



POTASH

MINERALS LIMITED

ANNUAL REPORT

for the year ended 30 June 2015

POTASH MINERALS LIMITED
ACN: 121 184 316

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This annual report covers the Potash Minerals Limited Group, consisting of Potash Minerals Limited ("Potash Minerals" or the "Company") and its subsidiaries. The financial report is presented in Australian dollars.

Potash Minerals is a company limited by shares, incorporated and domiciled in Australia. Its registered office and principal place of business is:

Potash Minerals Limited
Suite 1 Ground Floor
437 Roberts Road
SUBIACO WA 6008

The Company has the power to amend and reissue the financial report.

POTASH MINERALS LIMITED
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CORPORATE INFORMATION

Directors:

Mr Ananda Kathiravelu
Chairman

Mr G.A. Ben Binninger
Non-Executive Director

Mr Richard Monti
Non-Executive Director

Company Secretary:

Mr Christopher Watts

Auditors:

Nexia Perth Audit Services Pty Ltd
Level 3
88 William Street
PERTH WA 6000

Bankers:

Westpac Banking Corporation
108 Stirling Highway
Nedlands WA 6009

Share Registry:

Security Transfers Registrars Pty Ltd
770 Canning Highway
APPLECROSS WA 6153
Telephone: + 618 9315 2333

Registered & Principal Office:

Suite 1 Ground Floor
437 Roberts Road
SUBIACO PERTH WA 6008
Telephone: + 618 6380 2555
Facsimile: + 618 9381 1122

Postal Address:

P.O. Box 2138
SUBIACO WA 6904

Utah Office:

K2O Utah, LLC,
375 South Main St. #209, Moab,
Utah 84532, USA

Home Securities Exchange:

Australian Securities Exchange Limited
Level 40, Central Park
152-158 St George's Terrace
PERTH WA 6000

ASX Code:

POK (Ordinary Shares)
POKO (Listed Options)

Website:

www.potashmin.com.au

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DIRECTORS' REPORT

Your Directors have pleasure in submitting their report together with the financial statements of the Company and its subsidiaries it controlled during the period, for the year ended 30 June 2015. In order to comply with the provisions of the Corporations Act 2001, the Directors report as follows:

DIRECTORS

The names and details of Directors in office at any time during the financial year are:

Mr Ananda Kathiravelu – Non-Executive Chairman (appointed 11 August 2006)

EXPERIENCE AND EXPERTISE

Ananda Kathiravelu has been in the financial services funds management and stock broking industries for over 20 years. He holds a Bachelor of Business and a Graduate Diploma of Applied Finance and Investment. Mr Kathiravelu is the Managing Director of Armada Capital Ltd, a corporate advisory company that has been involved in providing strategic corporate advice and services to listed and unlisted public companies including, Pryme Oil and Gas Ltd, CuDeco Ltd (formally known as Australian Mining Investments Ltd), Meridian Minerals Ltd (formally Bellevue Resources Ltd), Promesa Ltd, Mineq Ltd, Coronado Ltd and Intium Energy Ltd. His areas of expertise include corporate advice, capital raising, mergers and acquisitions. His focus is on the small cap resources and emerging business sectors.

OTHER CURRENT DIRECTORSHIPS OF LISTED COMPANIES

Promesa Limited (Executive Director)
Radar Iron Ltd (Non-Executive Director)

OTHER DIRECTORSHIPS HELD IN LISTED COMPANIES IN THE LAST THREE YEARS

Nil

Mr Ben Binninger – Non-Executive Director (appointed 14 October 2011)

EXPERIENCE AND EXPERTISE

Mr G.A “Ben” Binninger was the Chief Executive Officer of Potash Minerals Limited’s potash investments subsidiary, Citadel Capital Holdings Inc (“Citadel”), and was appointed as Non-Executive Director of Potash Minerals Limited on 14 October 2011. Mr Binninger, who is resident in California, has a long and distinguished career that includes several senior executive leadership roles. His experience in resource companies includes Rio Tinto, ARCO, Hercules and EXXON. These roles include oversight of businesses in 24 countries ranging in size from a few million dollars to a billion dollars and provide a relevant base of experience to guide Potash Minerals Limited’s potash assets through their development trajectory.

Mr Binninger brings an unusual combination of global management, strategic positioning and financial expertise with hands on operating experience in chemicals, energy, materials, environmental, mining and consulting. He has commercialised novel technologies and developed new products and businesses. His broad functional background includes sales, marketing, distribution, operations, technology, planning, financial and business development.

OTHER CURRENT DIRECTORSHIPS OF LISTED COMPANIES

Kreido Biofuels Incorporated

OTHER DIRECTORSHIPS HELD IN LISTED COMPANIES IN THE LAST THREE YEARS

Nil

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DIRECTORS' REPORT (CONTINUED)

Mr Richard Monti – Non-Executive Director (appointed 15 December 2006)

EXPERIENCE AND EXPERTISE

Richard Monti has qualifications in Geology (Bachelor of Science with Honours from the University of Western Australia) and Finance (Graduate Diploma in Applied Finance and Investment from the Securities Institute of Australia). He has gained broad experience over a twenty nine year career working in the technical, marketing and financial fields of the international exploration and mining industry.

Mr Monti has worked for a number of international and Australian companies including Anaconda Nickel, RTZ Exploration, the North Group and the Normandy Group. During a seven year term at Anaconda Nickel he held General Manager positions in technical, corporate/commercial and marketing fields. He has also held positions on the boards of a number of ASX listed and private mining companies. Mr Monti was a founding Director of corporate advisory firm Ventnor Capital Pty Ltd, which specialises in providing advisory services for small to mid-cap mining exploration companies. Mr Monti resigned from his position at Ventnor Capital in June 2010.

OTHER CURRENT DIRECTORSHIPS OF LISTED COMPANIES

Pacifico Minerals Limited (formerly Jaguar Minerals Limited) (Non-Executive Chairman)
Troy Resources Limited (Non-Executive Director)

OTHER DIRECTORSHIPS HELD IN LISTED COMPANIES IN THE LAST THREE YEARS

Azimuth Resources Limited
Poseidon Nickel Limited
Triton Gold Limited
Whitestar Resources Limited (formerly Whinnen Resources Limited)

Directors have been in office since the start of the financial year to the date of this report unless otherwise stated.

COMPANY SECRETARY

Mr Christopher Watts – (appointed 30 June 2015)

Chris is the Director of Regency Audit Pty Ltd, a corporate audit and advisory service, in Western Australia. With close to 20 years professional and commercial experience in auditing, financial accounting, assurance and due diligence – he previously held the position as Director of Audit and Corporate Services at a national chartered accounting firm. The industries Chris has been involved in are wide and varied including: aged care, aquaculture, biotechnology, building and construction, charities, education, engineering, food manufacturing, government, healthcare, hospitality, mining exploration and services, retail and viticulture. Mr Watts holds a Bachelor of Business degree from Curtin University, is a Member of the Australian Institute of Chartered Accountants, and a Registered Company Auditor (RCA). He is currently Company Secretary for ASX listed Consolidated Zinc Limited and iCollege Limited.

Mr Phillip Wingate – (appointed 29 March 2012, resigned 30 June 2015)

Mr Wingate holds a Bachelor of Commerce Degree from Curtin University Australia, and is an Associate of the Institute of Chartered Accountants in Australia. After graduating from University, he started his career in commercial and management accounting with a large private construction group.

Since 2008 Mr Wingate has been involved in a number of company secretarial positions and ASX junior transactions. Mr Wingate has been closely involved with the mining sector in Western Australia and has a strong financial and management reporting background. Mr Wingate is also Company Secretary of ASX listed companies Orinoco Gold Limited and Bone Medical Limited.

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DIRECTORS' REPORT (CONTINUED)

PRINCIPAL ACTIVITIES

Potash Minerals' principal activity has been the exploration of Potash in Utah, USA.

RESULTS

The net loss attributable to owners of the parent entity for the year ended 30 June 2015 amounted to \$3,321,529 (2014: \$12,327,778) after providing for income tax and eliminating non-controlling equity interests. The net loss relates to the accounting adjustment for the impairment of Hatch Point Potash Project, exploration costs, wages and salaries and administration costs relating to an ASX listed entity.

DIVIDENDS

There were no dividends paid or declared during the year.

OPERATING AND FINANCIAL REVIEW

The board of Potash Minerals Limited ("Potash" or "the Company") is pleased to present its activities report for the year ending 30 June 2015.

Hatch Point Potash Project

During the year the Company and its technical advisors conducted a comprehensive in-house review of the 2010 Scoping Study of the Hatch Point Project. Due to regulatory guidance around the balance of Measured & Indicated Resource as a percentage of the total Resource, the results of the Scoping Study review will not be released to the market.

Mr Frank Hearne will serve as the new manager of the Company's Joint Venture Partner and was selected to take up this role previously held by Mr Keith Price. Science and engineering analytical work had been completed during the year to develop a lower cost drilling program for the Federal Permit area. Discussions were initiated with drilling contractors and lower cost drilling options were reviewed by the Board. Enhanced communications were established with Fidelity Exploration and Development Corporation to facilitate geological data sharing between the two companies.

During the period, Potash Minerals Ltd. (ASX: POK) ("Potash Minerals" or the "Company") advised that the 22 Federal Prospecting Permits held by the Company reached their two year expiration date on 1 June 2015. The expiry of these permits will restrict K2O Utah's (Potash Minerals' 90% owned Joint Venture vehicle) access to the federal blocks of its Hatch Point Potash Project.

The Company submitted an application for a two year extension with the US Bureau of Land Management (BLM) and on May 28, 2015, Potash Minerals received a formal determination denying the extension. The Company has elected not to appeal the decision of the US Bureau of Land Management denying the extension of the Company's 22 Federal Prospecting Permits, which expired on 1 June 2015. The Company continues to hold the Utah State Leases awarded to the Company on which K2O Utah completed a drilling program in 2012-2013.

The Company advised that the expiry of these permits will have a material effect on the size of the Company's mineral resource, as announced in the Company's announcement released on 6 December 2013. The Company will provide an update as to its revised mineral resource as soon as practicable.

The Company has also been exploring new activities and opportunities and on 20 July 2015, the Company announced that it had entered into a binding heads of agreement detailing an option to acquire 100% of the issued share capital of US-based Buddy Platform, Inc. ("Buddy"). This is a change in focus of the Company post balance date.

CORPORATE ACTIVITIES

On 11 June 2015, the Company completed a placement to sophisticated investors of 24,278,979 ordinary shares at \$0.02 each to raise \$485,685 before costs. Funds raised from the placement will be used to assess new opportunities (refer to events post balance date), necessary expenditure on the Hatch Point Potash project and for general working capital purposes.

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DIRECTORS' REPORT (CONTINUED)

SIGNIFICANT EVENTS AFTER THE BALANCE DATE

The Company initiated a number of cost saving initiatives to reduce corporate overhead expenditure including reducing monthly Director fees to preserve the Company's cash balance. The Company's cash position at 30 June 2015 was \$1,073,305.

SIGNIFICANT CHANGES IN THE STATE OF AFFAIRS

There have been no significant changes in the state of affairs of the Group that occurred during the financial period not otherwise disclosed in this report or the financial statements.

On 20 July 2015, the Company announced that it had entered into a binding heads of agreement detailing an option to acquire 100% of the issued share capital of US-based Buddy Platform, Inc. ("Buddy"). Based in the cloud technology capital of the world – Seattle, Washington – Buddy is one of the world's first data aggregation and management platforms to focus on Internet of Things (IoT) and connected device data.

KEY ACQUISITION TERMS

- Payment of a \$250,000 option fee by Potash to acquire an exclusive twenty eight (28) day option to purchase 100% of the issued capital in Buddy. This was paid on 29 July 2015.
- A further \$250,000 is payable at the completion of Due Diligence which is 28 day from execution of the Option. On 31 August 2015, the Company confirmed completion of the due diligence and initiated payment of the second option fee.
- In exchange for 100% of the issued capital in Buddy, Potash agrees to issue 500,000,000 Potash shares to the shareholders of Buddy, which will be subject to ASX escrow provisions.
- Potash agrees at completion of the acquisition, a performance share offering will be implemented to issue to Board members and key management, in the amount of 100,000,000 performance shares. The performance shares will convert into ordinary Potash shares on the basis of achieving the following milestones:
 - One third of all Performance Shares on logging 20,000,000 total discrete connections to any Buddy server or service ("Interactions") by any approved network connected hardware or software application ("Device") per day for no less than 3 consecutive weeks within a period of 24 months.
 - One third of all Performance Shares upon the total number of devices creating an Interaction with a Buddy application that it has not previously interacted with ("New Connection") exceeding 500,000 per week for no less than three (3) consecutive weeks.
 - One third of all Performance Shares upon satisfying the following milestones within a period of 36 months:
 - total daily device interactions with the Buddy Platform exceed 50,000,000 per day for no less than 3 consecutive weeks; and
 - total number of devices creating new connections to Buddy exceeding 1,000,000 per week for no less than 3 consecutive weeks.
- Subject to shareholder approval, Potash agrees to put in place an employee incentive rights plan in the amount of 100,000,000 employee rights, which will be allocated to current and future employees at the discretion of the Board of Directors.

