue to own the same number of Shares, their percentage holding in the Company will be reduced.

Bonus Offer

If Eligible Shareholders decide not to accept their entitlement to New Partly Paid Shares, or fail to accept by the Bonus Offer Closing Date, their entitlement will lapse.

Eligible Shareholders should note that if they do not take up their entitlement then although they will continue to own the same number of Shares, their percentage holding in the Company will be reduced.

5.4 Making an application

Entitlement Offer

Eligible Shareholders have two payment options in order to take up their entitlement under the Entitlement Offer. Applicants who submit an Entitlement Offer Application are deemed to accept the number of New Partly Paid Shares that they are entitled to (if any) as at the Bonus Offer Record Date.

Option 1: Submit a completed Entitlement Offer Acceptance Form together with a cheque, bank draft or money order.

To follow option 1, applicants should:

- complete the personalised Entitlement Offer Acceptance Form accompanying this Prospectus in accordance with the instructions set out on that form, and indicate the number of New Shares (including any Additional New Shares) they wish to subscribe for; and

- return the form to the Share Registry (address details below) together with a cheque, bank draft or money order which must be:

  – in respect of the full Application Monies (being $0.05 multiplied by the number of New Shares (including any Additional New Shares) they wish to subscribe for); and

  – in Australian currency drawn on an Australian branch of a financial institution; and

  – made payable to 'Potash West NL – Application Account' and crossed 'Not Negotiable'.

Applicants should ensure that sufficient funds are held in the relevant account(s) to cover the Application Monies. If the amount of the cheque for Application Monies (or the amount for which the cheque clears in time for allocation) is insufficient to pay for the number of New Shares applied for in the Entitlement Offer Acceptance Form in full, the applicant will be taken to have applied for the lower number of whole New Shares as the cleared Application Monies will pay for (and to have specified that number of New Shares in the Entitlement Offer Acceptance Form). Alternatively, the Entitlement Offer Application will be rejected.

Cash payments will not be accepted. Receipts for payment will not be issued.

Applicants need to ensure that their completed Entitlement Offer Acceptance Form and cheque, bank draft or money order reaches the Share Registry at the address below by no later than 5.00pm (WST) on 14 February 2014.

Completed Entitlement Offer Acceptance Forms should be returned to the Share Registry at the following address:

Advanced Share Registry Ltd
PO Box 1156
Nedlands WA 6909
Australia

Entitlement Offer Acceptance Forms (and payment of Application Monies) may not be accepted if received after 5.00pm (WST) on 14 February 2014.

Option 2: Pay via BPAY® payment

To follow option 2, applicants should pay the full Application Monies, being $0.05 multiplied by the number of New Shares comprising their entitlement (plus any Additional New Shares), or, if subscribing for only part of their entitlement, the number of New Shares the applicant wishes to subscribe for, via BPAY® payment in accordance with the instructions set out on the personalised Entitlement Offer Acceptance Form (which includes the biller

code and the applicant's unique customer reference number). Applicants can only make a payment via BPAY® if they are the holder of an account with an Australian financial institution.

Please note that if payment is made by BPAY®:

- the applicant does not need to submit the personalised Entitlement Offer Acceptance Form but is taken to make the statements on that form; and

- if the applicant subscribes for less than its entitlement or does not pay for its full entitlement, the applicant is taken to have taken up its entitlement in respect of such whole number of New Shares which is covered in full by the Application Monies.

Applicants need to ensure that their BPAY® payment is received by the Share Registry by no later than 3.00pm (WST) on 14 February 2014. Applicants should be aware that their own financial institution may implement earlier cut off times with regards to electronic payment, and should therefore take this into consideration when making payment. It is the responsibility of the applicant to ensure that funds are submitted through BPAY® by the date and time mentioned above.

Bonus Offer

Applicants who do not wish to take up all or part of their entitlement under the Entitlement Offer but do wish to accept their entitlement under the Bonus Offer should complete the Bonus Offer Acceptance Form accompanying this Prospectus in accordance with the instructions set out on that form.

No payment is required to be made by applicants under the Bonus Offer.

Applicants who return a Bonus Offer Acceptance Form are deemed to accept the number of New Partly Paid Shares that they are entitled to (if any) as at the Bonus Offer Record Date.

Applicants need to ensure that their completed Bonus Offer Acceptance Form reaches the Share Registry at the address below by no later than 5.00pm (WST) on 25 March 2014.

Completed Bonus Offer Acceptance Forms should be returned to the Share Registry at the following address:

Advanced Share Registry Ltd
PO Box 1156
Nedlands WA 6909
Australia

Bonus Offer Acceptance Forms may not be accepted if received after 5.00pm (WST) on 25 March 2014.

5.5 Effect of making an application

Entitlement Offer

Returning a completed Entitlement Offer Acceptance Form or making a BPAY® payment will be taken to constitute a representation by the applicant that it:

- has received a printed or electronic copy of this Prospectus accompanying the form and has read it in full;

- agrees to be bound by the terms of this Prospectus and the Constitution;
- makes the representations and warranties in **Section 4.5** of this Prospectus and confirms its eligibility in respect of an offer of New Shares under the Entitlement Offer and, if it is registered as a holder of Shares at 5.00pm (WST) on the Bonus Offer Record Date, an offer of New Partly Paid Shares under the Bonus Offer;
- declares that all details and statements in the Entitlement Offer Acceptance Form are complete and accurate;
- declares that it is over 18 years of age and has full legal capacity and power to perform all of its rights and obligations under the Entitlement Offer Acceptance Form;
- acknowledges that once the Entitlement Offer Acceptance Form is returned or a BPAY® payment is made its acceptance may not be withdrawn;
- agrees to being issued the number of New Shares it applies for at the offer price (or a lower number issued in a way described in this Prospectus) and, subject to **Section 4.3**, to being issued up to the number of Additional New Shares it applies for at the offer price;
- agrees to being issued the number of New Partly Paid Shares that it is entitled to (if any) under the Bonus Offer;
- authorises the Company to register it as the holder(s) of the New Securities issued to it;
- acknowledges that the information contained in this Prospectus is not investment advice or a recommendation that the New Securities are suitable for it, given its investment objectives, financial situation or particular needs; and
- authorises the Company and its officers or agents to do anything on its behalf necessary for New Shares to be issued to it, including correcting any errors in its Entitlement Offer Acceptance Form or other form provided by it and acting on instructions received by the Share Registry using the contact details in the Entitlement Offer Acceptance Form.

