

12 June 2015

## **ASX ANNOUNCEMENT**

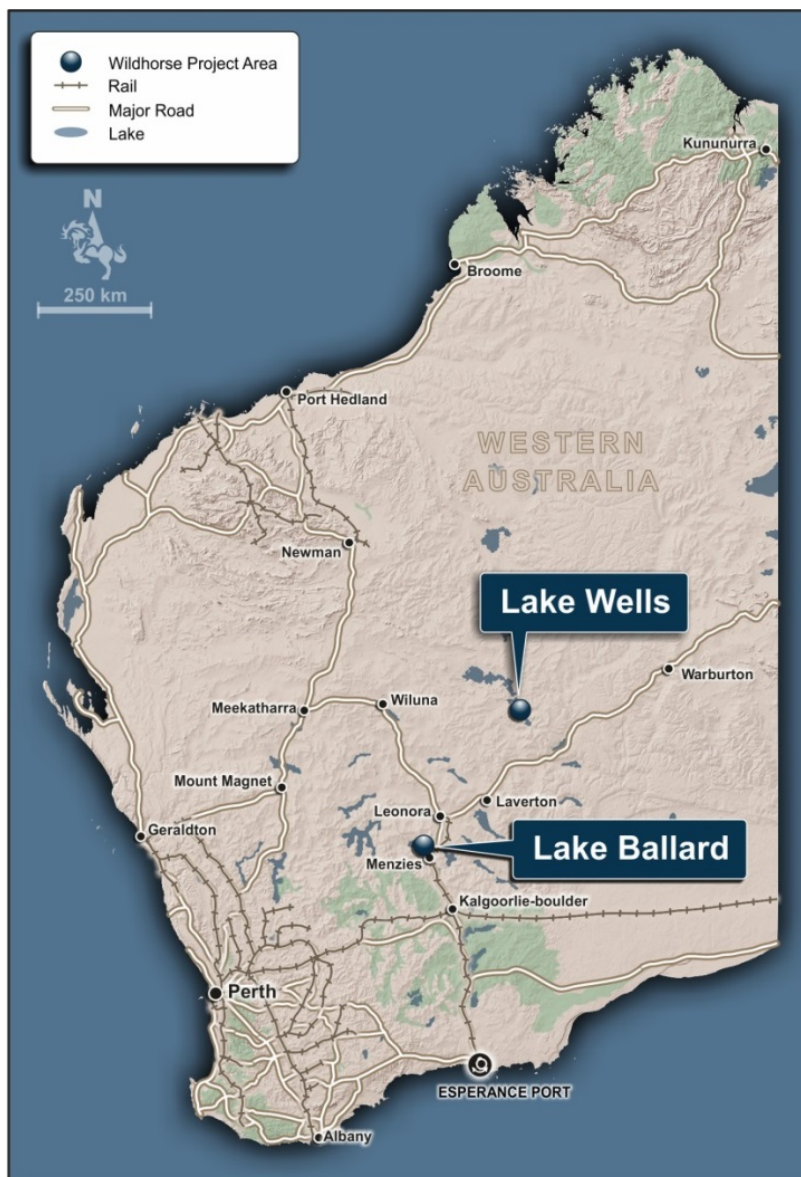
# **COMPLETION OF ACQUISITION OF LARGE SCALE, HIGH GRADE SULPHATE OF POTASH BRINE PROJECTS**

*The Directors of Wildhorse Energy Limited (**Wildhorse** or **Company**) are pleased to advise that following shareholder approval on 11 June 2015, the Company has now completed its acquisition of 100% of Australia Salt Lake Potash Pty Ltd (**ASLP**). ASLP owns two large, salt lake brine projects (**Projects**) at Lake Wells and Lake Ballard in Western Australia, each having excellent potential to produce highly sought after Sulphate of Potash (**SOP**) for domestic and international fertiliser markets.*

