



POTASH MINERALS LTD

ACN 121 184 316

**NOTICE OF ANNUAL GENERAL MEETING
AND
EXPLANATORY STATEMENT TO SHAREHOLDERS**

FOR AN ANNUAL GENERAL MEETING OF SHAREHOLDERS TO BE HELD ON
MONDAY 25 NOVEMBER 2013 AT CWA HOUSE,
1176 HAY STREET, WEST PERTH, WESTERN AUSTRALIA AT 1:30 PM WST

IMPORTANT DOCUMENT

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

Should you wish to discuss the matters in this Notice of Meeting please do not hesitate to contact the Company Secretary on (+61 8) 9482 0515.

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POTASH MINERALS LIMITED
ACN 121 184 316

NOTICE OF MEETING

IMPORTANT INFORMATION

TIME AND PLACE OF MEETING

Notice is hereby given that an annual general meeting of the Shareholders of Potash Minerals Ltd ("**Potash Minerals**" or "**the Company**") will be held on the date and at the location and time specified below:

DATE: 25 November 2013
LOCATION: CWA House, 1176 Hay Street, West Perth, Western Australia
TIME: 1:30 PM WST

EXPLANATORY STATEMENT

The Explanatory Statement to this Notice of Meeting provides additional information on matters to be considered at the Annual General Meeting. The Explanatory Statement and the Proxy Form are part of this Notice of Meeting.

YOUR VOTE IS IMPORTANT

The business of the Annual General Meeting affects your shareholding and your vote is important.

VOTING ELIGIBILITY

The Directors have determined pursuant to Regulation 7.11.37 of the Corporations Regulations 2001 (Cth) that the persons eligible to vote at the Annual General Meeting are those who are registered Shareholders of the Company at 4:00 pm WST on Saturday 23 November 2013.

VOTING IN PERSON

To vote in person, attend the Annual General Meeting at the time, date and place set out above.

VOTING BY PROXY

To vote by proxy, please complete and sign the enclosed Proxy Form and return by the time and in accordance with the instructions set out on the Proxy Form.

In accordance with section 249L of the Corporations Act, members are advised that:

- each member has a right to appoint a proxy;
- the proxy need not be a member of the Company; and
- a member who is entitled to cast 2 or more votes may appoint 2 proxies and may specify the proportion or number of votes each proxy is appointed to exercise. If the member appoints 2 proxies and the appointment does not specify the proportion or number of the member's votes, then in accordance with section 249X(3) of the Corporations Act, each proxy may exercise one-half of the votes.

New sections 250BB and 250BC of the Corporations Act came into effect on 1 August 2011 and apply to voting by proxy on or after that date. Shareholders and their proxies should be aware of these changes to the Corporations Act, as they will apply to this Annual General Meeting. Broadly, the changes mean that:

- if proxy holders vote, they must cast all directed proxies as directed; and
- any directed proxies which are not voted will automatically default to the Chair, who must vote the proxies as directed.

Further details on these changes is set out below.

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NOTICE OF MEETING

Proxy vote if appointment specifies way to vote

Section 250BB(1) of the Corporations Act provides that an appointment of a proxy may specify the way the proxy is to vote on a particular resolution and, if it does:

- the proxy need not vote on a show of hands, but if the proxy does so, the proxy must vote that way (i.e. as directed); and
- if the proxy has 2 or more appointments that specify different ways to vote on the resolution – the proxy must not vote on a show of hands; and
- if the proxy is the chair of the meeting at which the resolution is voted on – the proxy must vote on a poll, and must vote that way (i.e. as directed); and
- if the proxy is not the chair – the proxy need not vote on the poll, but if the proxy does so, the proxy must vote that way (i.e. as directed).

Transfer of non-chair proxy to chair in certain circumstances

Section 250BC of the Corporations Act provides that, if:

- an appointment of a proxy specifies the way the proxy is to vote on a particular resolution at a meeting of the Company's members; and
- the appointed proxy is not the chair of the meeting; and
- at the meeting, a poll is duly demanded on the resolution; and
- either of the following applies:
 - the proxy is not recorded as attending the meeting;
 - the proxy does not vote on the resolution,

the chair of the meeting is taken, before voting on the resolution closes, to have been appointed as the proxy for the purposes of voting on the resolution at the meeting.