Bonus Offer

Returning a completed Bonus Offer Acceptance will be taken to constitute a representation by the applicant that it:

- has received a printed or electronic copy of this Prospectus accompanying the form and has read it in full;
- agrees to be bound by the terms of this Prospectus and the Constitution;
- makes the representations and warranties in **Section 4.5** of this Prospectus and, if it is registered as a holder of Shares at 5.00pm (WST) on the Bonus Offer Record Date, confirms its eligibility in respect of an offer of New Partly Paid Shares under the Bonus Offer;
- declares that all details and statements in the Bonus Offer Acceptance Form are complete and accurate;

- declares that it is over 18 years of age and has full legal capacity and power to perform all of its rights and obligations under the Bonus Offer Acceptance Form;

- acknowledges that once the Bonus Offer Acceptance Form is returned its acceptance may not be withdrawn;

- agrees to being issued the number of New Partly Paid Shares that it is entitled to (if any) under the Bonus Offer;

- authorises the Company to register it as the holder(s) of the New Partly Paid Shares issued to it;

- acknowledges that the information contained in this Prospectus is not investment advice or a recommendation that the New Partly Paid Shares are suitable for it, given its investment objectives, financial situation or particular needs; and

- authorises the Company and its officers or agents to do anything on its behalf necessary for New Partly Paid Shares to be issued to it, including correcting any errors in its Bonus Offer Acceptance Form or other form provided by it and acting on instructions received by the Share Registry using the contact details in the Bonus Offer Acceptance Form.

5.6 Enquiries

This document is important and should he read in its entirety. Shareholders who are in any doubt as to the course to follow should consult their stockbroker, lawyer, accountant or other professional adviser without delay.

Shareholders who:

- have questions relating to the calculation of their entitlement;

- have questions on how to complete an Acceptance Form or take up their entitlements; or

- have lost an Acceptance Form and would like a replacement form,

should call Advanced Share Registry on +61 8 9389 8033 during normal business hours in Perth, Western Australia.

6. EFFECT OF THE OFFERS

6.1 Effect of the Offers

Assuming full subscription under the Entitlement Offer (on the basis that it is fully underwritten), the potential effect of the Offers will be that:

- cash reserves will increase by approximately $840,210 (after costs);
- the number of fully paid ordinary shares on issue will increase from 94,021,064 to approximately 112,825,277; and
- the number of partly paid ordinary shares on issue will increase from nil to approximately 56,412,638.

Shareholders should note that due to rounding of entitlements under the Offers on the Entitlement Offer Record Date and the Bonus Offer Record Date (as applicable), among other things, the exact number of New Securities to be issued will not be known until completion of the Offers.

6.2 Capital structure

A comparative table of changes in the capital structure of the Company as a consequence of the Offers is set out below, assuming that the Offers are fully subscribed:

Ordinary shares	Partly paid	Fully paid
On issue at the date of this Prospectus	Nil	94,021,064
Offered pursuant to the Entitlement Offer	Nil	18,804,213
Offered pursuant to the Bonus Offer	56,412,638	Nil
Total ordinary shares on issue after the Offers	**56,412,638**	**112,825,277**

Notes:

1. Assumes that no Options are exercised and no other Shares are issued.

The Company has the following Options on issue:

Options	Number
Options exercisable at $0.30 each on or before 8 September 2014	500,000
Options exercisable at $0.28 each on or before 30 November 2014	1,250,000
ASX-quoted Options exercisable at $0.30 each on or before 15 March 2015	8,221,457

Options exercisable at $0.355 each on or before 13 November 2015	1,350,000
Options exercisable at $0.40 each on or before 8 September 2016	100,000
Options exercisable at $0.60 each on or before 8 September 2016	100,000
Total Options on issue	**11,521,457**

6.3 Effect of the Offers on control

Entitlement Offer

The Entitlement Offer is a pro rata offer so that if all Eligible Shareholders take up their entitlements, the voting power of all Eligible Shareholders will remain the same. In that event, there will be no actual or potential effect or consequences arising from the Entitlement Offer on control of the Company other than the dilution of any Ineligible Shareholders who are unable to participate in the Entitlement Offer.

The Entitlement Offer is fully underwritten by Barclay Wells Limited (**Underwriter**) (see **Section 8.5** for further details). The proportional shareholdings of Ineligible Shareholders will be diluted as those Shareholders are not entitled to participate in the Entitlement Offer. In addition, the proportional shareholdings of Eligible Shareholders who do not take up their entitlements in full will be diluted.

The Underwriter does not hold any Shares in the Company at the date of this Prospectus and is not a related party of the Company for the purposes of the Corporations Act. To the extent that it is required to subscribe for New Shares in accordance with the Underwriting Agreement, the Underwriter's voting power in the Company will increase. However, the Underwriter has indicated to the Company that the Shortfall will be sub-underwritten by sub-underwriters and/or placed to investors in accordance with the Underwriting Agreement. Notwithstanding this, the maximum interest that the Underwriter may acquire in the Company given various subscription levels under the Entitlement Offer is set out below:

Event	Shortfall	Shares held by Underwriter	Voting power of Underwriter
At date of this Prospectus	-	Nil	0%
At completion of the Entitlement Offer			
• Entitlement Offer 100% subscribed	Nil	Nil	0%
• Entitlement Offer 75% subscribed	25%	4,701,053	4.2%
• Entitlement Offer 50% subscribed	50%	9,402,106	8.3%
• Entitlement Offer 25% subscribed	75%	14,103,159	12.5%
• Entitlement Offer 0% subscribed	100%	18,804,213	16.7%

Notes:

1. Assumes that 18,804,213 Shares are issued under the Entitlement Offer and no Options are exercised and no other Shares are issued.

2. Assumes that no Additional New Shares are applied for by Eligible Shareholders from the Shortfall in accordance with **Section 4.3**.

Bonus Offer

The Bonus Offer is a pro rata offer made to all Eligible Shareholders. The proportional shareholdings of any Ineligible Shareholders and Eligible Shareholders who do not accept their entitlements in full will be diluted up to the extent of the amount paid up on the New Partly Paid Shares.

6.4 Pro forma statement of financial position

Set out on the following page is the audited statement of financial position for the Company at 30 June 2013, unaudited statement of financial position at 30 November 2013 and pro forma statement of financial position at 30 November 2013. The unaudited pro forma statement of financial position has been prepared on the basis and assumption that there have been no material movements in the assets and liabilities of the Company between 1 December 2013 and completion of the Offers other than:

(a) the issue of 18,804,213 New Shares through the Entitlement Offer raising $840,210 after deducting expenses of $100,000; and

(b) the issue of 56,412,638 New Partly Paid Shares under the Bonus Offer.

The significant accounting policies upon which the consolidated statement of financial position and the pro forma consolidated statement of financial position are based are contained in the audited financial report for the year ended 30 June 2013.