Conditions precedent for the completion of the acquisition will include Potash obtaining all regulatory and shareholder approvals as required:

- To issue the consideration shares, performance shares and employee incentive plan rights;
- To roll-over existing Buddy options into Potash options on an equivalent value basis;
- To approve a change to its' business from a mineral exploration company to a technology company;
- To change the name of Potash to Buddy Limited;
- To issue shares in Potash under a capital raising in an amount sufficient for Potash to re-comply with Chapters 1 and 2 of the ASX Listing Rules;
- Each party (Potash and Buddy) completing financial and legal due diligence on the other, and the results of the due diligence being to the satisfaction of both parties;

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DIRECTORS' REPORT (CONTINUED)

- Potash preparing a prospectus for a capital raising sufficient to enable Potash to be reinstated to quotation on the ASX, lodging the prospectus with the Australian Securities and Investments Commission (ASIC) and receiving sufficient applications to meet the minimum subscription under the prospectus; and
- Potash receiving a letter from the ASX confirming that it will re-instate Potash to trading on the ASX following compliance with Chapters 1 and 2 of the ASX Listing Rules, with the terms of the letter acceptable to Potash and Buddy.

Completion of the acquisition will also be conditional upon Potash being satisfied that Buddy has received all necessary consents and approvals from its security holders and relevant regulatory bodies required in order to ensure that Potash will hold 100% of the issued capital in Buddy following completion of the acquisition. If this condition is not satisfied and Buddy terminates the agreement, Buddy must repay \$200k of the option fee paid to it by Potash.

Potash will also issue the following options in connection with the acquisition:

- 30,000,000 options to acquire Potash shares exercisable at a 25% premium to the price of shares issued under the public offer (described below) on or before 30 November 2017; and
- 12,500,000 options to acquire Potash shares exercisable at \$0.03 on or before 30 November 2017.

Subject to the receipt of shareholder approval, Potash will also undertake a capital raising of A\$7,500,000 to be completed under a prospectus. All funds raised would be employed towards the business development of Buddy.

No other matters or circumstances have arisen since the end of the period which significantly affected or may significantly affect the operations of the Company or Group, the results of those operations or the state of affairs of the Company or Group in subsequent financial years.

ENVIRONMENTAL REGULATION

The Directors believe that the Group has, in all material respects, complied with all particular and significant environmental regulations relevant to its operations.

The Group's operations are subject to various environmental regulations under the Federal and State Laws of Australia and the USA.

The majority of the Group's activities involve low level disturbance associated with exploration drilling programs. Approvals, licences and hearings and other regulatory requirements are performed as required by the management of Potash Minerals for each permit or lease in which the Group has an interest.

INDEMNIFICATION AND INSURANCE OF DIRECTORS AND OFFICERS

During the financial year, the Company has paid a premium of \$5,500 excluding GST (2014: \$12,880) to insure the Directors and Company Secretary of the Company.

The liabilities insured are legal costs that may be incurred in defending civil or criminal proceedings that may be brought against the officers in their capacity as officers of the Company, and any other payments arising from liabilities incurred by the officers in connection with such proceedings. This does not include such liabilities that arise from conduct involving a wilful breach of duty by the officers or the improper use by the officers of their position or of information to gain advantage for themselves or someone else or to cause detriment to the Company.

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DIRECTORS' REPORT (CONTINUED)

DIRECTORS' INTERESTS IN THE SHARES AND OPTIONS OF THE COMPANY

As at the date of this report, the interests of the Directors in ordinary shares, listed and unlisted options of the Company were:

Director	Shares		Unlisted Options	
	Held Directly	Held Indirectly	Held Directly	Held Indirectly
Mr A. Kathiravelu	63,333	69,999	31,667	35,001
Mr G. Binninger	15,000	-	-	-
Mr R. Monti	-	2,774,166	-	1,387,083
TOTAL	78,333	2,844,165	31,667	1,422,084

MEETINGS OF DIRECTORS

During the financial year, 5 meetings of Directors were held with the following attendances:

Directors	Meetings Attended	Meetings Eligible to Attend
Mr A. Kathiravelu	7	7
Mr G. Binninger	7	7
Mr R. Monti	7	7

In addition the directors also completed 8 circular resolutions during the year.

REMUNERATION REPORT (AUDITED)

This report outlines the remuneration arrangements in place for Directors and key management personnel of the Company for the year ended 30 June 2015. The information contained in this report has been audited as required by section 308(3C) of the *Corporations Act 2001*.

The information provided includes remuneration disclosures that are required under Accounting Standard AASB 124 "Related Party Disclosures". These disclosures have been transferred from the financial report.

This remuneration report details the remuneration arrangements for key management personnel ("KMP") who are defined as those persons having authority and responsibility for planning, directing and controlling the major activities of the Company and the Group, directly or indirectly, including any director (whether executive or otherwise) of the parent company, and includes those executives in the Parent and the Group receiving the highest remuneration.

Key Management Personnel

Directors:
Mr Ananda Kathiravelu (Non-Executive Chairman)
Mr G.A. "Ben" Binninger (Non-Executive Director)
Mr Richard Monti (Non-Executive Director)

Remuneration Policy

Given the current size of the Board, the Company does not have a remuneration committee. The Board as a whole reviews remuneration levels on an individual basis, the size of the Company making individual assessment more appropriate than formal remuneration policies. In doing so, the Board seeks to retain professional services as it requires, at reasonable market rates, and seeks external advice and market comparisons where necessary.

Remuneration of Directors and Key Management Personnel is determined with regard to the performance of the Company, the performance and skills and experience of the particular person and prevailing

DIRECTORS' REPORT (CONTINUED)

REMUNERATION REPORT (AUDITED) (CONTINUED)

remuneration expectations in the market. The Board will devote times on an annual basis to discuss the level and composition of remuneration for the Directors and Key Management Personnel and will ensure such remuneration is appropriate and not excessive. Details of remuneration of Directors and Key Management Personnel are disclosed in the Remuneration Report in the Annual Report. The full Board determines all compensation arrangements for Directors. It is also responsible for setting performance schemes, superannuation entitlements, retirement and termination entitlements and professional indemnity and liability insurance cover.

Remuneration Structure

In accordance with best practice corporate governance, the structure of non-executive Director and executive remuneration is separate and distinct.

Non-Executive Director Remuneration

The Board policy is to remunerate non-executive Directors at market rates for comparable companies for time, commitment and responsibilities. The Board determines payments to the non-executive Directors and reviews their remuneration annually, based on market practice, duties and accountability. Independent external advice is sought when required.

The maximum aggregate amount of fees that can be paid to non-executive Directors is subject to approval by shareholders at the Annual General Meeting (currently \$500,000).

Fees for non-executive Directors are not linked to the performance of the Group. However, to align Directors' interests with shareholder interests, the Directors are encouraged to hold shares in the Company and are able to participate in employee option plans that may exist from time to time.

Executive Remuneration

Executive Remuneration consists of fixed remuneration and variable remuneration (comprising short-term and long-term incentive schemes).

Fixed Remuneration

All KMP's are remunerated on a consultancy basis based on services provided by each person. The Board reviews KMP packages annually by reference to the Group's performance, executive performance and comparable information from industry sectors and other listed companies in similar industries.

The fixed remuneration of the Company's KMP is detailed in the table below.

Variable Remuneration

The remuneration policy has been tailored to increase goal congruence between shareholders and directors and key management personnel. Currently, this is facilitated through the issue of options to key management personnel to encourage the alignment of personal and shareholder interests. The Company believes this policy will be effective in increasing shareholder wealth.

Principles used to determine the nature and amount of variable remuneration: relationship between remuneration and company performance

The overall level of executive reward takes into account the performance of the Group over a number of years, with greater emphasis given to the current and prior year. The main performance criteria used in determining the executive reward remuneration is increasing shareholder value through aligning the Company with high quality exploration assets. Due to the nature of the Group's principal activities the Directors assess the performance of the Group with regard to the price of the Company's ordinary shares listed on the ASX, and the market capitalisation of the Group.

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DIRECTORS' REPORT (CONTINUED)

REMUNERATION REPORT (AUDITED) (CONTINUED)

Directors and executives are issued options to encourage the alignment of personal and shareholder interests. Options issued to Directors may be subject to market based price hurdles and vesting conditions and the exercise price of options is set at a level that encourages the Directors to focus on share price appreciation. The Company believes this policy will be effective in increasing shareholder wealth. Key Management Personnel are also entitled to participate in the employee share and option arrangements.

On the resignation of Directors any vested options issued as remuneration are retained by the relevant party.

The Board may exercise discretion in relation to approving incentives such as options. The policy is designed to reward key management personnel for performance that results in long-term growth in shareholder value.

The Company does not currently have a policy pertaining to Directors hedging their exposure to risks associated to the Company's securities they receive as compensation.

Service Contracts

Upon appointment to the Board, all non-executive Directors enter into a service agreement with the Company in the form of a letter of appointment. The letter summarises the policies and terms, including compensation, relevant to the office of Director.

Non-Executive Directors

The key terms of the Non-Executive Director service agreements are as follows:

- Term of agreement – ongoing subject to annual review.
- Directors' Fees of \$24,000 per annum plus statutory superannuation.
- There is no notice period stipulated to terminate the contract by either party.

Apart from their duties as Directors, some Non-Executive Directors may undertake work for the Company over and above the specific duties of a Non-Executive Director.

Requests for services may only be initiated by the Chairman and in his absence, the Chief Executive Officer, and must also be signed off by an independent Non-Executive Director. Non-Executive Directors are to receive a daily rate for additional work performed of \$1,000 per day (\$125/hr).

Executives

Remuneration and other terms of employment for the Executive Director and Chief Executive Officer are formalised in service agreements. Each agreement provides for the participation, when eligible in the Potash Minerals Limited's Employee Share Option Plan. Other major provisions of the agreement relating to remuneration are set out below:

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DIRECTORS' REPORT (CONTINUED)

REMUNERATION REPORT (AUDITED) (CONTINUED)

Remuneration of Directors and Executives

Details of the remuneration of the Directors and the key management personnel (as defined in AASB 124 *Related Party Disclosures*) of Potash Minerals Limited are set out in the following table:

Key Management Personnel of Potash Minerals Limited

2015	Short Term Benefits		Post-Employment Benefits	Share Based Payments		
Key Management Personnel	Salary and Fees \$	Non-Monetary \$	Super-annuation \$	Options \$	Total \$	% Performance Related
Directors						
Mr A. Kathiravelu	24,000	-	2,280	-	26,280	-
Mr G. Binninger	28,000	-	-	-	28,000	-
Mr R. Monti	24,000	-	2,280	-	26,280	-
Total	76,000	-	4,560	-	80,560	-

Remuneration of Directors and Executives (Continued)

2014	Short Term Benefits		Post-Employment Benefits	Share Based Payments		
Key Management Personnel	Salary and Fees \$	Non-Monetary \$	Super-annuation \$	Options \$	Total \$	% Performance Related
Directors						
Mr A. Kathiravelu	66,000	-	6,105	46,138 ⁽¹⁾	118,243	39%
Mr G. Binninger	51,000	-	-	-	51,000	-
Mr R. Monti	48,000	-	4,440	7,213 ⁽¹⁾	59,653	12%
Mr B. Thomas ⁽²⁾	48,000	-	4,440	7,213 ⁽¹⁾	59,653	12%
Mr S. Murray ⁽²⁾	51,000	-	-	7,213 ⁽¹⁾	58,213	12%
Total	264,000	-	14,985	67,777	346,762	20%

⁽¹⁾ Unlisted options issued in prior periods with expense recognised over period of vesting.

⁽²⁾ Mr Thomas and Mr Murray both resigned as Non-Executive Directors effective 30 June 2014.