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NOTICE OF MEETING

BUSINESS

The business to be transacted at this Annual General Meeting is the receipt of the financial statements and reports and the proposal of Resolutions 1 to 6 as set out below.

Financial Statements and Reports

To receive and consider the annual financial report of the Company for the financial year ended 30 June 2013 together with the declaration of the directors, the directors' report, and the independent auditor's report.

RESOLUTION 1 ~ ADOPTION OF REMUNERATION REPORT (NON-BINDING)

To consider and, if thought fit, to pass, with or without amendment, the following resolution as a **non-binding resolution**:

"That, for the purposes of Section 250R(2) of the Corporations Act and for all other purposes, the Company adopts the Remuneration Report as set out in the Director's Report in the Annual Report for the year ended 30 June 2013".

Note: The vote on this Resolution is advisory only and does not bind the Directors or the Company.

Voting exclusion: A vote on this Resolution must not be cast (in any capacity) by or on behalf of any of the following persons:

- (a) a member of the Key Management Personnel, details of whose remuneration are included in the Remuneration Report; or
- (b) a Closely Related Party of such a member.

However, a person described above may vote on this Resolution if:

- (c) the voter is appointed as a proxy by writing that specifies the way the proxy is to vote on the Resolution; or
- (d) the voter is the Chair and the appointment of the Chair as proxy:
 - (i) does not specify the way the proxy is to vote on this Resolution; and
 - (ii) expressly authorises the Chair to exercise the proxy even if the Resolution is connected directly or indirectly with the remuneration of a member of the Key Management Personnel

RESOLUTION 2 ~ RE-ELECTION OF DIRECTOR - MR RICHARD MONTI

To consider and if thought fit, to pass, with or without amendment, the following resolution as an **ordinary resolution**:

"That for the purposes of clause 13.2 of the Company's Constitution, ASX Listing Rule 14.4 and for all other purposes, Richard Monti, a Director, retires by rotation and being eligible, is re-elected as a Director of the Company."

RESOLUTION 3 ~ RE-ELECTION OF DIRECTOR - MR SEAN MURRAY

To consider and if thought fit, to pass, with or without amendment, the following resolution as an **ordinary resolution**:

"That for the purposes of clause 13.2 of the Company's Constitution, ASX Listing Rule 14.4 and for all other purposes, Sean Murray, a Director, retires by rotation and being eligible, is re-elected as a Director of the Company."

RESOLUTION 4 ~ APPROVAL OF 10% PLACEMENT CAPACITY - SHARES

To consider and, if thought fit, to pass, with or without amendment, the following resolution as a **special resolution**:

"That, for the purpose of Listing Rule 7.1A and for all other purposes, approval is given for the issue of Equity Securities totalling up to 10% of the issued capital on issue, calculated in accordance with the formula prescribed in Listing Rule 7.1A.2 and on the terms and conditions set out in the Explanatory Statement."

NOTICE OF MEETING

Voting Exclusion: The Company will disregard any votes cast on this Resolution by any person who may participate in the issue of Equity Securities under this Resolution and a person who might obtain a benefit, except a benefit solely in the capacity of a holder of ordinary securities, if the Resolution is passed and any associates of those persons. However, the Company will not disregard a vote if it is cast by a person as a proxy for a person who is entitled to vote, in accordance with the directions on the Proxy Form, or, it is cast by the person chairing the meeting as proxy for a person who is entitled to vote, in accordance with a direction on the Proxy Form to vote as the proxy decides.

RESOLUTION 5 ~ RATIFICATION OF PRIOR ISSUES – ASX LISTING RULE 7.1

To consider and if thought fit, to pass, with or without amendment, the following resolution as an **ordinary resolution**:

“That, for the purpose of ASX Listing Rule 7.4 and for all other purposes, Shareholders ratify the allotment and issue of 9,787,708 Shares and 1,562,500 Options on the terms and conditions set out in the Explanatory Statement.”

Voting Exclusion: The Company will disregard any votes cast on this Resolution by a person who participated in the issue and any of their associates. However, the Company need not disregard a vote if it is cast by a person as a proxy for a person who is entitled to vote in accordance with the directions on the Proxy Form or it is cast by the person chairing the Meeting as proxy for a person who is entitled to vote, in accordance with a direction on the Proxy Form to vote as the proxy decides.