	Audited 30 Jun 2013 $	Unaudited 30 Nov 2013 $	Pro Forma 30 Nov 2013 $
Current assets			
Cash and cash equivalents	1,157,541	266,486	1,106,696
Trade and other receivables	96,141	574,281	574,281
Other assets	20,753	12,103	12,103
Total current assets	**1,274,435**	**852,870**	**1,693,080**
Non-current assets			
Exploration and evaluation	2,500,000	2,500,000	2,500,000
Plant and equipment	86,299	76,089	76,089
Total non-current assets	**2,586,299**	**2,576,089**	**2,576,089**
Total assets	**3,860,734**	**3,428,959**	**4,269,169**
Current liabilities			
Trade and other payables	548,066	132,711	132,711
Provisions	34,286	38,606	38,606
Total current liabilities	**582,352**	**171,317**	**171,317**
Total liabilities	**582,352**	**171,317**	**171,317**
Net assets	**3,278,382**	**3,257,642**	**4,097,852**
Equity			
Issued capital	11,725,227	11,906,435	12,746,645
Reserves	455,606	455,606	455,606
Accumulated losses	(8,902,451)	(9,104,399)	(9,104,399)
Total equity	**3,278,382**	**3,257,642**	**4,097,852**

7. RISK FACTORS

As with any share investment, there are risks associated with an investment in the Company. The numerous risk factors are both of a specific and a general nature. Some can be mitigated by the use of safeguards and appropriate systems and controls, but some are outside the control of the Company and cannot be mitigated.

This **Section 7** identifies the major areas of risk associated with an investment in the Company, but should not be taken as an exhaustive list of the risk factors to which the Company and its Shareholders are exposed. Potential investors should read the entire Prospectus and consult their stockbroker, lawyer, accountant or other professional adviser before deciding whether to apply for New Securities.

7.1 Specific risks

(a) Quotation of New Partly Paid Shares

The Company will apply for quotation of the New Partly Paid Shares on the ASX. However, there is no guarantee that ASX will approve the Company's application for quotation or that the Company will meet the spread requirements for the New Partly Paid Shares under the ASX Listing Rules. If the New Partly Paid Shares are not quoted then holders will be unable to trade the New Partly Paid Shares on the ASX.

(b) Operating risks

The current and future operations of the Company, including exploration, appraisal and possible production activities may be affected by a range of factors, including:

- adverse geological conditions;
- limitations on activities due to seasonal weather patterns and cyclone activity;
- unanticipated operational and technical difficulties encountered in geophysical surveys, drilling and production activities;
- mechanical failure of operating plant and equipment;
- industrial and environmental accidents, industrial disputes and other force majeure events;
- unexpected shortages or increases in the costs of labour, consumables, spare parts, plant and equipment; and
- the inability to obtain necessary consents or approvals.

Further, mechanical or operational failures during drilling, sampling and test work could cause the Company substantial loss due to the cost of personal injury or loss of life, damage to or destruction of property, natural resources and equipment, pollution or other environmental damage, cleanup responsibilities, regulatory investigation and penalties and suspension of operations. Any of these events might also give rise to claims against the Company.

(c) Process development risks

The Company is developing a process to extract valuable products from its glauconite deposits in the Dandaragan Trough. This process, called the K-Max process, is integral to unlocking the value in the project and is in the process of being patented.

As the flowsheet is developed further via testwork, pilot plants and engineering studies, there is a risk that the process economics or the costs of various inputs will make the return from a commercial scale operation below that acceptable to suppliers of construction finance.

The Company is also progressing a feasibility study to determine the viability of a project to extract rock phosphate and produce single superphosphate from the greensands of the Dandaragan Trough. There is a risk that that the process economics or the costs of various inputs will make the return from a commercial scale operation below that acceptable to suppliers of construction finance.

(d) Future funding requirements

Even if the Offer is completed successfully, it is likely that the Company will require additional funding in the future in order to develop its business, including the exploration and development of any glauconite discoveries. In addition, it is highly likely that regardless of the successful completion of the Offer, the Company will also need to undertake an additional capital raising to raise additional funds to meet the project development costs as well as administration and working capital costs in the medium to long term.

Any additional equity financing may be dilutive to Shareholders and any debt financing if available may involve restrictive covenants, which may limit the Company's operations and business strategy.

Further, there can be no assurance that any such equity or debt funding will be available for the Company on favourable terms or at all. If adequate funds are not available on acceptable terms, there is significant uncertainty as to whether the Company can continue as a going concern.

Accordingly, the Company's failure to raise capital if and when needed could delay or suspend the Company's business strategy and could have a material adverse effect on the Company's activities.

(e) Exploration risk

There is no assurance that economic deposits of glauconite will be discovered in the areas in which the Company has an interest. Even if glauconite is discovered in those areas, there is no assurance that commercial operations will be started on the Company's permits.

(f) Resource estimates

Resource estimates are expressions of judgement based on knowledge, experience and industry practice. Estimates which were valid when originally calculated may alter significantly when new information or techniques become available. In addition, by their very nature, resource estimates are imprecise and depend to some extent on interpretations, which may prove to be inaccurate. As further information becomes

available through additional fieldwork and analysis, the estimates are likely to change. This may result in alterations to activities planned with respect to the Company's projects, which may, in turn, adversely affect the Company's operations.

(g) Product price fluctuations

The price for products produced from glauconite will depend on available markets at acceptable prices and transmission, distribution and other costs. Any substantial decline in the prices of products or an increase in transmission, distribution or other costs could have a material adverse effect on the Company.

(h) Counterparty risks

As part of the Company's commercial activities, the Company is currently a party to two joint venture arrangements and may in the future become a party to additional joint venture arrangements and other various contracts with third parties for the supply of products and services, sales contracts and financial instruments, among other things. An inability of counterparties to meet their commitments under such contracts may have an impact on the Company's financial position.

(i) Title risk

The permits in which the Company will, or may, in the future, acquire an interest, are subject to the applicable local laws and regulations. There is no guarantee that any permit, applications or conversions in which the Company has a current or potential interest will be granted.

Permits (or applications) in which the Company has an interest are (or, if granted, will be) subject to the relevant conditions applying in each jurisdiction. Failure to comply with these conditions may render the permits liable to forfeiture.

All of the projects in which the Company has an interest will be subject to application for permit renewal from time to time. Renewal of the term of each permit is subject to applicable legislation. If the permit is not renewed for any reason, the Company may suffer significant damage through loss of the opportunity to develop and discover any mineral resources on that permit.

(j) Regulatory approvals

Any successful exploitation of discoveries would require obtaining the necessary production permit and the relevant regulatory approvals as required by the relevant Government of operation (the Company's current projects are regulated by Australian regulatory bodies. The required approvals may be issued at the discretion of the relevant authorities and/or subject to conditions or preconditions.

7.2 General risks

(a) Legislative changes and government policy

Changes in Australian federal and state government policies or legislation with respect to, for example, tenure, exploration, mining, taxation, royalties, land access or labour relations may impact on the Company's operations. The Company's capacity to explore and exploit any discoveries may be affected by such changes in government policy, which are beyond the control of the Company.