*The Board believes that this acquisition provides the Company with the opportunity to build a high margin, long term business supplying an important value adding agricultural product to both domestic and international markets. Wildhorse expects substantial news flow over the coming months from:*

- *Further drilling at Lake Wells to assess the extent and continuity of brine laterally, and at depth.*
- *Hydraulic testing and pumping tests from bores and/or trenches to determine aquifer properties, potential production rates and infrastructure design (trench and bore size and spacing).*
- *Studies on Lake Wells's recharge dynamics to determine the lake water balance and subsequent production water balance.*
- *Studies of the brine chemistry characteristics and evaporation trials.*
- *Preparation of an initial resource estimate for Lake Wells in accordance with the JORC Code.*
- *Reconnaissance mapping and sampling at Lake Ballard, prior to an initial drilling program.*

*The potential for production of SOP based on pond evaporation from inland salt lakes in Australia has been recognised for some time. Salt lake evaporation projects are substantial producers of Potash and other minerals from operations in North and South America, the Middle East and China. Production of primary SOP from salt lake evaporation enjoys an inherent and substantial cost advantage over the secondary (Mannheim) process, which produces around 70% of SOP globally (ex China).*



**Figure 1 – Location of the Projects**

*Initial work has supported the Projects potential for producing substantial tonnages of Sulphate of Potash (**SOP**) and/or Sulphate of Potash Magnesia (**SOPM**) based on extensive saline brines with highly elevated concentrates of dissolved potassium, magnesium and sulphates. Both Projects are based on large salt lakes featuring high potential recharge from substantial drainage basins, along with very favourable arid climatic conditions. These factors support year round, cost effective production of potash salts using conventional evaporation and crystallisation ponds.*

*SOP enjoys a substantial price premium over Muriate of Potash (**MOP**) due to its relative scarcity, (secondary) costs of production and preference for chloride sensitive crops, usually higher value human food crops. Current SOP prices are US\$700/t, approximately twice the current MOP price.*

*As a result of the successful completion of the acquisition, Mr Jason Baverstock, the founding director and shareholder of ASLP, has been appointed as Executive Director of the Company effective from 15 June 2015.*

*For enquiries, please contact: Sam Cordin Tel: +61 8 9322 6322*

# Appendix 3B

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

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

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

Name of entity

WILDHORSE ENERGY LIMITED

ABN

98 117 085 748

We (the entity) give ASX the following information.

### Part 1 - All issues

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

- |   |   |   |
|---|---|---|
| 1 | +Class of +securities issued or to be issued  | a) Ordinary Shares<br>b) Class A Performance Shares<br>c) Class B Performance Shares<br>d) Class C Performance Shares   |
| 2 | Number of +securities issued or to be issued (if known) or maximum number which may be issued   | a) 15,000,000<br>b) 5,000,000<br>c) 7,500,000<br>d) 10,000,000  |
| 3 | Principal terms of the +securities (e.g. if options, exercise price and expiry date; if partly paid +securities, the amount outstanding and due dates for payment; if +convertible securities, the conversion price and dates for conversion) | a) Fully paid ordinary shares<br>b) Refer to Annexure 2 for terms of the Class A Performance Shares<br>c) Refer to Annexure 2 for terms of the Class B Performance Shares<br>d) Refer to Annexure 2 for terms of the Class C Performance Shares |

+ See chapter 19 for defined terms.