RESOLUTION 6 – RATIFICATION OF PRIOR ISSUE – SHARES – ASX LISTING RULE 7.1A

To consider and, if thought fit, to pass, with or without amendment, the following resolution as an **ordinary resolution**:

“That, for the purpose of ASX Listing Rule 7.4 and for all other purposes, Shareholders ratify the issue of 7,566,805 Shares on the terms and conditions set out in the Explanatory Statement.”

Voting Exclusion: The Company will disregard any votes cast on this Resolution by a person who participated in the issue and any of their associates. However, the Company need not disregard a vote if it is cast by a person as a proxy for a person who is entitled to vote in accordance with the directions on the Proxy Form or it is cast by the person chairing the Meeting as proxy for a person who is entitled to vote, in accordance with a direction on the Proxy Form to vote as the proxy decides.

Note: A reference to a director in the voting exclusion statement includes all Company directors, including directors who are standing for re-election or election at the AGM.

**BY ORDER OF THE BOARD
POTASH MINERALS LIMITED**



Phillip Wingate
Company Secretary
22 October 2013

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POTASH MINERALS LIMITED

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EXPLANATORY STATEMENT

This Explanatory Statement has been prepared for the information of the Shareholders in connection with the business to be conducted at the Annual General Meeting to be held at 1:30 PM WST at CWA House, 1176 Hay Street, West Perth, Western Australia on Monday 25 November 2013. This Explanatory Statement is to assist Shareholders in understanding the background to and the legal and other implications of the Notice and the reasons for the Resolutions proposed.

1. FINANCIAL STATEMENTS AND REPORTS

In accordance with the Constitution, the business of the Annual General Meeting will include receipt and consideration of the annual financial report of the Company for the financial year ended 30 June 2013 together with the declaration of the directors, the directors' report, the Remuneration Report and the auditor's report.

In accordance with amendments to the Corporations Act, the Company is no longer required to provide a hard copy of the Company's annual financial report to Shareholders unless a Shareholder has specifically elected to receive a printed copy. These amendments may result in a reduction in the Company's printing costs.

Whilst the Company will not provide a hard copy of the Company's annual financial report unless specifically requested to do so, Shareholders may view the Company annual financial report on its website at www.potashmin.com.au

2. RESOLUTION 1 – ADOPTION OF REMUNERATION REPORT

General

The Corporations Act requires that at a listed company's annual general meeting, a resolution that the remuneration report be adopted must be put to the shareholders. However, such a resolution is advisory only and does not bind the Directors or the Company.

The Remuneration Report sets out the Company's remuneration arrangements for the Directors and senior management of the Company. The Remuneration Report is part of the Directors' report contained in the annual financial report of the Company for the financial year ending 30 June 2013.

A reasonable opportunity will be provided for the shareholders to ask questions or make comments on the Remuneration Report at the Annual General Meeting.

Voting Consequences

Under changes to the Corporations Act, if at least 25% of the votes cast on a remuneration report resolution are voted against adoption of the remuneration report in two consecutive annual general meetings, the Company will be required to put to Shareholders a resolution proposing the calling of an extraordinary general meeting to consider the appointment of directors of the Company (**Spill Resolution**) at the second annual general meeting.

If more than 50% of shareholders vote in favour of the Spill Resolution, the company must convene the extraordinary general meeting (**Spill Meeting**) within 90 days of the second annual general meeting.

All of the directors of the company who were in office when the directors' report (as included in the Company's annual financial report for the financial year ended immediately before the second annual general meeting) was approved, other than the managing director of the company, will cease to hold office immediately before the end of the Spill Meeting but may stand for re-election at the Spill Meeting.

Following the Spill Meeting those persons whose election or re-election as directors of the company is approved will be the directors of the company.

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Previous voting results

At the Company's previous annual general meeting the votes cast against the remuneration report considered at that annual general meeting were less than 25%. Accordingly, the Spill Resolution is not relevant for this Annual General Meeting.

Proxy restrictions

Shareholders appointing a proxy for Resolution 1 should note the following:

If you appoint a member of the Key Management Personnel (other than the Chair) whose remuneration details are included in the Remuneration Report, or a Closely Related Party of such a member as your proxy:

You must direct the proxy how they are to vote. Undirected proxies granted to these persons will not be voted and will not be counted in calculating the required majority if a poll is called on Resolution 1.