(b) Reliance on key personnel

The Company's prospects depend in part on the ability of its executive officers, senior management and key consultants to operate effectively, both independently and as a group. To manage its growth, the Company must attract and retain additional highly qualified management, technical, sales and marketing personnel and continue to implement and improve operational, financial and management information systems. Investors must be willing to rely to a significant extent on management's discretion and judgement, as well as the expertise and competence of outside contractors.

(c) Foreign exchange risks

In the future a proportion of the Company's revenues, cash inflows, other expenses, capital expenditure and commitments may be denominated in foreign currencies.

To comply with Australian reporting requirements, the income, expenditure and cash flows of the Company will need to be accounted for in Australian dollars. This will result in the income, expenditure and cash flows of the Company being exposed to the fluctuations and volatility of the rate of exchange between other currencies and the Australian dollar, as determined in international markets.

Furthermore, the Company has decided to not put in place any hedges in relation to foreign exchange. This may result in the Company being exposed to exchange rate risk, which may have an adverse impact on the profitability and/or financial position of the Company.

(d) Investment risks

The New Securities to be issued pursuant to this Prospectus should be considered speculative due to the nature of the Company's business. There is no guarantee as to the payment of dividends, return of capital or the market value of the New Securities. The prices at which an investor may be able to trade the New Securities may be above or below the price paid by the investor for the New Securities.

Prospective investors must make their own assessment of the likely risks and determine whether an investment in the Company is appropriate to their own circumstances.

(e) Share market risks

Share market conditions may affect the value of the Company's quoted securities regardless of the Company's operating performance. The market price of the New Securities may be subject to fluctuation and may be affected by many factors including, but not limited to, the following:

- general economic outlook;
- interest rates and inflation rates;
- currency fluctuations;
- commodity price fluctuations;
- changes in investor sentiment toward particular market sectors;

- the demand for, and supply of, capital; and
- terrorism or other hostilities.

There is also no guarantee that an active market in the New Securities will develop or that the price of the New Securities will increase. There may be relatively few buyers or sellers of New Securities on the ASX at any particular time:

(f) Competition risks

The industry in which the Company will be involved is subject to domestic and global competition. While the Company will undertake all reasonable due diligence in its business decisions and operations, the Company will have no influence or control over the activities or actions of its competitors, and such activities or actions may, positively or negatively, affect the operating and financial performance of the Company's projects and business.

(g) Economy risks

The future viability of the Company is also dependent on a number of factors which may affect the performance of all industries and not just the exploration and mining industries including, but not limited to, the following:

- general economic conditions;
- changes in Government policies, taxation and other laws;
- the strength of the equity and share markets in Australia and throughout the world and, in particular, investment sentiment towards the commodities sector;
- movement in, or outlook on, exchange rates, interest rates and inflation rates; and
- natural disasters, social upheaval or war.

8. ADDITIONAL INFORMATION

8.1 Continuous disclosure

The Company is a "listed disclosing entity" for the purposes of the Corporations Act. As such, it is subject to regular reporting and disclosure obligations which require it to disclose to the ASX any information of which it is, or becomes, aware concerning the Company and which a reasonable person would expect to have a material effect on the price or the value of the Company's securities.

By virtue of section 713 of the Corporations Act, the Company is entitled to issue a "transaction-specific" prospectus in respect of the Offers.

In general terms, a "transaction-specific prospectus" is only required to contain information in relation to the effect of the issue of securities on the Company and the rights and liabilities attaching to the securities. It is not necessary to include general information in relation to all of the assets and liabilities, financial position and performance, profits and losses or prospects of the issuing company.

As a disclosing entity under the Corporations Act, the Company states that:

(a) it is subject to regular reporting and disclosure obligations;

(b) copies of documents lodged with ASIC in relation to the Company may be obtained from, or inspected at, an office of ASIC; and

(c) it will provide a copy of each of the following documents, free of charge, to any person on request between the Opening Date and the Bonus Offer Closing Date:

  (i) the annual financial report of the Company for the financial year ended 30 June 2013;

  (ii) any half-year financial report of the Company lodged with ASIC after the lodgement of the annual financial report referred to in **Section 8.1(c)(i)** but before the lodgement of this Prospectus with ASIC; and

  (iii) all continuous disclosure notices given by the Company after the lodgement of the annual financial report referred to in **Section 8.1(c)(i)** but before the lodgement of this Prospectus with ASIC (see below).

There is no information which has been excluded from a continuous disclosure notice in accordance with the ASX Listing Rules that investors or their professional advisers:

(a) would reasonably require for the purpose of making an informed assessment of:

  (i) the assets and liabilities, financial position and performance, profits and losses and prospects of the Company; and

  (ii) the rights and liabilities attaching to the securities the subject of this Prospectus; and

(b) would reasonably expect to find in this Prospectus.

This Prospectus contains information specific to the Offers. If investors require further information in relation to the Company, they are recommended to take advantage of the opportunity to inspect or obtain copies of the documents referred to above.

The following announcements have been lodged with ASX in respect of the Company since the lodgement of the annual financial report for the year ended 30 June 2013.

Date	Title
7 January 2014	Analyst Coverage – Arrowhead Report
12 December 2013	Potash West Receives $548k Research & Development Rebate
25 November 2013	Results of Meeting
25 November 2013	AGM Presentation
19 November 2013	Change of Director's Interest Notice
12 November 2013	Potash West Raises Working Capital & Appendix 3B
7 November 2013	ASX Waiver for Remuneration Sacrifice Share Plan Obtained
31 October 2013	Quarterly Activities and Cashflow Reports
24 October 2013	Notice of Annual General Meeting/Proxy Form
21 October 2013	Breakaway Research Report

8.2 Market price of Shares on ASX

The highest and lowest sale price of Shares on ASX during the 3 months preceding the date of this Prospectus, and the sale price on the Trading Day before this Prospectus was lodged with ASIC, are set out below.

3-month high (on 15 October 2013)	3-month low (on 2 January 2014)	Last sale price (on 14 January 2014)
$0.14	$0.086	$0.10

8.3 Rights and liabilities attaching to New Shares

The New Shares will rank equally in all respects with existing fully paid ordinary shares in the capital of the Company on issue. The following is a general description of the more significant rights and liabilities attaching to the New Shares. This summary is not exhaustive. Full details of provisions relating to rights attaching to the New Shares are contained in the Corporations Act, ASX Listing Rules and the Constitution, a copy of which is available for inspection at the Company's registered office during normal business hours.

(a) General meetings

Security holders are entitled to be present in person, or by proxy, attorney or representative, to attend and vote at general meetings of the Company.

Security holders may requisition meetings in accordance with section 249D of the Corporations Act and the Constitution of the Company.