**Appendix 3B**  
**New issue announcement**

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<p>4 Do the <sup>+</sup>securities rank equally in all respects from the <sup>+</sup>issue date with an existing <sup>+</sup>class of quoted <sup>+</sup>securities?</p> <p>If the additional <sup>+</sup>securities do not rank equally, please state:</p> <ul style="list-style-type: none"> <li>• the date from which they do</li> <li>• the extent to which they participate for the next dividend, (in the case of a trust, distribution) or interest payment</li> <li>• the extent to which they do not rank equally, other than in relation to the next dividend, distribution or interest payment</li> </ul>	<p>a) Yes  b) Not Applicable  c) Not Applicable  d) Not Applicable</p>
<p>5 Issue price or consideration</p>	<p>a) to d) For the acquisition of 100% of Australia Salt Lake Potash Pty Ltd</p>
<p>6 Purpose of the issue  (If issued as consideration for the acquisition of assets, clearly identify those assets)</p>	<p>a) to d) For the acquisition of 100% of Australia Salt Lake Potash Pty Ltd</p>
<p>6a Is the entity an <sup>+</sup>eligible entity that has obtained security holder approval under rule 7.1A?</p> <p>If Yes, complete sections 6b – 6h <i>in relation to the <sup>+</sup>securities the subject of this Appendix 3B</i>, and comply with section 6i</p>	<p>Yes</p>
<p>6b The date the security holder resolution under rule 7.1A was passed</p>	<p>25 November 2014</p>
<p>6c Number of <sup>+</sup>securities issued without security holder approval under rule 7.1</p>	<p>Nil</p>
<p>6d Number of <sup>+</sup>securities issued with security holder approval under rule 7.1A</p>	<p>Nil</p>

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

6e	Number of +securities issued with security holder approval under rule 7.3, or another specific security holder approval (specify date of meeting)	a) 15,000,000 b) 5,000,000 c) 7,500,000 d) 10,000,000	
6f	Number of +securities issued under an exception in rule 7.2	Nil	
6g	If +securities issued under rule 7.1A, was issue price at least 75% of 15 day VWAP as calculated under rule 7.1A.3? Include the +issue date and both values. Include the source of the VWAP calculation.	Not Applicable	
6h	If +securities were issued under rule 7.1A for non-cash consideration, state date on which valuation of consideration was released to ASX Market Announcements	Not Applicable	
6i	Calculate the entity's remaining issue capacity under rule 7.1 and rule 7.1A – complete Annexure 1 and release to ASX Market Announcements	7.1 – 15,755,389 7.1A – 10,570,259	
7	+Issue dates  <small>Note: The issue date may be prescribed by ASX (refer to the definition of issue date in rule 19.12). For example, the issue date for a pro rata entitlement issue must comply with the applicable timetable in Appendix 7A.  Cross reference: item 33 of Appendix 3B.</small>	12 June 2015	
8	Number and +class of all +securities quoted on ASX ( <i>including</i> the +securities in section 2 if applicable)	Number	+Class
		105,802,596	Ordinary Shares

+ See chapter 19 for defined terms.

**Appendix 3B**  
**New issue announcement**

	Number	+Class
9 Number and +class of all +securities not quoted on ASX (including the +securities in section 2 if applicable)	22,222	\$15.00 Unlisted Options expiring 30 June 2015
	22,222	\$18.00 Unlisted Options expiring 30 June 2015
	22,222	\$21.00 Unlisted Options expiring 30 June 2015
	57,370	\$3.60 Unlisted Options expiring 30 November 2016
	57,370	\$4.80 Unlisted Options expiring 30 November 2016
	57,370	\$6.00 Unlisted Options expiring 30 November 2016
	33,333	\$2.73 Unlisted Options expiring 30 November 2016
	5,000,000	Class A Performance Shares (Conversion ratio upon achievement of milestone – 1 for 1 – refer to Annexure 2)
	7,500,000	Class B Performance Shares (Conversion ratio upon achievement of milestone – 1 for 1 – refer to Annexure 2)
10,000,000	Class C Performance Shares (Conversion ratio upon achievement of milestone – 1 for 1 – refer to Annexure 2)	

+ See chapter 19 for defined terms.