Shareholdings of Key Management Personnel

The number of ordinary shares of Potash Minerals Limited held, directly, indirectly or beneficially, by each Director, including their personally-related entities for the year ended 30 June 2015 is as follows:

Directors	Held at 1 July 2014	Movement During Year	Options Exercised	Held at 30 June 2015
A. Kathiravelu	133,332	-	-	133,332
G. Binninger	15,000	-	-	15,000
R. Monti	2,774,166	-	-	2,774,166
Total	2,922,498	-	-	2,922,498

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DIRECTORS' REPORT (CONTINUED)

REMUNERATION REPORT (AUDITED) (CONTINUED)

Option Holdings of Key Management Personnel

The number of options over ordinary shares in Potash Minerals Limited held, directly, indirectly or beneficially, by each specified Director and specified executive, including their personally-related entities for the year ended 30 June 2015 is as follows:

Directors	Held at 1 July 2014	Bonus Issue of Options	Expiry of Options	Exercised	Held at 30 June 2015	Vested and exercisable at 30 June 2015
A. Kathiravelu	1,566,668	-	(1,500,000)	-	66,668	66,668
G. Binninger	1,000,000	-	(1,000,000)	-	-	-
R. Monti	2,387,083	-	(1,000,000)	-	1,387,083	1,387,083
Total	4,953,751	-	(3,500,000)	-	1,453,751	1,453,751

Share-based Compensation

There was no share-based compensation for the Directors in the current year.

Other Related Party Transactions

Transactions with other related parties are made on normal commercial terms and conditions and at market rates. Outstanding balances are unsecured and are repayable in cash.

Armada Capital Limited, a company of which Mr Ananda Kathiravelu is Managing Director, was paid brokerage fees in relation to the capital raisings of Potash Minerals on normal commercial terms and also provided investor relations and marketing support to the Company on normal commercial terms during the year.

A summary of the total fees paid and payable to Armada Capital Limited for the year ended 30 June 2015 were as follows:

	Consolidated	
	2015	2014
	\$	\$
Brokerage on capital raising	24,843	15,428
Investor relations and marketing support	48,000	36,000
Total	72,843	51,428

*******END OF AUDITED REMUNERATION REPORT*******

LIKELY DEVELOPMENTS

Likely developments in the operations of the Group have been disclosed in the Operating and Financial Review section of the Directors' Report.

AUDITORS INDEPENDENCE DECLARATION

The auditor's independence declaration as required under section 307C of the Corporations Act 2001 for the year ended 30 June 2015 has been received and can be found on page 20.

AUDITOR

Nexia Perth Audit Services Pty Ltd continues in office in accordance with Section 327 of the Corporation Act 2001.

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DIRECTORS' REPORT (CONTINUED)

PROCEEDINGS ON BEHALF OF THE COMPANY

No person has applied to the Court to bring proceedings on behalf of the Company or intervene in any proceedings to which the Company is a party for the purpose of taking responsibility on behalf of the Company for all or any part of those proceedings.

The Company was not a party to any such proceedings during the year.

SHARE OPTIONS

Shares under Option

At the date of this report there are 48,220,948 unissued shares under option outstanding.

Date Granted	Expiry Date	Exercise Price	Number Shares Under Option
18 November 2013	30 November 2015	\$0.20	48,220,948
			48,220,948

These options do not entitle the holders to participate in any share issue of the Company or any other body corporate.

During the year and up to the report date, no ordinary shares were issued as a result of the exercise of an option.

AUDIT SERVICES

During the year the following fees were paid or payable for services provided by the auditor.

	Consolidated	
	2015	2014
	\$	\$
<i>Audit Services</i>		
Amounts payable to auditor of parent entity	28,350	38,366
	28,350	38,366

There were no non-audit services performed by the auditor during the year (2014: Nil).

Signed in accordance with a resolution of the Directors.



A. Kathiravelu
Non-Executive Chairman

Perth
Date: 28 September 2015

Lead auditor's independence declaration under section 307C of the Corporations Act 2001

To the directors of Potash Minerals Limited

I declare that, to the best of my knowledge and belief, in relation to the audit for the financial year ended 30 June 2015 there have been:

- (i) no contraventions of the auditor's independence requirements as set out in the *Corporations Act 2001* in relation to the audit; and
- (ii) no contraventions of any applicable code of professional conduct in relation to the audit.

NPAS

Nexia Perth Audit Services Pty Ltd

PTC Klopner

PTC Klopner
Director

28 September 2015
Perth

POTASH MINERALS LIMITED
ACN: 121 184 316

CONSOLIDATED STATEMENT OF PROFIT OR LOSS & OTHER COMPREHENSIVE INCOME
For the year ended 30 June 2015

		Consolidated	
	Note	2015	2014
		\$	\$
Finance income	4	23,151	34,686
Financial, administration, insurance and compliance costs		(341,926)	(481,416)
Consulting and contracting expenses		(118,810)	-
Depreciation		-	(688)
Impairment of investment in associate	16	-	-
Impairment of exploration and evaluation expenditure	10	(3,164,558)	(12,436,735)
Impairment of available-for-sale financial assets		(272,287)	-
Employee expenses	5	(84,866)	(318,342)
Profit on loss of significant influence in equity accounted investment	16	307,274	(375,346)
		<hr/>	<hr/>
Loss before income tax expense		(3,652,022)	(13,577,841)
Income tax / (expense) benefit	7	-	-
		<hr/>	<hr/>
Loss for the year		(3,652,022)	(13,577,841)
		<hr/>	<hr/>
<i>Other Comprehensive Income:</i>			
Items that may be reclassified subsequently to profit or loss:			
Foreign currency translation differences for foreign operations		417,007	67,313
Other comprehensive income for the period, net of tax		417,007	67,313
		<hr/>	<hr/>
Total Comprehensive Loss for the year		(3,235,015)	(13,510,528)
		<hr/>	<hr/>
<i>Loss attributable to:</i>			
Owners of the parent entity		(3,321,529)	(12,327,778)
Non-controlling interest		(330,493)	(1,250,063)
		<hr/>	<hr/>
<i>Total Comprehensive Loss attributable to:</i>			
Owners of the parent entity		(2,904,522)	(12,260,465)
Non-controlling interest		(330,493)	(1,250,063)
		<hr/>	<hr/>
Basic Loss per share – cents per share	6	(3.38)	(12.94)
Diluted Loss per share – cents per share	6	(3.38)	(12.94)

The above Consolidated Statement of Profit or Loss and Other Comprehensive Income should be read in conjunction with the accompanying notes.

POTASH MINERALS LIMITED
ACN: 121 184 316

CONSOLIDATED STATEMENT OF FINANCIAL POSITION

As at 30 June 2015

		Consolidated	
	Note	2015	2014
		\$	\$
ASSETS			
Current assets			
Cash and cash equivalents	8	1,073,305	1,140,697
Other receivables	9	13,142	21,582
Total current assets		1,086,447	1,162,279
Non-current assets			
Other receivables	9	350,131	256,907
Investments accounted for using the equity method	16	-	259,991
Exploration and evaluation expenditure	10	-	2,788,000
Other financial assets	11	294,978	-
Total non-current assets		645,109	3,304,898
TOTAL ASSETS		1,731,556	4,467,177
LIABILITIES			
Current liabilities			
Trade and other payables	12	125,052	90,702
Total current liabilities		125,052	90,702
TOTAL LIABILITIES		125,052	90,702
NET ASSETS		1,606,504	4,376,475
EQUITY			
Share capital	13	30,450,232	29,989,494
Reserves		2,241,138	5,951,571
Retained losses		(28,734,787)	(29,545,004)
Parent interest		3,956,583	6,396,061
Non-controlling interest		(2,350,079)	(2,019,586)
TOTAL EQUITY		1,606,504	4,376,475

The above Consolidated Statement of Financial Position should be read in conjunction with the accompanying notes.

POTASH MINERALS LIMITED
ACN: 121 184 316

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

For the year ended 30 June 2015

Consolidated 2015		Shared Capital \$	Option Reserve \$	Foreign Currency Translation Reserve \$	Retained Losses \$	Minority Equity Interests \$	Total Equity \$
	Note						
Balance at 1 July 2014		29,989,494	4,127,440	1,824,131	(29,545,004)	(2,019,586)	4,376,475
Total Comprehensive Profit/ (Loss) for the year							
Profit/(Loss) for the year		-	-	-	(3,321,529)	(330,493)	(3,652,022)
Total other comprehensive income		-	-	417,007	-	-	417,007
Total comprehensive profit/(loss) for the year		-	-	417,007	(3,321,529)	(330,493)	(3,235,015)
Transactions with Equity Holders:							
Shares issued during the year:							
Contributions of capital	13	460,738	-	-	-	-	460,738
Share based payments	18	-	4,306	-	-	-	4,306
Options expired	13	-	(4,131,746)	-	4,131,746	-	-
Total equity at 30 June 2015		30,450,232	-	2,241,138	(28,734,787)	(2,350,079)	1,606,504

The above Consolidated Statement of Changes in Equity should be read in conjunction with the accompanying notes.

POTASH MINERALS LIMITED
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CONSOLIDATED STATEMENT OF CHANGES IN EQUITY (CONTINUED)

For the year ended 30 June 2014

Consolidated 2014		Shared Capital	Option Reserve	Foreign Currency Translation Reserve	Retained Losses	Minority Equity Interests	Total Equity
	Note	\$	\$	\$	\$	\$	\$
Balance at 1 July 2013		27,943,247	4,037,117	1,756,818	(17,217,226)	(769,523)	15,750,433
Total Comprehensive Profit/ (Loss) for the year							
Profit/(Loss) for the year		-	-	-	(12,327,778)	(1,250,063)	(13,577,841)
Total other comprehensive income		-	-	67,313	-	-	67,313
Total comprehensive profit/(loss) for the year		-	-	67,313	(12,327,778)	(1,250,063)	(13,510,528)
Transactions with Equity Holders:							
Shares issued during the year:							
Contributions of capital	13	2,044,852	-	-	-	-	2,044,852
Exercise of options	13	1,395	-	-	-	-	1,395
Share based payments	18	-	90,323	-	-	-	90,323
Total equity at 30 June 2014		29,989,494	4,127,440	1,824,131	(29,545,004)	(2,019,586)	4,376,475

The above Consolidated Statement of Changes in Equity should be read in conjunction with the accompanying notes.

POTASH MINERALS LIMITED
ACN: 121 184 316

CONSOLIDATED STATEMENT OF CASH FLOWS

For the year ended 30 June 2015

		Consolidated	
		2015	2014
	Note	\$	\$
<i>Cash Flows From Operating Activities</i>			
Interest received		23,151	28,603
Payments to suppliers and employees		(496,476)	(793,080)
Exploration expenditure		-	(76,787)
Net Cash Used in Operating Activities	14	(473,325)	(841,264)
<i>Cash Flows From Investing Activities</i>			
Refund / (payments) for bonds in favour of the company		25,779	-
Payments for capitalised exploration expenditure		(80,689)	(219,232)
Net Cash Used in Investing Activities		(54,910)	(219,232)
<i>Cash Flows From Financing Activities</i>			
Proceeds from issues of shares and options		485,686	2,198,941
Capital raising costs		(24,843)	(152,694)
Net Cash Flows Provided by Financing Activities		460,843	2,046,247
Net increase / (decrease) in cash and cash equivalents		(67,392)	985,751
Cash and cash equivalents at the beginning of the year		1,140,697	154,946
Cash and Cash Equivalents at the end of the year	8	1,073,305	1,140,697

The above Consolidated Statement of Cash Flows should be read in conjunction with the accompanying notes.

POTASH MINERALS LIMITED
ACN: 121 184 316

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

For the year ended 30 June 2015

NOTE 1: REPORTING ENTITY

Potash Minerals Limited (the “Company”) is a company domiciled in Australia. The consolidated financial statements of the Company as at and for the year ended 30 June 2015 comprises the Company and its subsidiaries (collectively referred to as the “Group”).

A description of the nature of the Group’s operations and its principal activities is included in the review of operations and activities in the Directors’ Report, which does not form part of this financial report.

NOTE 2: BASIS OF PREPARATION

This General Purpose Financial Report has been prepared in accordance with Australian Accounting Standards, other authoritative pronouncements of the Australian Accounting Standards Board and the *Corporations Act 2001*.