(b) Voting rights

Subject to any rights or restrictions for the time being attached to any class or classes of securities, at general meetings of security holders or classes of security holders:

(i) each security holder entitled to vote may vote in person or by proxy, attorney or representative;

(ii) on a show of hands, every person present who is a security holder or a proxy, attorney or representative of a security holder has one vote, and

(iii) on a poll, every person present who is a security holder or a proxy, attorney or representative of a security holder shall, in respect of each fully paid security held by him, or in respect of which he is appointed a proxy, attorney or representative, have one vote for the security, but in respect of partly paid securities shall have such number of votes as bears the same proportion to the total of such securities registered in the security holder's name as the amount paid (not credited) bears to the total amounts paid and payable (excluding amounts credited).

(c) Dividend rights

Subject to the rights of persons (if any) entitled to securities with special rights to dividend, the Directors may declare a final dividend out of profits in accordance with the Corporations Act and may authorise the payment or crediting by the Company to the shareholders of such a dividend. The Directors may authorise the payment or crediting by the Company to the security holders of such interim dividends as appear to the Directors to be justified by the profits of the Company. Subject to the rights of persons (if any) entitled to securities with special rights as to dividend, all dividends are to be declared and paid according to the amounts paid or credited as paid on the shares in respect of which the dividend is paid. The Company may not pay interest in respect of any dividend, whether final or interim.

(d) Winding up

If the Company is wound up, the liquidator may, with the authority of a special resolution of the Company, divide among the security holders in kind the whole or any part of the property of the Company, and may for that purpose set such value as he considers fair upon any property to be so divided, and may determine how the division is to be carried out as between the security holders or different classes of security holders. The liquidator may, with the authority of a special resolution of the Company, vest the whole or any part of any such property in trustees upon such trusts for the benefit of the contributories as the liquidator thinks fit, but so that no shareholder is compelled to accept any securities or other securities in respect of which there is any liability. Where an order is made for the winding-up of the Company or it is resolved by special resolution to wind up the Company, then on a distribution of assets to members, any securities classified as restricted securities at the time of the commencement of the winding up shall rank in priority after all other securities.

(e) Transfer of securities

Generally, securities in the Company are freely transferable, subject to formal requirements, the registration of the transfer not resulting in a contravention of or failure to observe the provisions of a law of Australia and the transfer not being in breach of the Corporations Act.

(f) Variation of rights

Pursuant to section 246B of the Corporations Act, the Company may, with the sanction of a special resolution passed at a meeting of security holders, vary or abrogate the rights attaching to securities.

If at any time the share capital is divided into different classes of securities, the rights attached to any class (unless otherwise provided by the terms of issue of the securities of that class), whether or not the Company is being wound up, may be varied or abrogated with the consent in writing of the holders of three-quarters of the issued securities of that class, or if authorised by a special resolution passed at a separate meeting of the holders of the securities of that class.

8.4 Rights and liabilities attaching to New Partly Paid Shares

The New Partly Paid Shares will rank equally in all respects with fully paid ordinary shares on issue, subject to the following terms and conditions, notwithstanding any differences in the amount that the New Partly Paid Shares are paid up to.

(a) Each New Partly Paid Share:

(i) will be allotted and issued at a total issue price of $0.05 per New Partly Paid Share;

(ii) is deemed to be paid up to $0.001;

(iii) has an initial unpaid amount of $0.049;

(iv) carries the right to participate in new issues of securities to holders of fully paid Shares (except bonus issues) on the same basis as holders of fully paid Shares;

(v) carries the right to participate in bonus issues of securities in the proportion which the amount paid (not credited) bears to the total amounts paid and payable (excluding amounts credited) and, further, each holder of New Partly Paid Shares (**Partly Paid Shareholder**) will be notified by the Company of any proposed bonus issue of securities at least 14 days prior to the record date for any such issue;

(vi) carries the right to vote in the proportion which the amount paid (not credited) bears to the total amounts paid and payable (excluding amounts credited); and

(vii) carries the right to participate in dividends on the same basis as if the New Partly Paid Shares were fully paid up unless a call has been made on the New Partly Paid Shares and that call is due and unpaid.

(b) At least 15 Business Days' notice of any call will be provided to Partly Paid Shareholders.

(c) Subject to clause (i), joint Partly Paid Shareholders are jointly and severally liable to pay any call made on the New Partly Paid Shares.

(d) The Company will not make any call in respect of the unpaid amount within the first 6 months following the issue of the New Partly Paid Shares. After that date, the Company will not call more than $0.02 in any 6 month period.

(e) If the Company is listed on ASX, the Company will apply to have the fully paid Shares (that have come about as a result of the Partly Paid Shareholder paying the unpaid amount in full) listed for quotation by ASX within 10 days of the date of any such payment of the unpaid amount.

(f) Subject to meeting the requirements of the ASX Listing Rules, the New Partly Paid Shares will be quoted on the ASX.

(g) Should there be any conflict between these terms and the ASX Listing Rules, the ASX Listing Rules will prevail.

(h) If the Company is listed on ASX and there is a reorganisation of the issued capital of the Company (including, but not limited to, a consolidation, subdivision, cancellation, reduction or return of capital):

(i) the number of New Partly Paid Shares must be reorganised in the same proportion as all other classes of shares on issue; and

(ii) the reorganisation must not involve a cancellation or reduction of the total amount payable and unpaid by Partly Paid Shareholders.

(i) In accordance with Part 2H.3 of the Corporations Act and the ASX Listing Rules, Partly Paid Shareholders do not have a contractual obligation to pay calls in respect of the unpaid amount on their New Partly Paid Shares. However, the New Partly Paid Shares the subject of a call will be liable to forfeiture if a call remains unpaid at the end of 14 Business Days after it became payable. Forfeited New Partly Paid Shares may then be sold by the Company by public auction in accordance with the Corporations Act.

8.5 Underwriting Agreement

Barclay Wells Limited has been appointed to act as Underwriter to the Entitlement Offer. Set out below is a summary of the key terms of the Underwriting Agreement dated 25 December 2013.

(a) Appointment as Underwriter

(i) The Underwriter has agreed to fully underwrite the subscription of New Shares under the Entitlement Offer on the terms and conditions of the Underwriting Agreement.

(ii) The Company has agreed to pay the Underwriter an underwriting fee of 6% of the amount to be raised under the Entitlement Offer.

(iii) The Company has agreed to reimburse the Underwriter's costs and expenses in connection with the Entitlement Offer, whether or not the Entitlement Offer completes or the Underwriting Agreement is terminated.

(b) Conditions precedent

The obligations of the Underwriter are conditional on the satisfaction or waiver by the Underwriter of each of the following conditions, and the Underwriter may terminate the Underwriting Agreement by written notice if any of the following conditions precedent is not satisfied:

(i) the Underwriter being reasonably satisfied with the results of due diligence by the Lodgment Date;

(ii) the Underwriter being satisfied with the form of the Prospectus and having given its consent to be named in the Prospectus by the Lodgement Date;

(iii) the Underwriter being satisfied with the legal sign off letter to the due diligence committee prepared by Price Sierakowski Corporate; and

(iv) the Prospectus being lodged with ASIC by 5.00pm on the Lodgement Date or within 5 business days of that date.