10	Dividend policy (in the case of a trust, distribution policy) on the increased capital (interests)	Not Applicable
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## Part 2 - Pro rata issue

11	Is security holder approval required?	Not Applicable
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12	Is the issue renounceable or non-renounceable?	Not Applicable
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13	Ratio in which the +securities will be offered	Not Applicable
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14	+Class of +securities to which the offer relates	Not Applicable
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15	+Record date to determine entitlements	Not Applicable
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16	Will holdings on different registers (or subregisters) be aggregated for calculating entitlements?	Not Applicable
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17	Policy for deciding entitlements in relation to fractions	Not Applicable
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18	Names of countries in which the entity has security holders who will not be sent new offer documents  <small>Note: Security holders must be told how their entitlements are to be dealt with. Cross reference: rule 7.7.</small>	Not Applicable
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19	Closing date for receipt of acceptances or renunciations	Not Applicable
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20	Names of any underwriters	Not Applicable
21	Amount of any underwriting fee or commission	Not Applicable
22	Names of any brokers to the issue	Not Applicable
23	Fee or commission payable to the broker to the issue	Not Applicable
24	Amount of any handling fee payable to brokers who lodge acceptances or renunciations on behalf of security holders	Not Applicable
25	If the issue is contingent on security holders' approval, the date of the meeting	Not Applicable
26	Date entitlement and acceptance form and offer documents will be sent to persons entitled	Not Applicable
27	If the entity has issued options, and the terms entitle option holders to participate on exercise, the date on which notices will be sent to option holders	Not Applicable
28	Date rights trading will begin (if applicable)	Not Applicable
29	Date rights trading will end (if applicable)	Not Applicable
30	How do security holders sell their entitlements <i>in full</i> through a broker?	Not Applicable
31	How do security holders sell <i>part</i> of their entitlements through a broker and accept for the balance?	Not Applicable

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- 32 How do security holders dispose of their entitlements (except by sale through a broker)? Not Applicable
- 33 <sup>+</sup>Issue date Not Applicable

### Part 3 - Quotation of securities

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

- 34 Type of <sup>+</sup>securities  
(tick one)
- (a)  <sup>+</sup>Securities described in Part 1
- (b)  All other <sup>+</sup>securities  
Example: restricted securities at the end of the escrowed period, partly paid securities that become fully paid, employee incentive share securities when restriction ends, securities issued on expiry or conversion of convertible securities

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

#### Additional securities forming a new class of securities

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

- 35  If the <sup>+</sup>securities are <sup>+</sup>equity securities, the names of the 20 largest holders of the additional <sup>+</sup>securities, and the number and percentage of additional <sup>+</sup>securities held by those holders
- 36  If the <sup>+</sup>securities are <sup>+</sup>equity securities, a distribution schedule of the additional <sup>+</sup>securities setting out the number of holders in the categories  
1 - 1,000  
1,001 - 5,000  
5,001 - 10,000  
10,001 - 100,000  
100,001 and over
- 37  A copy of any trust deed for the additional <sup>+</sup>securities

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

**Appendix 3B**  
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**Entities that have ticked box 34(b)**

38 Number of +securities for which +quotation is sought 

Not Applicable
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39 +Class of +securities for which quotation is sought 

Not Applicable
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40 Do the +securities rank equally in all respects from the +issue date with an existing +class of quoted +securities?  
  
 If the additional +securities do not rank equally, please state:

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

Not Applicable
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41 Reason for request for quotation now  
  
 Example: In the case of restricted securities, end of restriction period  
  
 (if issued upon conversion of another +security, clearly identify that other +security)

Not Applicable
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	Number	+Class
42 Number and +class of all +securities quoted on ASX (including the +securities in clause 38)		

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+ See chapter 19 for defined terms.

**Quotation agreement**

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

Sign here: ..... Date: 12 June 2015  
(~~Director~~/Company secretary)

Print name: Sam Cordin

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+ See chapter 19 for defined terms.