The Consolidated Financial Statements and Notes of the Group comply with International Financial Reporting Standards (IFRS) and interpretations adopted by the International Accounting Standards Board.

Potash Minerals Limited was incorporated in Australia on 11 August 2006 as Transit Holdings Limited and is a company limited by shares. The Company changed its name to Potash Minerals Limited on 24 November 2011. The financial report is presented in the Australian currency, which is also the Group’s functional currency, except for K20 Utah LLC and Citadel Capital Holdings Inc whose functional currency is US dollars.

This Consolidated Financial Report was approved by the Board of Directors on 28 September 2015.

Financial Position

The financial report has been prepared on the going concern basis, which contemplates the continuity of normal business activity and the realisation of assets and the settlement of liabilities in the normal course of business.

The Group has generated a comprehensive loss after tax for the year ended 30 June 2015 of \$3,235,015 (2014: \$13,510,528), had a net working capital surplus of \$961,395 (2014: \$1,071,577) at 30 June 2015 and experienced net cash outflows from operating activities for the year of \$473,325 (2014: \$841,264).

Accordingly, the Directors believe that there are sufficient funds to meet the Group’s working capital requirements.

During the period, the Company advised that the 22 Federal Prospecting Permits held by the Company reached their two year expiration date on 1 June 2015. The expiry of these permits will restrict K20 Utah’s (Potash Minerals’ 90% owned Joint Venture vehicle) access to the federal blocks of its Hatch Point Potash Project.

The Company submitted an application for a two year extension with the US Bureau of Land Management (BLM) and on May 28, 2015, Potash Minerals received a formal determination denying the extension. The Company has elected not to appeal the decision of the US Bureau of Land Management denying the extension of the Company’s 22 Federal Prospecting Permits, which expired on 1 June 2015. The Company continues to hold the Utah State Leases awarded to the Company on which K2O Utah completed a drilling program in 2012-2013.

The Company advised that the expiry of these permits will have a material effect on the size of the Company’s mineral resource, as announced in the Company’s announcement released on 6 December 2013.

The Company has made an announcement post balance date, advising of change in operations. Refer to Note 23.

POTASH MINERALS LIMITED
ACN: 121 184 316

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

For the year ended 30 June 2015

NOTE 2: BASIS OF PREPARATION (CONTINUED)

The Directors consider the going concern basis of preparation to be appropriate based on forecast cash flows with the new direction of the Company and have confidence in the Company's ability to raise the capital funds required under the terms to acquire Buddy Platform Inc.

Historical Cost Convention

These financial statements have been prepared under the historical cost convention.

NOTE 3: SIGNIFICANT ACCOUNTING POLICIES

The accounting policies set out below have been applied consistently to all periods presented in these consolidated financial statements, and have been applied consistently by the Group entities.

A. Principles of Consolidation

Subsidiaries

The consolidated financial statements comprise the assets and liabilities of Potash Minerals Limited and its subsidiaries at 30 June 2015 and the results of all subsidiaries for the year then ended. A subsidiary is any entity controlled by Potash Minerals Limited.

Subsidiaries are all entities (including structured entities) over which the Group has control. The Group controls an entity when the Group is exposed to, or has rights to, variable returns from its involvement with the entity and has the ability to affect those returns through its power to direct the activities of the entity. Subsidiaries are fully consolidated from the date on which control is transferred to the Group. They are deconsolidated from the date that control ceases.

The financial statements of subsidiaries are prepared from the same reporting period as the Parent Company, using consistent accounting policies. Adjustments are made to bring into line any dissimilar accounting policies that may exist.

All inter-company balances and transactions, including unrealised profits arising from intra-entity transactions, have been eliminated in full. Unrealised losses are eliminated unless costs cannot be recovered. Investments in subsidiaries are accounted for at cost in the individual financial statements of Potash Minerals Limited.

Subsidiaries are consolidated from the date on which control is obtained by the Group and cease to be consolidated from the date on which control is transferred out of the Group. Where there is a loss of control of a subsidiary, the consolidated financial statements include the results for the part of the reporting period which Potash Minerals has control.

The acquisition of subsidiaries is accounted for using the acquisition method of accounting. The acquisition method of accounting involves recognising at acquisition date, separately from goodwill, the identifiable assets acquired, the liabilities assumed and any non-controlling interest in the acquiree. The identifiable assets acquired and the liabilities assumed are measured at their acquisition date fair values (see note 3(H)).

A change in the ownership interest of a subsidiary that does not result in a loss of control is accounted for as an equity transaction.

Non-controlling interests are allocated their share of net profit after tax in the statement of comprehensive income and are presented within equity in the consolidated statement of financial position, separately from the equity of the owners of the parent.

Losses are attributed to the non-controlling interest even if that results in a deficit balance.

POTASH MINERALS LIMITED
ACN: 121 184 316

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

For the year ended 30 June 2015

NOTE 3: SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

If the Group loses control over a subsidiary, it:

- Derecognises the assets (including any goodwill) and liabilities of the subsidiary.
- Derecognises the carrying amount of any non-controlling interest.
- Derecognises the cumulative translation differences, recorded in equity.
- Recognises the fair value of the consideration received.
- Recognises the fair value of any investment retained.
- Recognises any surplus or deficit in profit or loss.
- Reclassifies the parent's share of components previously recognised in other comprehensive income to profit or loss.

B. Segment Reporting

An operating segment is a component of an entity that engages in business activities from which it may earn revenues and incur expenses (including revenues and expenses relating to transactions with other components of the same entity), whose operating results are regularly reviewed by the entity's chief operating decision maker to make decisions about resources to be allocated to the segment and assess its performance and for which discrete financial information is available. This includes start-up operations which are yet to earn revenues. Management will also consider other factors in determining operating segments such as the existence of a line manager and the level of segment information presented to the board of directors.

Operating segments have been identified based on the information provided to the chief operating decision makers – being the executive management team.

The group aggregates two or more operating segments when they have similar economic characteristics, and the segments are similar in the nature of the minerals targeted.

Operating segments that meet the quantitative criteria as prescribed by AASB 8 are reported separately. However, an operating segment that does not meet the quantitative criteria is still reported separately where information about the segment would be useful to users of the financial statements.

Information about other business activities and operating segments that are below the quantitative criteria are combined and disclosed in a separate category for “all other segments”.

C. Income Tax

The income tax expense or benefit for the year is the tax payable on the current year's taxable income based on the national income tax rate for each jurisdiction adjusted by changes in deferred tax assets and liabilities attributable to temporary differences between the tax bases of assets and liabilities and their carrying amounts in the financial statements, and to unused tax losses.

Deferred tax assets and liabilities are recognised for temporary differences at the tax rates expected to apply when the assets are recovered or liabilities are settled, based on those tax rates which are enacted or substantively enacted for each jurisdiction. The relevant tax rates are applied to the cumulative amounts of deductible and taxable temporary differences to measure the deferred tax asset or liability. An exception is made for certain temporary differences arising from the initial recognition of an asset or a liability. No deferred tax asset or liability is recognised in relation to these temporary differences if they arose in a transaction, other than a business combination, that at the time of the transaction did not affect either accounting profit or taxable profit or loss.

Deferred tax assets are recognised for deductible temporary differences and unused tax losses only if it is probable that future taxable amounts will be available to utilise those temporary differences and losses.

POTASH MINERALS LIMITED
ACN: 121 184 316

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

For the year ended 30 June 2015

NOTE 3: SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Deferred tax liabilities and assets are not recognised for temporary differences between the carrying amount and tax bases of investments in controlled entities where the parent entity is able to control the timing of the reversal of the temporary differences and it is probable that the differences will not reverse in the foreseeable future.

Deferred tax assets and liabilities are offset when there is a legally enforceable right to offset current tax assets and liabilities and when the deferred tax balances relate to the same taxation authority. Current tax assets and tax liabilities are offset where the entity has a legally enforceable right to offset and intends either to settle on a net basis, or to realise the asset and settle the liability simultaneously. Current and deferred tax balances attributable to amounts recognised directly in equity are also recognised directly in equity.

The Company and its wholly-owned Australian resident subsidiary have not formed a tax-consolidated Group as at balance sheet date.

D. Goods and Services Tax and Similar Taxes

Revenues, expenses and assets are recognised net of the amount of goods and services tax ("GST"), except; where the GST incurred on a purchase of goods and services is not recoverable from the taxation authorities, in which case the GST is recognised as part of the cost of acquisition of the asset or as part of an item of the expense item as applicable and receivables and payables in the balance sheet are shown inclusive of GST.

The net amount of GST recoverable from, or payable to, the taxation authority is included as part of receivables or payables in the Consolidated Statement of Financial Position. Cash flows are included the Consolidated Statement of Cash Flows on a gross basis and the GST component of cash flows arising from investing and financing activities, which is recoverable from, or payable to, the taxation authority are classified as operating cash flows.

Commitments and contingencies are disclosed net of the amount of GST recoverable from, or payable to, the taxation authority.

E. Trade and Other Receivables

Trade and other receivables are non-derivative financial assets with fixed or determinable payments that are not quoted in an active market. They arise when the Group provides money, goods or services directly to a debtor with no intention of selling the receivables. They are included in current assets, except for those with maturities greater than 12 months after the balance date which were classified as non-current assets.

Trade and other receivables are initially recognised at fair value and subsequently carried at amortised cost using the effective interest method, less any impairment losses.

F. Exploration, Evaluation and Development Expenditure

Exploration, evaluation and development expenditure incurred is either written off as incurred or accumulated in respect of each identifiable area of interest. Costs are only carried forward to the extent that right of tenure is current and those costs are expected to be recouped through the successful development of the area (or, alternatively by its sale) or where activities in the area have not yet reached a stage which permits reasonable assessment of the existence of economically recoverable reserves and above operations in relation to the area are continuing.

Accumulated costs in relation to an abandoned area are written off in full against profit in the period in which the decision to abandon the area is made.

POTASH MINERALS LIMITED
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NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

For the year ended 30 June 2015

NOTE 3: SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

When production commences, the accumulated costs for the relevant area of interest are amortised over the life of the area according to the rate of depletion of the economically recoverable reserves.

A regular review is undertaken of each area of interest to determine the appropriateness of continuing to carry forward costs in relation to that area of interest.

G. Property, Plant and Equipment

Plant and equipment is stated at historical cost less accumulated depreciation and impairment. Historical cost includes expenditure that is directly attributable to the items. Repairs and maintenance are charged to the statement of profit or loss and other comprehensive income during the reporting period in which they are incurred.

Depreciation is calculated using the straight-line method to allocate asset costs over their estimated useful lives, as follows:

- | | |
|----------------------|---------|
| • Computer Equipment | 3 years |
| • Software | 3 years |
| • Plant & Equipment | 5 years |

The assets residual values and useful lives are reviewed, and adjusted if appropriate, at each balance sheet date. An asset's carrying amount is written down immediately to its recoverable amount if the asset's carrying amount is greater than its estimated recoverable amount.

Gains and losses on disposals are determined by comparing proceeds with the carrying amount. These are included in the Consolidated Statement of Profit or Loss and Other Comprehensive Income.

H. Business Combinations

The acquisition method of accounting is used to account for all business combinations, regardless of whether equity instruments or other assets are acquired. Cost is measured as the fair value of the assets given, securities issued or liabilities incurred or assumed at the date of exchange plus costs directly attributable to the acquisition. Where equity instruments are issued in an acquisition, the fair value of the instruments is their published market price as at the date of exchange unless, in rare circumstances, it can be demonstrated that the published price at the date of exchange is an unreliable indicator of fair value and that other evidence and valuation methods provide a more reliable measure of fair value. Transaction costs arising on the issue of equity instruments are recognised directly in equity.

Identifiable assets acquired and liabilities and contingent liabilities assumed in a business combination are measured initially at their fair values at the acquisition date, irrespective of the extent of any minority interest. The excess of the cost of acquisition over the fair value of the Group's share of the identifiable net assets acquired is recorded as goodwill. If the cost of acquisition is less than the Group's share of the fair value of the identifiable net assets of the subsidiary acquired, the difference is recognised directly in the Consolidated Statement of Profit or Loss and Other Comprehensive Income, but only after a reassessment of the identification and measurement of the net assets acquired.

I. Investment in Associated Entities

The Group's investment in its associate is accounted for using the equity method of accounting in the consolidated financial statements, after initially being recognised at cost.

An associate is an entity in which the Group has significant influence and which is neither a subsidiary nor a joint venture.