(c) Warranties and indemnity

Customary and usual representations and warranties are given by the parties in relation to matters such as power to enter into the Underwriting Agreement and corporate authority.

The Company gives a number of additional representations and warranties in favour of the Underwriter, including that the Company will comply with the Corporations Act and the ASX Listing Rules in relation to the Entitlement Offer, this Prospectus does not contain any statements that are misleading or deceptive and that none of the information provided to the Underwriter is misleading or deceptive. Further, the Company gives warranties regarding due diligence, the New Shares, solvency, litigation and other matters concerning the Entitlement Offer and the affairs of the Company.

The Company indemnifies the Underwriter and persons associated with the Underwriter (**Indemnified Parties**) in respect of certain loss that may be suffered in connection with the Entitlement Offer or any breach of the Underwriting Agreement by the Company. The indemnity does not apply to the extent that any loss suffered by an Indemnified Party has resulted from, among other things:

(i) any penalty or fine which the Indemnified Party must pay for any contravention by it of the Corporations Act;

(ii) the wilful default, misconduct, fraud, negligence or breach of contract of the Indemnified Party; or

(iii) breach of the Underwriting Agreement by the Underwriter.

(d) Termination events

The Underwriter may terminate the Underwriting Agreement if any of the following termination events occurs at any time prior to the date that all Application Monies are received:

(i) (**Indices fall**): the All Ordinaries Index or the S&P/ASX 200 Index is at a level that is 10% or more below its level as at the close of business on the business day prior to the date of the Underwriting Agreement;

(ii) (**Share price**): the Shares of the Company finish trading on the ASX on any 2 consecutive Trading Days with a closing price that is less than $0.05;

(iii) (**Prospectus**): the Company does not lodge the Prospectus on the Lodgement Date or the Prospectus or the Entitlement Offer is withdrawn by the Company;

(iv) (**Copies of Prospectus**): the Company fails to provide the Underwriter with 25 copies of the Prospectus within 7 days of the Lodgement Date and any additional copies reasonably required prior to the Entitlement Offer Closing Date, and such failure is not remedied within 2 days;

(v) (**No official quotation**): official quotation has not been granted by ASX for the New Shares within 6 business days of the Entitlement Offer Closing Date or, having been granted, is subsequently withdrawn, withheld or qualified;

(vi) (**Supplementary prospectus**) the Underwriter, having elected not to exercise its right to terminate as a result of an occurrence described in clause (xx) below, forms the view on reasonable grounds that a supplementary or replacement prospectus should be lodged with ASIC for any of the reasons referred to in section 719 of the Corporations Act and the Company fails to lodge a supplementary or replacement prospectus in such form and content and within such time as the Underwriter may reasonably require or the Company lodges a supplementary or replacement prospectus without the prior written consent of the Underwriter;

(vii) (**Non-compliance with disclosure requirements**): it transpires that the Prospectus does not contain all the information required by section 713 of the Corporations Act;

(viii) (**Misleading Prospectus**): it transpires that there is a statement in the Prospectus that is misleading or deceptive or likely to mislead or deceive, or that there is an omission from the Prospectus (having regard to the provisions of section 713 of the Corporations Act) or if any statement in the Prospectus becomes misleading or deceptive or likely to mislead or deceive or if the issue of the Prospectus is or becomes misleading or deceptive or likely to mislead or deceive;

(ix) (**Restriction on issue**): the Company is prevented from issuing the New Shares within the time required by the Underwriting Agreement, the Corporations Act, the ASX Listing Rules, any statute, regulation or order of a court of competent jurisdiction or any governmental or semi-governmental agency or authority;

(x) (**Withdrawal of consent to Prospectus**): any person (other than the Underwriter) who has previously consented to be named in the Prospectus, withdraws that consent;

(xi) (**ASIC application**): an application is made by ASIC for an order under section 1324B or any other provision of the Corporations Act in relation to the Prospectus and that application has not been dismissed or withdrawn by the date that it 6 business days after the Entitlement Offer Closing Date;

(xii) (**ASIC hearing**): ASIC gives notice of its intention to hold a hearing under section 739 or any other provision of the Corporations Act in relation to the

Prospectus to determine if it should make a stop order in relation to the Prospectus or ASIC makes an interim or final stop order in relation to the Prospectus under section 739 or any other provision of the Corporations Act;

(xiii) (**Takeovers Panel**): the Takeovers Panel makes a declaration that circumstances in relation to the affairs of the Company are unacceptable circumstances under Pt 6.10 of the Corporations Act, or an application for such a declaration is made to the Takeovers Panel;

(xiv) (**Hostilities**): there is an outbreak of hostilities or a material escalation of hostilities (whether or not war has been declared) after the date of the Underwriting Agreement involving one or more of Australia, New Zealand, Indonesia, Japan, Russia, the United Kingdom, the United States of America, the Peoples Republic of China, Israel or any member of the European Union, or a terrorist act is perpetrated on any of those countries or any diplomatic, military, commercial or political establishment of any of those countries anywhere in the world;

(xv) *(**Default**): default or breach by the Company of any term, condition, covenant or undertaking under the Underwriting Agreement;

(xvi) *(**Incorrect or untrue representation**): any representation, warranty or undertaking given by the Company in the Underwriting Agreement is or becomes untrue or incorrect;

(xvii) *(**Contravention of regulatory requirements**): a contravention by the Company of any provision of its Constitution, the Corporations Act, the ASX Listing Rules or any other applicable legislation or any policy or requirement of ASIC or ASX;

(xviii) *(**Adverse change**): an event occurs which gives rise to a material adverse effect on the outcome of the Entitlement Offer, the subsequent market for the New Shares, the tax position of the Company or an Australian resident Shareholder, or the Underwriter's obligations become materially more onerous or any adverse change or any development including a prospective adverse change after the date of the Underwriting Agreement in the assets, liabilities, financial position, trading results, profits, forecasts, losses, prospects, business or operations of the Company including if any forecast in the Prospectus becomes incapable of being met or, in the Underwriter's reasonable opinion, unlikely to be met in the projected time;

(xix) *(**Error in due diligence results**): it transpires that any of the due diligence results or any part of the verification of the Prospectus was false, misleading or deceptive or that there was an omission from them;

(xx) *(**Significant change**): a "new circumstance" as referred to in section 719(1) of the Corporations Act arises that is materially adverse from the point of view of an investor;

(xxi) *(**Public statements**): without the prior approval of the Underwriter, a public statement is made by the Company in relation to the Entitlement Offer, the issue of New Shares or the Prospectus;

(xxii) *(**Misleading information**): any information supplied at any time by the Company or any person on its behalf to the Underwriter in respect of any

aspect of the Entitlement Offer, the issue of New Shares or the affairs of the Company is or becomes misleading or deceptive or is likely to mislead or deceive;

(xxiii) *(**Official Quotation qualified**): the official quotation of the New Shares is qualified or conditional other than as set out in the definition of "Official Quotation" in the ASX Listing Rules;

(xxiv) *(**Prescribed occurrence**): any of the following events occurs:

(A) the Company converts all or any of its Shares into a larger or smaller number of Shares;

(B) the Company resolves to reduce its share capital in any way;

(C) the Company enters into a buy-back agreement or resolves to approve the terms of a buy-back agreement under section 257C or 257D of the Corporations Act;

(D) the Company making an issue of, or granting an option to subscribe for, any of its Shares, or agreeing to make such an issue or grant such an option, other than an issue or agreement to issue in accordance with the Entitlement Offer or the terms of the Underwriting Agreement;

(E) the Company issues, or agrees to issue, convertible notes;

(F) the Company disposes, or agrees to dispose, of the whole, or a substantial part, of its business or property;

(G) the Company charges, or agrees to charge, the whole, or a substantial part, of its business or property;

(H) the Company resolves that it be wound up;

(I) the appointment of a liquidator or provisional liquidator to the Company;

(J) the making of an order by a court for the winding up of the Company;

(K) an administrator of the Company being appointed under section 436A, 436B or 436C of the Corporations Act;

(L) the Company executes a deed of company arrangement;

(M) the appointment of a receiver, or a receiver and manager, in relation to the whole, or a substantial part, of the property of the Company;

(xxv) *(**Suspension of debt payments**): the Company suspends payment of its debts generally;

(xxvi) *(**Event of insolvency**): an event of insolvency occurs in respect of the Company;

(xxvii) *(**Judgment against Company**): a judgment in an amount exceeding $25,000 is obtained against the Company and is not set aside or satisfied

within 7 days;

(xxviii) *(**Litigation**): litigation, arbitration, administrative or industrial proceedings are commenced or threatened against the Company, other than any claims foreshadowed in this Prospectus;

(xxix) *(**Board and senior management composition**): there is a change in the composition of the Board or a change in the senior management of the Company before all Application Monies are received without the prior written consent of the Underwriter;

(xxx) *(**Change in shareholdings**): there is a material change in the major or controlling shareholdings of the Company or a takeover offer or scheme of arrangement pursuant to Chapter 5 or 6 of the Corporations Act is publicly announced in relation to the Company;

(xxxi) *(**Timetable**): there is a delay in any specified date in the timetable which is greater than 7 business days;

(xxxii) *(**Force majeure**): a force majeure event affecting the Company's business or any obligation under the Underwriting Agreement lasting in excess of 7 days occurs;

(xxxiii) *(**Certain resolutions passed**): the Company passes or takes any steps to pass a resolution under section 254N, section 257A or section 260B of the Corporations Act or a resolution to amend its Constitution without the prior written consent of the Underwriter;

(xxxiv) *(**Capital structure**): the Company alters its capital structure in any manner not contemplated by the Prospectus;

(xxxv) *(**Investigation**): any person is appointed under any legislation in respect of companies to investigate the affairs of the Company;

(xxxvi) *(**Market conditions**): a suspension or material limitation in trading generally on ASX occurs or any material adverse change or disruption occurs in the existing financial markets, political or economic conditions of Australia, Japan, the United Kingdom, the United States of America or other international financial markets; or

(xxxvii) *(**Material breach**): the Company fails to rectify any material breach of the mandate between the Company and the Underwriter having been given 10 business days' notice in writing by the Underwriter of such breach having occurred.

The Underwriter may only terminate the Underwriting Agreement where an event marked with an asterisk (*) above has occurred if, in the reasonable opinion of the Underwriter reached in good faith, the event has, or is likely to have, a material adverse effect on the outcome of the Entitlement Offer, the subsequent market for the New Shares, the tax position of the Company or an Australian resident Shareholder, or the assets, condition, trading or financial position, performance, profits, losses, results, prospects, business or operations of the Company or the event has caused the Underwriter's obligations to become materially more onerous or could give rise to a liability of the Underwriter under the Corporations Act or otherwise.

8.6 Consents

Each of the parties referred to as consenting parties who are named below:

(a) does not make the Offers;

(b) has not authorised, and has not caused, the issue of this Prospectus;

(c) has not made any statement in this Prospectus or any statement on which a statement made in this Prospectus is based;

(d) to the maximum extent permitted by law, expressly disclaims and takes no responsibility for any statements in or omissions from this Prospectus; and

(e) has given and has not, before the lodgement of this Prospectus with ASIC, withdrawn its written consent to be named in this Prospectus in the form and context in which it is named.

Role	Consenting party
Underwriter of the Entitlement Offer	Barclay Wells Limited
Legal adviser	Price Sierakowski Corporate
Share Registry	Advanced Share Registry Services

8.7 Interests of Directors, experts and advisers

Other than as set out below or elsewhere in this Prospectus, no:

- Director or proposed Director;
- person named in this Prospectus as performing a function in a professional, advisory or other capacity in connection with the preparation or distribution of this Prospectus;
- promoter of the Company; or
- underwriter to the issue of the New Securities or financial services licensee named in this Prospectus as being involved in the issue of the New Securities,

holds at the date of this Prospectus or held at any time during the last two years, any interest in:

- the formation or promotion of the Company;
- property acquired or proposed to be acquired by the Company in connection with its formation or promotion, or the Offers; or
- the Offers.

Other than as set out below or elsewhere in this Prospectus, no amount has been paid or agreed to be paid, and no benefit has been given or agreed to be given, to any Director or proposed Director either to induce them to become, or to qualify as, a Director of the Company, or otherwise for services rendered by them in connection with the formation or promotion of the Company or the Offers.

(a) Directors' Relevant Interests in securities

As at the date of this Prospectus, the Directors had the following Relevant Interests in Shares:

Director	Number
Adrian Griffin	4,623,789
Patrick McManus	2,612,205
George Sakalidis	947,205
Gary Johnson	339,121

As at the date of this Prospectus, the Directors had the following Relevant Interests in Options:

Director	Number	Exercise price	Expiry date
Adrian Griffin	250,000	$0.28	30 November 2014
	610,923	$0.30	15 March 2015
	200,000	$0.355	13 November 2015
Patrick McManus	500,000	$0.28	30 November 2014
	285,834	$0.30	15 March 2015
	750,000	$0.355	13 November 2015
George Sakalidis	250,000	$0.28	30 November 2014
	25,000	$0.30	15 March 2015
	200,000	$0.355	13 November 2015
Gary Johnson	250,000	$0.28	30 November 2014
	200,000	$0.355	13 November 2015

(b) Directors' remuneration

The Constitution provides that the Directors may be paid for their services as directors a maximum total amount (excluding salaries) determined by the Company in general meeting (currently set at $200,000). Executive Directors are entitled to be remunerated by salary or other employment related benefits in accordance with their employment agreements. The table below sets out the remuneration paid to the Directors for the two financial years prior to the date of this Prospectus and for the current financial year until the date of this Prospectus:

Director	Remuneration paid in 30 June 2014 financial year	Remuneration paid in 30 June 2013 financial year	Remuneration paid in 30 June 2012 financial year
Adrian Griffin	$52,500	$112,208	$65,025
Patrick McManus	$160,416	$358,281	$300,050
George Sakalidis	$29,166	$72,208	$65,025
Gary Johnson	$29,166	$72,208	$65,025

(c) Experts and advisers

Barclay Wells Limited has acted as underwriter of the Entitlement Offer. Details of the Underwriting Agreement and the fees payable to the Underwriter in relation to the underwriting of the Entitlement Offer are set out in **Section 8.5**.