## Appendix 3B – Annexure 1

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

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

#### Part 1

<b>Rule 7.1 – Issues exceeding 15% of capital</b>	
<b><i>Step 1: Calculate “A”, the base figure from which the placement capacity is calculated</i></b>	
<b><i>Insert</i></b> number of fully paid +ordinary securities on issue 12 months before the +issue date or date of agreement to issue	13,674,676
<p><b><i>Add</i></b> the following:</p> <ul style="list-style-type: none"> <li>• Number of fully paid +ordinary securities issued in that 12 month period under an exception in rule 7.2           <ul style="list-style-type: none"> <li>1,360,000 (8 December 2014)</li> <li>19,158,525 (11 February 2015)</li> <li>28,500,000 (27 February 2015)</li> </ul> </li> <li>• Number of fully paid +ordinary securities issued in that 12 month period with shareholder approval           <ul style="list-style-type: none"> <li>28,010,305 (19 March 2015)</li> <li>15,000,000 (12 June 2015)</li> </ul> </li> <li>• Number of partly paid +ordinary securities that became fully paid in that 12 month period</li> </ul> <p><b><i>Note:</i></b></p> <ul style="list-style-type: none"> <li>• <i>Include only ordinary securities here – other classes of equity securities cannot be added</i></li> <li>• <i>Include here (if applicable) the securities the subject of the Appendix 3B to which this form is annexed</i></li> <li>• <i>It may be useful to set out issues of securities on different dates as separate line items</i></li> </ul>	
<b><i>Subtract</i></b> the number of fully paid +ordinary securities cancelled during that 12 month period	910 (8 December 2014)
<b>“A”</b>	105,702,596

+ See chapter 19 for defined terms.

<b>Step 2: Calculate 15% of “A”</b>	
“B”	0.15 <i>[Note: this value cannot be changed]</i>
<b>Multiply “A” by 0.15</b>	15,855,389
<b>Step 3: Calculate “C”, the amount of placement capacity under rule 7.1 that has already been used</b>	
<p><b>Insert</b> number of +equity securities issued or agreed to be issued in that 12 month period <i>not counting</i> those issued:</p> <ul style="list-style-type: none"> <li>• Under an exception in rule 7.2</li> <li>• Under rule 7.1A</li> <li>• With security holder approval under rule 7.1 or rule 7.4</li> </ul> <p><i>Note:</i></p> <ul style="list-style-type: none"> <li>• <i>This applies to equity securities, unless specifically excluded – not just ordinary securities</i></li> <li>• <i>Include here (if applicable) the securities the subject of the Appendix 3B to which this form is annexed</i></li> <li>• <i>It may be useful to set out issues of securities on different dates as separate line items</i></li> </ul>	100,000 (1 October 2014)
“C”	100,000
<b>Step 4: Subtract “C” from [“A” x “B”] to calculate remaining placement capacity under rule 7.1</b>	
<p>“A” x 0.15</p> <p><i>Note: number must be same as shown in Step 2</i></p>	15,855,389
<p><b>Subtract “C”</b></p> <p><i>Note: number must be same as shown in Step 3</i></p>	100,000
<p><b>Total</b> [“A” x 0.15] – “C”</p>	<p>15,755,389</p> <p><i>[Note: this is the remaining placement capacity under rule 7.1]</i></p>

+ See chapter 19 for defined terms.

## Part 2

<b>Rule 7.1A – Additional placement capacity for eligible entities</b>	
<b>Step 1: Calculate “A”, the base figure from which the placement capacity is calculated</b>	
<b>“A”</b>  <i>Note: number must be same as shown in Step 1 of Part 1</i>	105,702,596
<b>Step 2: Calculate 10% of “A”</b>	
<b>“D”</b>	0.10  <i>Note: this value cannot be changed</i>
<b>Multiply “A” by 0.10</b>	10,570,259
<b>Step 3: Calculate “E”, the amount of placement capacity under rule 7.1A that has already been used</b>	
<b>Insert</b> number of +equity securities issued or agreed to be issued in that 12 month period under rule 7.1A  <b>Notes:</b> <ul style="list-style-type: none"> <li>• <i>This applies to equity securities – not just ordinary securities</i></li> <li>• <i>Include here – if applicable – the securities the subject of the Appendix 3B to which this form is annexed</i></li> <li>• <i>Do not include equity securities issued under rule 7.1 (they must be dealt with in Part 1), or for which specific security holder approval has been obtained</i></li> <li>• <i>It may be useful to set out issues of securities on different dates as separate line items</i></li> </ul>	Nil
<b>“E”</b>	10,570,259

+ See chapter 19 for defined terms.