If you appoint the Chair as your proxy (where he/she is also a member of Key Management Personnel whose remuneration details are included in the Remuneration Report, or a Closely Related Party of such a member):

You ***do not*** need to direct the Chair how you wish them to exercise your vote on Resolution 1, however if you do not direct the Chair how to vote, ***you must tick the acknowledgement on the proxy form to acknowledge that the Chair may exercise their discretion in exercising your proxy even though Resolution 1 is connected directly or indirectly with the remuneration of Key Management Personnel.***

If you appoint any other person as your proxy:

You do not need to direct your proxy how to vote, and you do not need to tick any further acknowledgement on the proxy form.

3. RESOLUTIONS 2 & 3 – RE-ELECTION OF DIRECTORS

ASX Listing Rule 14.4 provides that a director of an entity must not hold office (without re-election) past the third annual general meeting following the director's appointment or 3 years, whichever is the longer.

Clause 13.2 of the Constitution requires that if the Company has three or more Directors, one third (or the number nearest one-third) of those Directors must retire at each annual general meeting, provided always that no Director (except a Managing Director) shall hold office for a period in excess of three years, or until the third annual general meeting following his or her appointment, whichever is the longer, without submitting himself or herself for re-election.

The Directors to retire at an annual general meeting are those who have been longest in office since their last election, but, as between persons who became Directors on the same day, those to retire shall (unless they otherwise agree among themselves) be determined by drawing lots.

The Company currently has five Directors and accordingly at least one must retire. A Director who retires by rotation under clause 13.2 of the Constitution is eligible for re-election.

In accordance with the Constitution, Mr Richard Monti and Mr Sean Murray, the Directors longest in office since their last election retire by rotation and, being eligible, seek re-election.

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EXPLANATORY STATEMENT

Details regarding Mr Monti and Mr Murray are set out in the 2013 Annual Report to Shareholders.

4. RESOLUTION 4 – APPROVAL OF 10% PLACEMENT CAPACITY - SHARES

General

ASX Listing Rule 7.1A provides that an Eligible Entity may seek Shareholder approval at its annual general meeting to allow it to issue Equity Securities up to 10% of its issued capital over a period up to 12 months after the annual general meeting (**10% Placement Capacity**).

The Company is an Eligible Entity.

If Shareholders approve Resolution 4, the number of Equity Securities the Eligible Entity may issue under the 10% Placement Capacity will be determined in accordance with the formula prescribed in ASX Listing Rule 7.1A.2 (as set out in Section 3.2 below).

The effect of Resolution 4 will be to allow the Directors to issue Equity Securities up to 10% of the Company's fully paid ordinary securities on issue under the 10% Placement Capacity during the period up to 12 months after the Meeting, without subsequent Shareholder approval and without using the Company's 15% annual placement capacity granted under Listing Rule 7.1.

Resolution 4 is a special resolution. Accordingly, at least 75% of votes cast by Shareholders present and eligible to vote at the Meeting must be in favour of Resolution 4 for it to be passed.

ASX Listing Rule 7.1A

ASX Listing Rule 7.1A came into effect on 1 August 2012 and enables an Eligible Entity to seek shareholder approval at its annual general meeting to issue Equity Securities in addition to those under the Eligible Entity's 15% annual placement capacity.

An Eligible Entity is one that, as at the date of the relevant annual general meeting:

- (a) is not included in the S&P/ASX 300 Index; and
- (b) has a maximum market capitalisation (excluding restricted securities and securities quoted on a deferred settlement basis) of \$300,000,000.

(Eligible Entity)

The Company currently has on issue 97,108,938 Shares and the last recorded closing price of the Shares on ASX at the date of this Notice was 9.5 cents. The Company is an Eligible Entity as it is not included in the S&P/ASX 300 Index and has a current market capitalisation of \$9,225,349.

Any Equity Securities issued must be in the same class as an existing class of quoted Equity Securities. The Company currently has the following classes of Equity Securities on issue:

1. Ordinary Shares (ASX Code: POK);
2. Unlisted options exercisable on or before 30 November 2013 at \$0.50;
3. Unlisted options exercisable on or before 31 July 2014 at \$0.75;
4. Unlisted options exercisable on or before 31 July 2014 at \$1.00;
5. Unlisted options exercisable on or before 31 July 2014 at \$1.25;
6. Unlisted options exercisable on or before 30 November 2014 at \$1.00;
7. Unlisted options exercisable on or before 30 November 2014 at \$0.60;
8. