



19 October 2016

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Dear Partly Paid Shareholder

Offer of Shares under Bonus Issue

As announced on 1 April 2016, Potash West NL ("**PWN**" or "**the Company**") is making a bonus issue ("**Bonus Issue**") on the basis of one (1) New Partly Paid Share for every four (4) Shares held at the Record Date at an issue price of \$0.05 per New Partly Paid Share, with each New Partly Paid Share deemed to be paid up to \$0.001 and unpaid to \$0.049.

Based on the number of Shares currently on issue as at the date of the Bonus Issue and assuming no options are exercised before the Record Date, up to approximately 86,721,853 New Partly Paid Shares will be issued pursuant to the Bonus Issue.

A prospectus for the Bonus Issue ("**Prospectus**") was lodged with ASX on 18 October 2016 and is available on the ASX website and on the Company's website www.potashwest.com.au

The terms and conditions of the PWN partly paid shares ("**PWNCA**") you currently hold only allow you to participate in the Bonus Issue to a limited extent.

To pay all or a portion of your Existing PWNCA and thereby participate in the Bonus Issue to the fullest extent, you should fully pay up your PWNCA and lodge it with PWN, together with your payment.

To ensure that your shares are issued and registered by 5.00 pm (WST) on the Record Date, your conversion, together with your payment for your Existing Partly Paid Shares must be received by PWN no later than 2 November 2016.

If you do not wish to participate in the Bonus Issue to the fullest extent you do not need to take any action.

Before deciding whether to exercise any or all of your PWNCA, you should read the Prospectus in its entirety and consult with your professional adviser.

If you require further information, please contact the Chief Financial Officer, Bob Van der Laan on +61-8 9479 5386.

Yours sincerely

Patrick McManus
Managing Director
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