<b>Step 4: Subtract “E” from [“A” x “D”] to calculate remaining placement capacity under rule 7.1A</b>	
<p>“A” x 0.10</p> <p><i>Note: number must be same as shown in Step 2</i></p>	<p>10,570,259</p>
<p><b>Subtract “E”</b></p> <p><i>Note: number must be same as shown in Step 3</i></p>	<p>Nil</p>
<p><b>Total</b> [“A” x 0.10] – “E”</p>	<p style="text-align: center;">10,570,259</p> <p><i>Note: this is the remaining placement capacity under rule 7.1A</i></p>

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+ See chapter 19 for defined terms.

## Annexure 2 – Terms and Conditions of Performance Shares

The terms of the Class A Convertible Performance Shares, Class B Convertible and Class C Convertible Performance Shares are as follows:

### 1. Definitions

In these terms and conditions, unless the context otherwise requires:

**ASX** means ASX Limited and where the context permits the Australian Securities Exchange operated by ASX Limited.

**Change in Control Event** means:

- (a) the occurrence of:
  - (i) the offer or under a takeover offer in respect of Shares announcing that it has achieved acceptances in respect of 50.1% or more of the Shares; and
  - (ii) that takeover bid has become unconditional; or
- (b) the announcement by the Company that:
  - (i) shareholders of the Company have at a Court convened meeting of shareholders voted in favour, by the necessary majority, of a proposed scheme of arrangement under which all Shares are to be either:
    - (A) cancelled; or
    - (B) transferred to a third party; and
  - (ii) the Court, by order, approves the proposed scheme of arrangement,

but shall not include a scheme of arrangement for the purposes of a corporate restructure (including change of domicile, consolidation, sub-division, reduction or return) of the issued capital of the Company.

**Class A Convertible Performance Share** means a Class A Convertible Performance Share issued as part of the consideration under the Share Sale Agreement.

**Class A Milestone** means the announcement by the Company to ASX of the results of a positive Pre-feasibility Study on all or part of the Project Licences.

**Class B Convertible Performance Share** means a Class B Convertible Performance Share issued as part of the consideration under the Share Sale Agreement.

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+ See chapter 19 for defined terms.



**Class B Milestone** means the announcement by the Company to ASX of the results of a positive Definitive Feasibility Study on all or part of the Project Licences.

**Class C Convertible Performance Share** means a Class C Convertible Performance Share issued as part of the consideration under the Share Sale Agreement.

**Class C Milestone** means the commencement of construction activities for a mining operation on all or part of the Project Licences (including the commencement of ground breaking for the construction of infrastructure and/or processing facilities) following a final investment decision by the Board as per the project development schedule and budget in accordance with the Definitive Feasibility Study.

**Company** means Wildhorse Energy Limited ACN 117 085 748.

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

**Expiry Date** means:

- (a) in relation to the Class A Convertible Performance Shares, 3 years from the date of issue;
- (b) in relation to the Class B Convertible Performance Share, 4 years from the date of issue;
- (c) in relation to the Class C Convertible Performance Share, 5 years from the date of issue;

**Inferred Mineral Resource** has the meaning given in the JORC Code.

**JORC Code** means the Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves (2012) as amended from time to time.

**Mineral Resource** has the meaning given in the JORC Code.

**Performance Share** means a Class A, Class B or Class C Convertible Performance Share.

**Performance Shareholder** means the holder of a Performance Share.

**Scoping Study** means a preliminary assessment of the technical and economic viability of the exploitation of a Mineral Resource, based on the delineation of an Inferred Mineral Resource.