Under the equity method, the investment in the associate is carried in the Consolidated Statement of Financial Position at cost plus post-acquisition changes in the Group's share of net assets of the associate. Goodwill relating to an associate is included in the carrying amount of the investment and is

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

For the year ended 30 June 2015

NOTE 3: SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

not amortised. After application of the equity method, the Group determines whether it is necessary to recognise any additional impairment loss with respect to the Group's net investment in the associate. Goodwill included in the carrying amount of the investment in an associate is not tested separately, rather

the entire carrying amount of the investment is tested for impairment as a single asset. If an impairment is recognised, the amount is not allocated to the goodwill of the associate.

The Consolidated Statement of Profit or Loss and Other Comprehensive Income reflects the Group's share of the results of operations of the associate, and its share of post-acquisition movements in reserves is recognised in reserves. The cumulative post-acquisition movements are adjusted against the carrying amount of the investment.

When the Group's share of losses in an associate equals or exceeds its interest in the associate, including any unsecured long-term receivable and loans, the Group does not recognise further losses, unless it has incurred obligations or made payments on behalf of the associate.

The balance dates of the associate and the Group are identical and the associate's accounting policies conform to those used by the Group for like transactions and events in similar circumstances.

J. Impairment of Non-Financial Assets

Where an indicator of impairment exists, the Group makes a formal estimate of recoverable amount. Where the carrying amount of an asset or cash generating unit exceeds its recoverable amount the asset or cash generating unit is considered impaired and is written down to its recoverable amount.

Recoverable amount is the greater of fair value less costs to sell and value in use. It is determined for an individual asset, unless the asset's value in use cannot be estimated to be close to its fair value less costs to sell and it does not generate cash inflows that are largely independent of those from other assets or groups of assets, in which case the recoverable amount is determined for the cash-generating unit (group of assets) to which the asset belongs.

In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset.

K. Share-Based Payments

The Group has provided payment to related parties in the form of share-based compensation whereby related parties render services in exchange for shares or rights over shares ('equity-settled transactions'). The cost of these equity-settled transactions is measured by reference to the fair value at the date at which they are granted.

The fair value is determined using either a Binomial or Black & Scholes methodology depending on the nature of the option terms.

The Binomial option pricing model uses an iterative procedure, allowing for the specification of nodes, or points in time, during the time span between the valuation date and the option's expiration date. It assumes that underlying security prices can only either increase or decrease with time until the option expires.

The Binomial model reduces possibilities of price changes, removes the possibility for arbitrage, assumes a perfectly efficient market, and shortens the duration of the option. Under these simplifications, it is able to provide a mathematical valuation of the option at each point in time specified. The Binomial model takes a risk-neutral approach to valuation.

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NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

For the year ended 30 June 2015

NOTE 3: SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

The Black & Scholes option pricing model takes into account the exercise price, the term of the option, the impact of dilution, the share price at grant date and expected price volatility of the underlying share, the expected dividend yield and the risk free interest rate for the term of the option.

The fair value of the options granted is adjusted to reflect market vesting conditions, but excludes the impact of any non-market vesting conditions. Non market vesting conditions are included in assumptions about the number of options that are expected to become exercisable. At each balance date, the entity revises its estimates of the number of options that are expected to become exercisable.

The cost of equity-settled transactions is recognised, together with a corresponding increase in equity, over the period in which the performance conditions are fulfilled, ending on the date on which the relevant parties become fully entitled to the award ('vesting date').

The cumulative expense recognised for equity-settled transactions at each reporting date until vesting date reflects (i) the extent to which the vesting period has expired and (ii) the number of awards that, in the opinion of the Directors of the Group, will ultimately vest. This opinion is formed based on the best available information at balance date. No adjustment is made for the likelihood of market performance conditions being met as the effect of these conditions is included in the determination of fair value at grant date.

Where the terms of an equity-settled award are modified, as a minimum an expense is recognised as if the terms had not been modified. In addition, an expense is recognised for any increase in the value of the transaction as a result of the modification, as measured at the date of modification.

L. Cash and Cash Equivalents

Cash and cash equivalents in the Consolidated Statement of Financial Position comprise cash at bank and in hand and short-term deposits with an original maturity of three months or less.

For the purposes of the statement of cash flows cash and cash equivalents consist of cash and cash equivalents as defined above, net of outstanding bank overdrafts.

M. Finance Income and Expense

Finance income comprises interest income on funds invested, gains on disposal of financial assets and changes in fair value of financial assets held at fair value through profit or loss. Finance expenses comprise changes in the fair value of financial assets held at fair value through profit or loss and impairment losses on financial assets.

Interest income is recognised as it accrues in profit or loss, using the effective interest rate method.

N. Issued Capital

Ordinary shares are classified as equity. Issued and paid up capital is recognised at the fair value of the consideration received by the Company. Any transaction costs arising on the issue of ordinary shares are recognised directly in equity as a reduction of the share proceeds received.

O. Earnings per Share

i) Basic earnings per share

Basic earnings per share is calculated by dividing the profit attributable to equity holders of the Company, excluding any costs of servicing equity other than ordinary shares, by the weighted average number of ordinary shares outstanding during the financial year.

ii) Diluted earnings per share

Diluted earnings per share adjusts the figures used in the determination of basic earnings per share to take into account the after income tax effect of interest and other financing costs associated with dilutive

POTASH MINERALS LIMITED
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NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

For the year ended 30 June 2015

NOTE 3: SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

potential ordinary shares and the weighted average number of shares assumed to have been issued for no consideration in relation to dilutive potential ordinary shares.

P. Trade and Other Payables

These amounts represent liabilities for goods and services provided to the Group prior to the end of the financial year which are unpaid. The amounts are unsecured and are usually paid within 30 days of recognition.

Trade and other payables are stated at amortised cost, using the effective interest method.

Q. Foreign Currency Translation

Non-monetary items that are measured in terms of historical cost in a foreign currency are translated using the exchange rate as at the date of the initial transaction.

Non-monetary items measured at fair value in a foreign currency are translated using the exchange rates at the date when the fair value was determined. Translation differences on assets and liabilities carried at fair value are reported as part of the fair value gain or loss.

As at the balance date the assets and liabilities of this subsidiary is translated into the presentation currency of Potash Minerals Limited at the rate of exchange ruling at the balance date and their statements of comprehensive income are translated at the weighted average exchange rate for the year.

The exchange differences arising on the translation are taken directly to a separate component of equity, being recognised in the foreign currency translation reserve.

On disposal of a foreign entity, the deferred cumulative amount recognised in equity relating to that particular foreign operation is recognised in profit or loss.

R. Significant Accounting Estimates and Assumptions

Critical Accounting Estimates

The preparation of financial statements in conformity with Australian Accounting Standards requires the use of certain critical accounting estimates. It also requires management to exercise its judgement in the process of applying the Group's accounting policies. The Directors evaluate estimates and judgements incorporated into the financial report based on historical knowledge and best available current information. Estimates assume a reasonable expectation of future events and are based on current trends and economic data, obtained both externally and within the Group.

The carrying amounts of certain assets and liabilities are often determined based on estimates and assumptions of future events. The key estimates and assumptions that have a significant risk of causing a material adjustment to the carrying amounts of certain assets and liabilities within the next annual reporting period are:

i) Impairment of Capitalised Exploration and Evaluation Expenditure

The future recoverability of capitalised exploration and evaluation expenditure is dependent on a number of factors, including whether the Group decides to exploit the related lease itself or, if not, whether it successfully recovers the related exploration and evaluation asset through sale.

Factors that could impact the future recoverability include the level of reserves and resources, future technological changes which could impact the cost of mining, future legal changes (including changes to environmental restoration obligations) and changes to commodity prices.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

For the year ended 30 June 2015

NOTE 3: SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

To the extent that capitalised exploration and evaluation expenditure is determined not to be recoverable in the future, profits and net assets will be reduced in the period in which this determination is made.

In addition, exploration and evaluation expenditure is capitalised if activities in the area of interest have not yet reached a stage that permits a reasonable assessment of the existence or otherwise of economically recoverable reserves. To the extent it is determined in the future that this capitalised expenditure should be written off, profits and net assets will be reduced in the period in which this determination is made.

ii) Recoverability of Potential Deferred Tax Assets

The Group recognises deferred income tax assets in respect of tax losses to the extent that it is probable that the future utilisation of these losses is considered probable. Assessing the future utilisation of these losses requires the Group to make significant estimates related to expectations of future taxable income. Estimates of future taxable income are based on forecast cash flows from operations and the application of existing tax laws. To the extent that future cash flows and taxable income differ significantly from estimates, this could result in significant changes to the deferred income tax assets recognised, which would in turn impact the financial results.

iii) Share-based Payment Transactions

The Group measures the cost of equity-settled transactions with management and other parties by reference to the fair value of the equity instruments at the date at which they are granted. The fair value is determined by the Board of Directors using either the Binomial or the Black-Scholes valuation methods, taking into account the terms and conditions upon which the equity instruments were granted. The assumptions in relation to the valuation of the equity instruments are detailed in Note 18: Share Based Payments. The accounting estimates and assumptions relating to equity-settled share-based payments would have no impact on the carrying amounts of assets and liabilities within the next annual reporting period but may impact expenses and equity.

S. Comparative Information

When required by Accounting Standards, comparative figures have been adjusted to conform to changes in presentation for the current financial year.

T. Application of New and Revised Accounting Standards

New and amended standards adopted in the current year

The group has applied the following standards and amendments for the first time for their annual reporting period commencing 1 July 2014:

- AASB 2013-3 *Amendments to AASB 136 – Recoverable Amount Disclosures for Non-Financial Assets*
- AASB 2013-4 *Amendments to Australian Accounting Standards – Novation of Derivatives and Continuation of Hedge Accounting*
- Interpretation 21 *Accounting for Levies*
- AASB 2014-1 *Amendments to Australian Accounting Standards*

The adoption of these standards did not have any impact on the current period or any prior period and is not likely to affect future periods.

New standards not yet adopted

Certain new accounting standards and interpretations have been published that are not mandatory for 30 June 2015 reporting periods and have not been early adopted by the group. The group's assessment of the impact of these new standards and interpretations is set out below.

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NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

For the year ended 30 June 2015

NOTE 3: SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

AASB 9 Financial Instruments

AASB 9 addresses the classification, measurement and derecognition of financial assets and financial liabilities and introduces new rules for hedge accounting. In December 2014, the AASB made further changes to the classification and measurement rules and also introduced a new impairment model. These latest amendments now complete the new financial instruments standard.

AASB 9 must be applied for financial years commencing on or after 1 January 2018. Based on the transitional provisions in the completed IFRS 9, early adoption in phases was only permitted for annual reporting periods beginning before 1 February 2015. After that date, the new rules must be adopted in their entirety.

The standard is not expected to have a material impact on the group's financial instruments.

AASB 15 Revenue from Contracts with Customers

AASB has issued a new standard for the recognition of revenue. This will replace AASB 118 which covers contracts for goods and services and AASB 111 which covers construction contracts. The new standard is based on the principle that revenue is recognised when control of a good or service transfers to a customer – so the notion of control replaces the existing notion of risks and rewards.

The standard permits a modified retrospective approach for the adoption. Under this approach entities will recognise transitional adjustments in retained earnings on the date of initial application (eg 1 July 2017), i.e. without restating the comparative period. They will only need to apply the new rules to contracts that are not completed as of the date of initial application.

AASB 15 is mandatory for financial years commencing on or after 1 January 2017. Management is currently assessing the impact of the new rules. At this stage, the group is not able to estimate the impact of the new rules on the group's financial statements. The group will make more detailed assessments of the impact over the next twelve months.

NOTE 4: INCOME

	Consolidated	
	2015	2014
	\$	\$
Finance Income		
Interest Income	23,151	34,686
Total Income	23,151	34,686

NOTE 5: EMPLOYEE EXPENSES

	Consolidated	
	2014	2014
	\$	\$
Loss before income tax has been determined after:		
Employee benefit expense:		
Director Fees and superannuation ⁽¹⁾	80,560	228,019
Equity settled share based payments - refer to Note 18	4,306	90,323
Total	84,866	318,342

⁽¹⁾ Excludes consulting fees paid to Directors

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NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

For the year ended 30 June 2015

NOTE 6: LOSS PER SHARE

	Consolidated	
	2015	2014
	\$	\$
Basic and diluted profit & (loss) per share - cents	(3.38)	(12.94)
Profit/(Loss) used in the calculation of basic and diluted loss per share	(3,321,529)	(12,327,778)
Weighted average number of ordinary shares outstanding during the year used in calculation of basic loss per share	98,383,224	95,232,486
Weighted average number of ordinary shares outstanding during the year used in calculation of diluted loss per share	98,383,224	95,232,486

Options are considered anti-dilutive in the current year due to loss position of the Company and are not included in the calculation of diluted earnings per share.

NOTE 7: INCOME TAX

	Consolidated	
	2015	2014
	\$	\$
(a) Income tax expense		
The major components of income tax expense are:		
<i>Current income tax</i>		
Current income tax charge	-	-
<i>Deferred income tax</i>		
Relating to movements in temporary differences	-	-
Income tax expense / (benefit) reported in the Consolidated Statement of Profit or Loss and Other Comprehensive Income	-	-

(b) Amounts charged directly to equity

There were no amounts charged directly to equity

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NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

For the year ended 30 June 2015

NOTE 7: INCOME TAX (CONTINUED)

	Consolidated 2015 \$	2014 \$
(c) Numerical reconciliation between aggregate tax expense recognised in the Consolidated Statement of Profit or Loss and Other Comprehensive Income and tax expense calculated per the statutory income tax rate		
A reconciliation between tax expense and the product of accounting profit before income tax multiplied by the Group's applicable income tax rate is as follows:		
Accounting loss before income tax	(3,652,022)	(13,577,841)
Income tax benefit at the statutory income tax rate of 28.5% (2014:30%)	(1,040,820)	(4,073,352)
Expenditure not allowable for tax purposes		
Share based payments	1,227	27,097
Legal fees	2,970	2,990
Profit on loss of significant influence in equity accounted investment	(87,576)	112,604
Temporary differences		
Accruals	(4,317)	7,545
Impairment of capitalised exploration expenditure	901,899	3,731,020
Impairment of investment in associate	77,602	-
Unrealised loss on foreign exchange		1,570
Exploration Expenditure capitalised but deductible for tax purposes	(14,876)	(65,770)
Capital raising costs deductible	(51,444)	(52,661)
Unrecognised tax losses	215,335	308,957
		-
Income tax expense/(benefit)	-	-

Potash Minerals has unrecognised tax losses arising in Australia which are available indefinitely to offset against future profits of the Company providing the tests for deductibility against future profits are met.

Unutilised Australian tax losses	2,205,272	4,933,780
Unutilised US tax losses	6,378,611	6,520,229
Unrecognised deferred tax assets in relation to:		
Australian tax losses	628,625	1,480,134
Temporary differences	337,098	364,929

NOTE 8: CASH AND CASH EQUIVALENTS

	Consolidated 2015 \$	2014 \$
Reconciliation to Statement of Financial Position		
Cash at bank	1,073,305	1,140,697
Total Cash and Cash Equivalents	1,073,305	1,140,697

⁽¹⁾ Cash at bank is subject to floating interest rates at an effective interest rate of 2.1% (2014: 3.61%)

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NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

For the year ended 30 June 2015

NOTE 9: TRADE AND OTHER RECEIVABLES

	Consolidated	
	2015	2014
	\$	\$
<u>Current</u>		
Interest Receivable	-	6,083
Other Receivables ⁽¹⁾	9,683	8,230
Prepayments	3,459	7,269
Total Current Trade and Other Receivables	13,142	21,582
 <u>Non-Current</u>		
Bureau of Land Management Government Bonds	350,131	256,907
Total Non-Current Trade and Other Receivables	350,131	256,907

⁽¹⁾ Other receivables are non-trade receivables, are non-interest bearing and have an average term of 3 months and generally receivable from the ATO for GST.

NOTE 10: EXPLORATION AND EVALUATION EXPENDITURE

	Consolidated	
	2015	2014
	\$	\$
Costs carried forward in respect of areas of interest in the following phases:		
Exploration and evaluation		
Exploration and evaluation expenditure, at cost	-	2,788,000
 Reconciliation:		
A reconciliation of the carrying amounts of exploration and evaluation expenditure is set out below:		
Carrying amount at beginning of the year	2,788,000	14,918,486
Reclassification	(62,882)	-
Additions	80,689	219,232
Movement due to the change in foreign currency value	358,751	87,017
Impairment ⁽¹⁾	(3,164,558)	(12,436,735)
Carrying amount at the end of the year	-	2,788,000

⁽¹⁾ During the period, the Company advised that the 22 Federal Prospecting Permits held by the Company reached their two year expiration date on 1 June 2015. The expiry of these permits will restrict K2O Utah's (Potash Minerals' 90% owned Joint Venture vehicle) access to the federal blocks of its Hatch Point Potash Project.

The Company submitted an application for a two year extension with the US Bureau of Land Management (BLM) and on May 28, 2015, Potash Minerals received a formal determination denying the extension.

The Company elected not to appeal the decision of the US Bureau of Land Management denying the extension of the Company's 22 Federal Prospecting Permits, which expired on 1 June 2015 therefore reducing its exploration commitments.

In accordance with accounting standards, the Company has recognised an accounting impairment adjustment of \$3,164,558 at the Hatch Point Potash Project.

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NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

For the year ended 30 June 2015

NOTE 10: EXPLORATION AND EVALUATION EXPENDITURE (CONTINUED)

Exploration Commitments

There are no obligations on the Group to perform minimum exploration work and expend minimum amounts of money in order to maintain rights of tenure to exploration permits. As such, there is no minimum expenditure required by the Group on exploration permits during the year ended 30 June 2015. Commitments beyond this time frame cannot be estimated reliably as minimum expenditure requirements are reassessed annually. Commitments beyond this time frame have not been provided for in the financial report.

NOTE 11: OTHER FINANCIAL ASSETS

	Consolidated	
	2015	2014
	\$	\$
Available-for-sale financial assets carried at fair value ⁽¹⁾		
- Listed shares	294,978	-
Total Other Financial Assets	294,978	-
Opening balance	-	-
Reclassification of investment in Radar Iron (Note 16)	567,265	-
Impairment of available-for-sale financial asset ⁽²⁾	(272,287)	-
Closing balance of available-for-sale financial asset	294,978	-

⁽¹⁾ Available-for-sale financial assets consist of investments in ordinary shares, and therefore have no fixed maturity date or coupon rate.

⁽²⁾ Due to a significant drop in the value of the Company's investment in Radar Iron Ltd, the movement in the fair value has been impaired in accordance with AASB 139 Financial Instruments: Recognition and Measurement

NOTE 12: TRADE AND OTHER PAYABLES

	Consolidated	
	2015	2014
	\$	\$
Trade payables ⁽¹⁾	114,815	60,773
Accruals	10,000	25,149
Other payables ⁽²⁾	237	4,780
Total Trade and Other Payables	125,052	90,702

⁽¹⁾ Trade payables are non-interest bearing and are normally settled on 30-day terms. Included in the trade payables balance is \$34,250 which relates to a make good liability on the Hash Point Potash Project.

⁽²⁾ Other payables are non-trade payables, are non-interest bearing and have an average term of 3 months.

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NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

For the year ended 30 June 2015

NOTE 13: SHARE CAPITAL & RESERVES

	Number of Shares		\$
	Ordinary	Converting	
CONSOLIDATED			
(a) Issued and Paid Up Capital			
Fully paid ordinary shares	121,394,894	-	30,450,232
	121,394,894	-	30,450,232
(b) Movements in Fully Paid Shares on Issue			
Balance as at 30 June 2013	78,796,054	-	27,943,247
Exercise of options	6,977	-	1,395
Issue of shares in relation to capital raisings	18,312,884	-	2,197,546
Capital raising costs	-	-	(152,694)
Balance as at 30 June 2014	97,115,915	-	29,989,494
Issue of shares in relation to capital raisings	24,278,979	-	485,581
Capital raising costs	-	-	(24,843)
Balance as at 30 June 2015	121,394,894	-	30,450,232
(c) Share Options		Number of Options	\$
Balance as at 30 June 2013		11,462,500	4,037,117
Bonus Issue of Options		48,227,925	-
Exercise of Options		(6,977)	-
Expiry of Options		(3,500,000)	-
Options issued to Directors ⁽¹⁾		-	67,777
Options issued under ESOP ⁽¹⁾		-	22,546
Balance as at 30 June 2014		56,183,448	4,127,440
Options issued under ESOP ⁽¹⁾		-	4,306
Expiry of Options		(7,962,500)	(4,131,746)
		48,220,948	-

(1) Unlisted options issued in prior periods with expense recognised over period of vesting

Nature and Purpose of Reserves

1) Options Reserve

The options reserve is used to recognise the fair value of all options on issue but not yet exercised. This reserve is used to record the value of equity benefits provided to employees and Directors as part of their remuneration.

2) Translation Reserve

The translation reserve comprises all foreign currency differences arising from the translation of the financial statements of foreign operations.

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NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

For the year ended 30 June 2015

NOTE 14: OPERATING CASH FLOW INFORMATION

	Consolidated	
	2015	2014
	\$	\$
Reconciliation of cash flow from operations with profit/loss after income tax:		
Loss for the year	(3,652,022)	(13,577,841)
Less - Noncash items:		
Share based payments	4,306	90,323
Impairment of exploration expenditure	3,164,558	12,436,735
Depreciation	-	688
Profit on loss of significant influence in equity accounted investment	(307,274)	375,346
Impairment of investment in associate	272,287	-
<i>Changes in assets and liabilities</i>		
Movement in trade creditors and accruals	34,246	(139,245)
Movement in other debtors and receivables	8,440	(11,584)
Movement in FX exchange	2,134	(15,686)
Cash flows used in operations	(473,325)	(841,264)

NOTE 15: INTERESTS IN CONTROLLED ENTITIES

The Company has the following subsidiaries:

Name of Subsidiary	Country of Incorporation	Class of Shares	Percentage held	
			2015	2014
Citadel Potash Pty Ltd	Australia	Ordinary	100%	100%
Citadel Capital Holdings Inc	USA	Ordinary	100%	100%
K2O Utah LLC	USA	Membership interests	90%	90%

During the year Potash Minerals' membership interest in K2O Utah LLC was 90% in accordance with the terms of the operating agreement. Potash Minerals initially acquired a 75% interest in the joint venture through the expenditure of USD\$708,500 previously. Potash Minerals' contributions over and above this amount have increased its interest, in accordance with a specified formula, to a maximum interest of 90%.

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NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

For the year ended 30 June 2015

NOTE 16: INVESTMENTS ACCOUNTED FOR USING THE EQUITY METHOD

Name of entity	Principal Activity	Country of Incorporation	Ownership Interest		Carrying Value	
			2015 %	2014 %	2015 \$	2014 \$
<u>Associated entities</u>						
Radar Iron Ltd	Iron-ore exploration	Australia	17.16%	23.0%	-	259,991

During the reporting period, Potash Minerals' investment in Radar Iron Ltd was diluted to 17.16% and as such has been reclassified from an associated entity accounted for under the equity method to an available-for-sale financial asset accounted for at fair value in accordance with AASB 139.

Carrying Value of Investments accounted for using the equity method

	Consolidated	
	2015 \$	2014 \$
Opening balance	259,991	635,337
Profit on loss of significant influence in equity accounted investment	307,274	
Group's share of associate's loss.		(375,346)
Reclassification of investment in Radar Iron (Note 11)	(567,265)	-
	-	259,991

Summarised financial information of associates for 30 June 2014:

Financial Position

Total assets	13,841,791
Total liabilities	(3,606,100)
Net assets	10,235,691
Group's share of Associates' net assets	2,357,280

Financial Performance

Total revenue	154,286
Total loss for the year	(1,629,815)
Group's share of associate's profit/(loss)	(375,346)

Capital commitments and contingent liabilities of associate:

Share of capital commitments incurred jointly with other investors	-
Share of contingent liabilities incurred jointly with other investors	-

NOTE 17: RELATED PARTY TRANSACTIONS

a) Parent and Ultimate Controlling Party

The parent entity and ultimate controlling party is Potash Minerals Limited.

b) Related Party Compensation

Information on remuneration and shares and options held by Directors and Key Management Personnel is contained in the Remuneration Report within the Directors' Report.

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NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

For the year ended 30 June 2015

NOTE 17: RELATED PARTY TRANSACTIONS (CONTINUED)

c) Loans To and From Related Parties

Terms and Conditions of Loans

Loans between entities in the wholly owned Group are not interest bearing, unsecured and are payable upon reasonable notice having regard to the financial stability of the Company.

d) Other Related Party Transactions

Transactions with other related parties are made on normal commercial terms and conditions and at market rates. Outstanding balances are unsecured and are repayable in cash.