Price Sierakowski Corporate has acted as legal adviser to the Company. Price Sierakowski Corporate's fees for work in relation to the Offers (which includes services in connection with the Offers) up to the date of lodgement of this Prospectus will be approximately $20,000 (plus GST and disbursements). Price Sierakowski Corporate may receive further fees for additional work done determined on the basis of hours spent at its ordinary hourly rates.

8.8 Expenses of the Offers

The estimated expenses of the Offers (exclusive of GST) are as follows:

Expense	Amount
Underwriting fees	$56,413
Legal fees	$20,000
ASIC fees	$2,225
ASX fees	$4,673
Printing and other costs	$16,689
Total	**$100,000**

8.9 Litigation

As at the date of this Prospectus, the Company is not involved in any material legal proceedings and the Directors are not aware of any material legal proceedings pending or threatened against the Company.

9. DIRECTORS' AUTHORISATION

This Prospectus is issued by the Company and its issue has been authorised by a resolution of the Directors.

In accordance with section 720 of the Corporations Act, each Director has consented to the lodgement of this Prospectus with ASIC and has not withdrawn that consent.

Signed for and on behalf of the Company on 15 January 2014.



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Patrick McManus
Managing Director

Potash West NL

10. DEFINITIONS

Definitions used in this Prospectus are as follows:

Acceptance Form means an Entitlement Offer Acceptance Form and/or a Bonus Offer Acceptance Form, as the context requires.

Additional New Shares means the additional New Shares offered to Eligible Shareholders under the Entitlement Offer above their entitlement as set out in **Section 4.3**.

Application Account means the Company's bank account titled 'Potash West NL – Application Account' which has been established for the purpose of holding the Application Monies.

Application Monies means the monies received from persons applying for New Shares under the Entitlement Offer.

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.

ASX Listing Rules means the ASX Listing Rules published and distributed by the ASX.

ASX Settlement means ASX Settlement Pty Limited ACN 008 504 532.

Board means the board of Directors.

Bonus Offer means the non-renounceable, pro rata bonus offer of New Partly Paid Shares at a total issue price of $0.05 each on the basis of 1 New Partly Paid Share for every 2 Shares held at the Bonus Offer Record Date with each New Partly Paid Share deemed to be paid up to $0.001, made pursuant to this Prospectus.

Bonus Offer Acceptance Form means a Bonus Offer acceptance form in the form accompanying this Prospectus pursuant to which Eligible Shareholders may apply for New Partly Paid Shares under the Bonus Offer. Eligible Shareholders are not required to submit an Entitlement Offer Application in order to accept their entitlement to New Partly Paid Shares under the Bonus Offer.

Bonus Offer Closing Date means the date that the Bonus Offer closes which is 5.00pm (WST) on 25 March 2014 or such other time and date as the Company determines.

Bonus Offer Record Date means the date for determining the entitlement of Shareholders under the Bonus Offer, being 5.00pm (WST) on 24 March 2014.

Business Day means a day on which banks are open for business in Perth, Western Australia excluding a Saturday, Sunday or public holiday.

CHESS means the Clearing House Electronic Subregister System operated by ASX Settlement.

Company means Potash West NL ACN 147 346 334.

Constitution means the constitution of the Company from time to time.

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

Director means a director of the Company.

Eligible Shareholder has the meaning given in **Section 4.4**.

Entitlement Offer means the non-renounceable, pro rata entitlement offer of New Shares at an issue price of $0.05 each on the basis of 1 New Share for every 5 Shares held at the Entitlement Offer Record Date to raise approximately $940,210 before costs, made pursuant to this Prospectus.

Entitlement Offer Acceptance Form means an Entitlement Offer acceptance form in the form accompanying this Prospectus pursuant to which Eligible Shareholders may apply for New Shares under the Entitlement Offer.

Entitlement Offer Application means an application for New Shares under the Entitlement Offer made by an Eligible Shareholder in an Entitlement Offer Acceptance Form or by payment via BPAY® or such other form as approved by the Company. Eligible Shareholders who submit an Entitlement Offer Application are deemed to accept all of their entitlement to New Partly Paid Shares (if any) under the Bonus Offer.

Entitlement Offer Closing Date means the date that the Entitlement Offer closes which is 5.00pm (WST) on 14 February 2014 or such other time and date as the Company determines.

Entitlement Offer Record Date means the date for determining the entitlement of Shareholders under the Entitlement Offer, being 5.00pm (WST) on 28 January 2014.

Exposure Period means the period of 7 days from the date of lodgement of this Prospectus, which period may be extended by ASIC by not more than 7 days pursuant to section 727(3) of the Corporations Act.

Ineligible Shareholder means a Shareholder who is not an Eligible Shareholder.

Lodgement Date means 15 January 2014.

New Partly Paid Share means an ordinary share in the capital of the Company issued on the basis of, and under the terms of, the Bonus Offer on a partly paid basis and otherwise on the terms set out in **Section 8.4**.

New Securities means the New Shares and/or the New Partly Paid Shares, as the context requires.

New Share means a Share offered for subscription on the basis of, and under the terms of, the Entitlement Offer.

Offer means the Entitlement Offer and/or the Bonus Offer, as the context requires.

Opening Date means the first date for receipt of acceptances under the Offers which is 9:00am (WST) on 31 January 2014 or such other time and date as the Company determines.

Option means an option to acquire a Share.

Optionholder means a holder of one or more Options.

Prospectus means this prospectus dated 15 January 2014.

Relevant Interest has the meaning given in the Corporations Act.

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

Shareholder means the registered holder of one or more Shares.

Share Registry means Advanced Share Registry Services.

Shortfall means those New Shares not validly applied for by Eligible Shareholders pursuant to their entitlement under the Entitlement Offer.

Trading Day has the meaning given in the ASX Listing Rules.

Underwriter means Barclay Wells Limited ABN 88 009 352 836.

Underwriting Agreement means the underwriting agreement dated 25 December 2013 between the Company and the Underwriter described in **Section 8.5**.

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