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

**Shareholder** means a holder of Shares.

**Share Sale Agreement** means the share sale agreement between the Company and the vendors.

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+ See chapter 19 for defined terms.

**Project** means the Project Licences, the Mining Information and all related intellectual property and physical property.

**Project Licences** means the exploration licences and/or applications listed in Schedule 3 (and any other exploration or mining tenements or exploration or mining tenements which may be granted in lieu of (in whole or part) or relate to the same ground (in whole or part) as those licences) and includes all rights to mine and other privileges appurtenant to the licences referred to in Schedule 3.

**Vendors** means the then shareholders of Australia Salt Lake Potash Pty Ltd.

**2. Dividend**

Performance Shareholders are not entitled to a dividend.

**3. Conversion**

(a) Conversion

The Performance Shares will convert into Shares in accordance with this clause 3.

(b) Conversion of Class A Convertible Performance Share

Subject to clause 3(f), each Class A Convertible Performance Share will convert into one Share upon the satisfaction, prior to the Expiry Date, of the Class A Milestone.

(c) Conversion of Class B Convertible Performance Share

Subject to clause 3(f), each Class B Convertible Performance Share will convert into one Share upon the satisfaction, prior to the Expiry Date, of the Class B Milestone.

(d) Conversion of Class C Convertible Performance Share

Subject to clause 3(f), each Class C Convertible Performance Share will convert into one Share upon the satisfaction, prior to the Expiry Date, of the Class C Milestone.

(e) Conversion on Change in Control

(i) Subject to clauses 3(e)(ii) and 3(f), if prior to the Expiry Date a Change in Control Event occurs then each Performance Share will convert into one Share.

(ii) The maximum number of Performance Shares that can be converted into Shares and issued under this clause 3(e) upon a Change of Control Event must not exceed 10% of the issued Share capital of the Company (as at the date of the Change of Control Event). The Company

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shall ensure a pro-rata allocation of Shares issued under this clause 3(e) to all Performance Shareholders. Performance Shares that are not converted into Shares will continue to be held by the Performance Shareholder on the same terms and conditions.

- (f) Conversion after Expiry Date
- (i) If the Class A Milestone is not met by 5.00pm (Perth time) on the Expiry Date of the Class A Convertible Performance Shares the Company will, as soon as reasonably practical and in any event no later than 90 days after the Expiry Date, convert the total number of Class A Convertible Performance Shares held by each holder of Class A Convertible Performance Shares into one Share per holder. For the avoidance of doubt, the Class B Convertible Performance Shares and Class C Performance Shares are independent and will not convert in such circumstances.
  - (ii) If the Class B Milestone is not met by 5.00pm (Perth time) on the Expiry Date of the Class B Convertible Performance Shares the Company will, as soon as reasonably practical and in any event no later than 90 days after the Expiry Date, convert the total number of Class B Convertible Performance Shares held by each holder of Class B Convertible Performance Shares into one Share per holder. For the avoidance of doubt, the Class A Convertible Performance Shares and Class C Performance Shares are independent and will not convert in such circumstances.
  - (iii) If the Class C Milestone is not met by 5.00pm (Perth time) on the Expiry Date of the Class C Convertible Performance Shares the Company will, as soon as reasonably practical and in any event no later than 90 days after the Expiry Date, convert the total number of Class C Convertible Performance Shares held by each holder of Class C Convertible Performance Shares into one Share per holder. For the avoidance of doubt, the Class A Convertible Performance Shares and Class B Performance Shares are independent and will not convert in such circumstances.
- (g) Takeover Provisions
- (i) If the conversion of Performance Shares (or part thereof) under clauses 3(b) to 3(f) would result in any person being in contravention of section 606(1) of the Corporations Act then the conversion of each Performance Share that would cause the contravention shall be deferred until such time or times thereafter that

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+ See chapter 19 for defined terms.

the conversion would not result in a contravention of section 606(1).