Armada Capital Limited, a company of which Mr Ananda Kathiravelu is Managing Director, was paid brokerage fees in relation to the capital raisings of Potash Minerals on normal commercial terms and also provided investor relations and marketing support to the Company on normal commercial terms during the year.

A summary of the total fees paid and payable to Armada Capital Limited for the year ended 30 June 2015 were as follows:

	Consolidated	
	2015	2014
	\$	\$
Brokerage on capital raising	24,843	15,428
Investor relations and marketing support	48,000	36,000
Total	72,843	51,428

NOTE 18: SHARE BASED PAYMENTS

Expenses arising from share-based payment transactions

Total expenses arising from share-based payment transactions recognised during the year were as follows:

	Consolidated	
	2015	2014
	\$	\$
Share-based payments:		
Expensed in the Consolidated Statement of Profit or Loss and Other Comprehensive Income		
<u>Employee Expenses</u>		
4,500,000 Unlisted Options issued to Directors ⁽¹⁾	-	67,777
700,000 Unlisted Options issued to employees ⁽¹⁾	4,306	22,546
Total	4,306	90,323

(1) Unlisted options issued in prior periods with expense recognised over period of vesting.

No options were issued under share based payment arrangements during the year ended 30 June 2015.

During the year no options were exercised to take up ordinary shares. As at the year end the Company had a total of 48,220,948 (2014: 56,183,448) unissued ordinary shares on which options are outstanding with a weighted average exercise price of 20 cents (2014: 29 cents).

The weighted average remaining contractual life of all share options outstanding at the end of the year is 5 months (2014: 1.25 years).

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NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

For the year ended 30 June 2015

NOTE 19: AUDITORS' REMUNERATION

	Consolidated	
	2015	2014
	\$	\$
<i>Audit Services</i>		
Amounts payable to auditor of parent entity	28,350	38,366
	28,350	38,366

NOTE 20: FINANCIAL RISK MANAGEMENT

The Group's activities expose it to a variety of financial risks that includes market risk (including currency risk, interest rate risk and price risk), credit risk, liquidity risk and cash flow interest rate risk. The Group's overall risk management program focuses on the unpredictability of financial markets and seeks to minimise potential adverse effects on the financial performance of the Group.

Risk management is carried out by Management under policies approved by the Board of Directors. The Board provides written principles for overall risk management, as well as policies covering specific areas, such as mitigating foreign exchange and interest rate and credit risks.

a) **Market Risk**

Foreign Currency Risk

As a result of significant operations in the United States, the Group's statement of financial position can be affected significantly by movements in the USD\$/AUD\$ exchange rates. As at the end of the reporting period the Group's exposure to foreign currency risk is considered immaterial by the Company and therefore no sensitivity analysis has been disclosed.

The Group also has transactional currency exposures. Such exposure arises from sales or purchases by an operating entity in currencies other than the functional currency.

Price Risk

The Company is exposed to price risk being the listed investment in Radar Iron Limited. A 5% movement in the price will have \$14,759 impact on the Company's equity and profit.

Interest Rate Risk

The Group is exposed to interest rate risk on cash balances held in interest bearing accounts. The Board constantly monitors its interest rate exposure and attempts to maximise interest income by using a mixture of fixed and variable interest rates, whilst ensuring sufficient funds are available for the Group's operating activities. The Group's net exposure to interest rate risk at 30 June 2015 approximates the value of cash and cash equivalents.

b) **Credit Risk**

The Group has no significant concentrations of credit risk other than its cash balances with various banks.

c) **Liquidity Risk**

The Group manages liquidity risk by monitoring forecast cash flows and ensuring that adequate working capital is maintained for the coming months. Upcoming capital needs and the timing of raisings are assessed by the Board at each Meeting of Directors.

The maturity of the Group's payables is disclosed in Note 12.

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NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

For the year ended 30 June 2015

NOTE 20: FINANCIAL RISK MANAGEMENT (CONTINUED)

d) Cash Flow and Interest Rate Risk

The Group's exposure to interest rate risk, which is the risk that a financial instrument's value will fluctuate as a result in changes in market interest rates and the effective weighted average interest rates on classes of financial assets and financial liabilities is disclosed in Note 8, only cash is affected by interest rate risk as cash is the Groups only financial asset exposed to fluctuating interest rates.

In accordance with AASB 7 the following sensitivity analysis has been performed for the Company's Interest Rate risk:

Consolidated Risk Variable	Sensitivity*	Effect On:		Effect On:	
		Loss 2015 \$	Loss 2014 \$	Equity 2015 \$	Equity 2014 \$
Interest Rate	+ 1.00%	11,070	6,478	11,070	6,478
	- 1.00%	(11,070)	(6,478)	(11,070)	(6,478)

* It is considered that 100 basis points a 'reasonably possible' estimate of the sensitivity in the interest rate.

The fair values of all financial assets and liabilities of the Group approximate their carrying values.

Capital Management

The Board's policy is to maintain a strong capital base so as to maintain investor, creditor and market confidence and to sustain future development of the business. The Group's capital includes ordinary share capital supported by financial assets.

There were no changes in the Group's approach to capital management during the year. Neither the Company nor the Group are subject to externally imposed capital requirements.

NOTE 21: SEGMENT REPORTING

Identification of Reportable Segments

The Group has identified its operating segments based on the internal reports that are reviewed and used by the executive management team (the chief operating decision maker) in assessing performance and in determining the allocation of resources.

The operating segments are identified by management based on the nature of the mineral being targeted and the country of origin. Discrete financial information about each of these operating businesses is reported to the executive management team on at least a monthly basis.

Reportable segments requiring disclosure are operating segments that meet any of the following thresholds:

- Segment loss greater than 10% of combined loss of loss making operating segments; and
- Segment assets greater than 10% of combined assets of all operating segments.

In accordance with AASB 8, the reportable segments are based on aggregated operating segments determined by the similarity of the minerals targeted, as these are the sources of the Group's major risks and have the most effect on the rates of return.

Once reportable segments have been identified, all remaining segments that do not satisfy the thresholds are to be aggregated together to form an all other segments reporting segment. In accordance with AASB 8 Segment Reporting corporate and administration activities are to be included in the all other segments reporting segment.

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NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

For the year ended 30 June 2015

NOTE 21: SEGMENT REPORTING (CONTINUED)

Description of Operating Segments

Potash Exploration

Potash Minerals' subsidiary Citadel Capital Holding Inc has a 90% interest in K2O Utah LLC, a company with a 100% interest in permits for the exploration for Potash in Utah, USA. The Potash exploration project has been determined as both an operating segment and reportable segment.

Investments

The investment in Radar Iron accounts for greater than 10% of the combined assets of all operating segments and is therefore determined as both an operating segment and reportable segment. The Company's interest in Radar Iron is 17.6% at 30 June 2015.

Accounting policies and inter-segment transactions

The accounting policies used by the Group in reporting segments internally is the same as those contained in Note 3 to the accounts and in the prior period.

Information about Reportable Segments

2015	Potash Exploration \$	Investments in Associates \$	Other Segments \$	Consolidated \$
Segment Income				
Finance income	595	-	23,151	23,746
Total income	595	-	23,151	23,746
Segment Expenses				
Impairment of exploration expenditure	(3,164,558)	-	-	(3,164,558)
Net other costs	(140,375)	34,987	(405,822)	(511,210)
Segment loss before depreciation	(3,304,933)	34,987	(405,822)	(3,675,768)
Depreciation	-	-	-	-
Loss before income tax	(3,304,338)	34,987	(382,671)	(3,652,022)
Segment Assets and Liabilities				
Reportable segment assets	363,094	-	1,368,462	1,731,556
Reportable segment liabilities	(77,880)	-	(47,172)	(125,052)
Net assets	285,214	-	1,321,290	1,606,504

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NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

For the year ended 30 June 2015

NOTE 21: SEGMENT REPORTING (CONTINUED)

2014	Potash Exploration \$	Investments in Associates \$	Other Segments \$	Consolidated \$
Segment Income				
Finance income	-	-	34,686	34,686
Total income	-	-	34,686	34,686
Segment Expenses				
Impairment of exploration expenditure	(12,436,735)	-	-	(12,436,735)
Net other costs	(479,543)	(375,346)	(320,215)	(1,175,104)
Segment loss before depreciation	(12,916,278)	(375,346)	(285,529)	(13,577,153)
Depreciation	-	-	(688)	(688)
Loss before income tax	(12,916,278)	(375,346)	(286,217)	(13,577,841)
Segment Assets and Liabilities				
Reportable segment assets	3,044,907	259,991	1,162,279	4,467,177
Reportable segment liabilities	(16,982)	-	(73,720)	(90,702)
Net assets	3,027,925	259,991	1,088,559	4,376,475

Geographical Segments

The Potash Exploration Segment operates out of the United States of America. All other segments operate in Australia.

NOTE 22: PARENT ENTITY DISCLOSURES

As at and throughout the financial year ending 30 June 2015 the parent company of the Group was Potash Minerals Limited.

	2015 \$	2014 \$
Results of the Parent Entity		
Loss for the year	(3,519,649)	(1,013,820)
Other comprehensive income	-	-
Total Comprehensive Loss for the year	(3,519,649)	(1,013,820)
Financial Position of the Parent Entity at Year End		
Current Assets	1,073,482	1,157,809
Non-Current Assets	294,878	3,291,801
Total Assets	1,368,360	4,449,610
Current Liabilities	47,173	73,719
Total Liabilities	47,173	73,719
Total Equity of the Parent Entity comprising of:		
Share Capital	30,450,232	29,989,494
Reserves	-	4,127,440
Retained Losses	(29,129,045)	(29,741,043)
Total Equity	1,321,187	4,375,891

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NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

For the year ended 30 June 2015

NOTE 22: PARENT ENTITY DISCLOSURES (CONTINUED)

Parent Entity Contingencies

The Directors are not aware of any contingent liabilities that may arise from the Company's operations as at 30 June 2015.

NOTE 23: SUBSEQUENT EVENTS

On 20 July 2015, the Company announced that it had entered into a binding heads of agreement detailing an option to acquire 100% of the issued share capital of US-based Buddy Platform, Inc. ("Buddy"). Based in the cloud technology capital of the world – Seattle, Washington – Buddy is one of the world's first data aggregation and management platforms to focus on Internet of Things (IoT) and connected device data.

KEY ACQUISITION TERMS

- Payment of a \$250,000 option fee by Potash to acquire an exclusive twenty eight (28) day option to purchase 100% of the issued capital in Buddy. This was paid on 29 July 2015.
- A further \$250,000 is payable at the completion of Due Diligence which is 28 day from execution of the Option. On 31 August 2015, the Company confirmed completion of the due diligence and initiated payment of the second option fee.
- In exchange for 100% of the issued capital in Buddy, Potash agrees to issue 500,000,000 Potash shares to the shareholders of Buddy, which will be subject to ASX escrow provisions.
- Potash agrees at completion of the acquisition, a performance share offering will be implemented to issue to Board members and key management, in the amount of 100,000,000 performance shares. The performance shares will convert into ordinary Potash shares on the basis of achieving the following milestones:
 - One third of all Performance Shares on logging 20,000,000 total discrete connections to any Buddy server or service ("Interactions") by any approved network connected hardware or software application ("Device") per day for no less than 3 consecutive weeks within a period of 24 months.
 - One third of all Performance Shares upon the total number of devices creating an Interaction with a Buddy application that it has not previously interacted with ("New Connection") exceeding 500,000 per week for no less than three (3) consecutive weeks.
 - One third of all Performance Shares upon satisfying the following milestones within a period of 36 months:
 - total daily device interactions with the Buddy Platform exceed 50,000,000 per day for no less than 3 consecutive weeks; and
 - total number of devices creating new connections to Buddy exceeding 1,000,000 per week for no less than 3 consecutive weeks.
- Subject to shareholder approval, Potash agrees to put in place an employee incentive rights plan in the amount of 100,000,000 employee rights, which will be allocated to current and future employees at the discretion of the Board of Directors.