(ii) The Performance Shareholders shall give notification to the Company in writing if they consider that the conversion of Performance Shares (or part thereof) under clauses 3(b) to 3(f) may result in the contravention of section 606(1) failing which the Company shall assume that the conversion of Performance Shares (or part thereof) under clauses 3(b) to 3(f) will not result in any person being in contravention of section 606(1).

(iii) The Company may (but is not obliged to) by written notice request the Performance Shareholders to give notification to the Company in writing within 7 days if they consider that the conversion of Performance Shares (or part thereof) under clauses 3(b) to 3(f) may result in the contravention of section 606(1). If the Performance Shareholders do not give notification to the Company within 7 days that they consider the conversion of Performance Shares (or part thereof) under clauses 3(b) to 3(f) may result in the contravention of section 606(1) then the Company shall assume that the conversion of Performance Shares (or part thereof) under clauses 3(b) to 3(f) will not result in any person being in contravention of section 606(1).

(h) After Conversion

The Shares issued on conversion of any Performance Share will as and from 5.00pm (WST) on the date of allotment rank equally with and confer rights identical with all other Shares then on issue and application will be made by the Company to ASX for official quotation of the Shares upon the date of conversion. Shares issued on conversion of the Performance Share must be free from all encumbrances, securities and third party interests. The Company must ensure that Shares issued on conversion of the Performance Shares are freely tradeable, without being subject to on-sale restrictions under section 707 of the Corporations Act, on and from their date of issue.

#### **4. Issue of Shares for No Consideration**

The Company shall allot and issue Shares immediately upon conversion of the Performance Shares for no consideration and shall record the allotment and issue in the manner required by the Corporations Act.

#### **5. Reconstruction**

In the event of any reconstruction, consolidation or division into (respectively) a lesser or greater number of securities of the Shares and the Performance Shares shall be reconstructed, consolidated or divided in the same proportion as the Shares are reconstructed, consolidated or

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+ See chapter 19 for defined terms.

divided and, in any event, in a manner which will not result in any additional benefits being conferred on the Performance Shareholders which are not conferred on the Shareholders.

**6. Winding Up**

If the Company is wound up prior to conversion of all of the Performance Shares into Shares then the Performance Shareholders will have:

- (a) no right to be paid cash for the Performance Shares; and
- (b) no right to participate in surplus assets or profits of the Company on winding up.

**7. Non-transferable**

The Performance Shares are not transferrable.

**8. Copies of Notices and Reports**

The Performance Shareholders have the same right as Shareholders to receive notices, reports and audited accounts and to attend general meetings of the Company but are only entitled to vote in the circumstances referred to in clause 9.

**9. Voting Rights**

The Performance Shareholders shall have no right to vote, subject to the Corporations Act.

**10. Participation in new issues**

There are no participation rights or entitlements inherent in the Performance Shares and holders will not be entitled to participate in new issues of capital offered to Shareholders during the currency of the Performance Shares.

**11. Quotation**

The Performance Shares are unquoted. No application for quotation of the Performance Shares will be made by the Company.

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+ See chapter 19 for defined terms.



## **ASX ANNOUNCEMENT**

12 June 2015

### **NOTICE UNDER SECTION 708A**

Wildhorse Energy Limited (the "Company") has today issued 15,000,000 fully paid ordinary shares. The issued securities are part of a class of securities quoted on the Australian Securities Exchange ("ASX").

The Company hereby notifies ASX under paragraph 708A(5)(e) of the Corporations Act 2001 (Cwth) (the "Act") that:

1. the Company issued the securities without disclosure to investors under Part 6D.2 of the Act;
2. as at the date of this notice, the Company has complied with the provisions of Chapter 2M of the Act as they apply to the Company, and section 674 of the Act; and
3. as at the date of this notice, there is no information that is "excluded information" within the meaning of sections 708A(7) and 708A(8) of the Act.