Conditions precedent for the completion of the acquisition will include Potash obtaining all regulatory and shareholder approvals as required:

- To issue the consideration shares, performance shares and employee incentive plan rights;
- To roll-over existing Buddy options into Potash options on an equivalent value basis;
- To approve a change to its' business from a mineral exploration company to a technology company;
- To change the name of Potash to Buddy Limited;
- To issue shares in Potash under a capital raising in an amount sufficient for Potash to re-comply with Chapters 1 and 2 of the ASX Listing Rules;
- Each party (Potash and Buddy) completing financial and legal due diligence on the other, and the results of the due diligence being to the satisfaction of both parties;
- Potash preparing a prospectus for a capital raising sufficient to enable Potash to be reinstated to quotation on the ASX, lodging the prospectus with the Australian Securities and Investments Commission (ASIC) and receiving sufficient applications to meet the minimum subscription under the prospectus; and

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NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

For the year ended 30 June 2015

- Potash receiving a letter from the ASX confirming that it will re-instate Potash to trading on the ASX following compliance with Chapters 1 and 2 of the ASX Listing Rules, with the terms of the letter acceptable to Potash and Buddy.

Completion of the acquisition will also be conditional upon Potash being satisfied that Buddy has received all necessary consents and approvals from its security holders and relevant regulatory bodies required in order to ensure that Potash will hold 100% of the issued capital in Buddy following completion of the acquisition. If this condition is not satisfied and Buddy terminates the agreement, Buddy must repay \$200k of the option fee paid to it by Potash.

Potash will also issue the following options in connection with the acquisition:

- 30,000,000 options to acquire Potash shares exercisable at a 25% premium to the price of shares issued under the public offer (described below) on or before 30 November 2017; and
- 12,500,000 options to acquire Potash shares exercisable at \$0.03 on or before 30 November 2017.

Subject to the receipt of shareholder approval, Potash will also undertake a capital raising of A\$7,500,000 to be completed under a prospectus. All funds raised would be employed towards the business development of Buddy.

No other matters or circumstances have arisen since the end of the financial year which significantly affected or may significantly affect the operations of the Group, the results of those operations or the state of affairs of the Group in subsequent financial years.

NOTE 24: CONTINGENT LIABILITIES

The Directors are not aware of any contingent liabilities that may arise from the Group's operations as at 30 June 2015.

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DIRECTORS' DECLARATION

In the Directors' opinion:

a) the financial statements and notes set out on pages 14 to 42 and the Remuneration Report in the Directors' Report are in accordance with the *Corporations Act 2001*, including:

- i. giving a true and fair view of the Company's and Group's financial position as at 30 June 2015 and of its performance, as represented by the results of their operations, changes in equity and their cash flows, for the period ended on that date; and
- ii. complying with Australian Accounting Standards, Corporations Regulations 2001 and other mandatory professional reporting requirements.

b) there are reasonable grounds to believe that the Company will be able to pay its debts as and when they become due and payable.

c) the financial statements and notes thereto are in accordance with International Financial Reporting Standards issued by the International Accounting Standards Board.

This declaration is made after receiving the declarations required to be made to the Directors in accordance with section 295A of the *Corporations Act 2001* for the year ended 30 June 2015.

This declaration is made in accordance with a resolution of the Directors.

On behalf of the Board



A. Kathiravelu
Non-Executive Chairman

Perth
28 September 2015

Independent auditor's report to the members of Potash Minerals Limited**Report on the financial report**

We have audited the accompanying financial report of Potash Minerals Limited which comprises the consolidated statement of financial position as at 30 June 2015, the consolidated statement of profit or loss and other comprehensive income, the consolidated statement of changes in equity, the consolidated statement of cash flows for the year then ended, notes comprising a summary of significant accounting policies, other explanatory information and the directors' declaration of the consolidated entity comprising the Company and the entities it controlled at the year's end or from time to time during the financial year.

Directors' responsibility for the financial report

The directors of the Company are responsible for the preparation and fair presentation of the financial report that gives a true and fair view in accordance with the Australian Accounting Standards and the *Corporations Act 2001* and for such internal control as the directors determine is necessary to enable the preparation of the financial report that gives a true and fair view and is free from material misstatement, whether due to fraud or error.

In Note 2, the directors also state, in accordance with Accounting Standard AASB 101 *Presentation of Financial Statements*, that the financial report, comprising the financial statements and notes, complies with *International Financial Reporting Standards* as issued by the International Accounting Standards Board.

Auditor's responsibility

Our responsibility is to express an opinion on the financial report based on our audit. We conducted our audit in accordance with Australian Auditing Standards. Those standards require that we comply with relevant ethical requirements relating to audit engagements and plan and perform the audit to obtain reasonable assurance whether the financial report is free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial report. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the financial report, whether due to fraud or error. In making those risk assessments, we consider internal controls relevant to the entity's preparation and fair presentation of the financial report in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal controls. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by the directors, as well as evaluating the overall presentation of the financial report.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Independence

In conducting our audit, we have complied with the independence requirements of the *Corporations Act 2001*. We confirm that the independence declaration required by the *Corporations Act 2001*, which has been given to the directors of Potash Minerals Limited, would be in the same terms if given to the directors as at the time of this auditor's report.

Opinion

In our opinion:

- (a) the financial report of Potash Minerals Limited is in accordance with the *Corporations Act 2001*, including:
 - (i) giving a true and fair view of the consolidated entity's financial position as at 30 June 2015 and of its performance for the year ended on that date; and
 - (ii) complying with Australian Accounting Standards (including the Australian Accounting Interpretations) and the *Corporations Regulations 2001*; and
- (b) the consolidated financial report also complies with International Financial Reporting Standards as disclosed in Note 2.

Report on the remuneration report

We have audited the remuneration report included in the directors' report for the year ended 30 June 2015. The directors of the Company are responsible for the preparation and presentation of the remuneration report in accordance with Section 300A of the *Corporations Act 2001*. Our responsibility is to express an opinion on the remuneration report, based on our audit conducted in accordance with Australian Auditing Standards.

Opinion

In our opinion, the remuneration report of Potash Minerals Limited for the year ended 30 June 2015 complies with Section 300A of the *Corporations Act 2001*.

A handwritten signature in black ink that reads "NPAS".

Nexia Perth Audit Services Pty Ltd

A handwritten signature in black ink that reads "PTC Kloppe".

PTC Kloppe
Director

28 September 2015
Perth

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ASX ADDITIONAL INFORMATION

Additional information required by the ASX Limited Listing Rules not disclosed elsewhere in this Annual Report is set out below.

SHAREHOLDINGS

The issued capital of the Company at 23 September 2015 is 121,394,894 ordinary fully paid shares. All ordinary shares carry one vote per share.

TOP 20 SHAREHOLDERS AS AT 23 SEPTEMBER 2015

		No. of Shares Held	% Held
1	SINO PORTFOLIO INTERNATIONAL LTD	6,450,000	5.31%
2	JUSTIN LAURENCE BARRY	3,195,024	2.63%
3	GREATCITY CORPORATION PTY LTD*	2,409,166	1.98%
4	JILLAIN WILLS	2,090,000	1.72%
5	MARNET PTY LTD	1,660,000	1.37%
6	BOND STREET CUSTODIANS LIMITED	1,571,532	1.29%
7	SEAN BRENDAN MCCORMICK	1,500,000	1.24%
8	BARK (NSW) PTY LTD	1,400,000	1.15%
9	ZEBON TWO PTY LTD	1,230,409	1.01%
10	FORSYTH BARR CUSTODIANS LTD	1,151,970	0.95%
11	PETO PTY LTD	1,000,000	0.82%
12	BARRY G & ANN M HUDSON	1,000,000	0.82%
13	HIROIC PTY LTD	1,000,000	0.82%
14	COMSEC NOMINEES PTY LIMITED*	949,864	0.78%
15	SHIPBAG PTY LTD*	843,741	0.70%
16	RODNEY IAN LOVELADY	801,073	0.66%
17	REDHEAD PC & GOUGH RF	800,000	0.66%
18	KRUPA CONSULTING PTY LTD	750,000	0.62%
19	ABM SUPERANNUATION FUND PTY LTD	725,500	0.60%
20	JP MORGAN NOMINEES AUSTRALIA LIMITED	660,423	0.54%
		31,188,702	25.67%

*denotes merged holding

Shares Range

	No. of Holders	No. of Shares
1 – 1,000	344	232,009
1,001 – 5,000	849	2,633,116
5,001 – 10,000	506	4,223,081
10,001 – 100,000	1,048	37,132,223
100,001 and over	235	77,174,465
	2,982	121,394,894

Number holding less than a marketable parcel at \$0.039 per share

1,795 8,197,229

Shareholders by Location

	No. of Holders	No. of Shares
Australian holders	2,861	111,669,038
Overseas holders	121	9,725,856
	2,982	121,394,894

VOTING RIGHTS

In accordance with the Company's Constitution, on a show of hands every shareholder present in person or by proxy, attorney or representative of a shareholder has one vote and on a poll every shareholder present in person or by proxy, attorney or representative of a shareholder has in respect of fully paid shares, one vote for every share held. No class of option holder has a right to vote, however the shares issued upon exercise of options will rank pari passu with the then existing issued fully paid ordinary shares.

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ASX ADDITIONAL INFORMATION (CONTINUED)

SUBSTANTIAL SHAREHOLDERS AS AT 23 SEPTEMBER 2015

	No. of Shares Held	% Held
1 SINO PORTFOLIO INTERNATIONAL LTD	6,450,000	5.31%

OPTION HOLDINGS

The Company has the following classes of options on issue at 23 September 2015 as detailed below. Options do not carry any rights to vote.

Class	Terms	No. of Options
POKO Listed Options	Exercisable at \$0.20 expiring on or before 30 Nov 2015	48,220,948
		48,220,948

LISTED OPTIONS

As at 23 September 2014 the Company has 48,220,948 Listed Options on issue. Listed Options do not carry any voting rights.

TOP 20 POKO HOLDERS AS AT 23 SEPTEMBER 2015

	No. of Options Held	% Held
1 SINO PORTFOLIO INTERNATIONAL LTD	3,225,000	6.69%
2 JOHN CHARLES VASSALLO & JANELLE KERRIE VASSALLO	1,474,964	3.06%
3 GREATCITY CORPORATION PTY LTD*	1,204,583	2.50%
4 PHILIP COQUET REDHEAD & ROWENA FRANCES GOUGH	1,197,500	2.48%
5 ANDREW MICHAEL QUIN	1,090,000	2.26%
6 BRENDAN CHEVELY & JACQUELINE ANN DESHON	1,000,000	2.07%
7 DAVID YONAN	872,772	1.81%
8 ROBERT WORTLEY	805,795	1.67%
9 BOND STREET CUSTODIANS LIMITED	785,766	1.63%
10 BRENDON CHEVELY DESHON	750,000	1.56%
11 ABN AMRO CLEARING SYDNEY NOMINEES PTY LTD	698,810	1.45%
12 ZEBON TWO PTY LTD	615,205	1.28%
13 MINDEAN INVESTMENTS PTY LTD	516,940	1.07%
14 SANDRA JOANNE MADALENA & CLARE FRANCES SKEFFINGTON	500,000	1.04%
15 GANESWARAN NADARAJAH	500,000	1.04%
16 DU THI NGOC LE	478,262	0.99%
17 MICAELA PINTO	470,000	0.97%
18 JACK DAVID RICHARDS	461,285	0.96%
19 CITICORP NOMINEES PTY LTD	456,276	0.95%
20 WALTER SHAMSABADI	454,491	0.94%
	17,557,649	36.42%

*denotes merged holding

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ASX ADDITIONAL INFORMATION (CONTINUED)

SUBSTANTIAL POKO HOLDERS AS AT 24 SEPTEMBER 2015

	No. of Options Held	% Held
1 SINO PORTFOLIO INTERNATIONAL LTD	3,225,000	6.69%

LISTED OPTIONS

Options Range

	No. of Holders	No. of Options
1 – 1,000	689	405,910
1,001 – 5,000	1,027	2,973,664
5,001 – 10,000	289	2,282,736
10,001 – 100,000	459	14,299,216
100,001 and over	73	28,259,422
	2,537	48,220,948

Option Holders by Location

	No. of Holders	No. of Options
Australian holders	2,438	44,503,848
Overseas holders	99	3,717,100
	2,537	48,220,948

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SCHEDULE OF MINERAL TENEMENTS

Project/Tenements	Location	Interest Held
<u>Hatch Point Potash Project</u>	Utah, USA	
<i>State Potash Leases</i>		
ML51725		90%
ML51726		90%
ML51727		90%
ML51728		90%
ML51729		90%
ML51730		90%
ML51731		90%
ML51732		90%
ML51733		90%
ML51735		90%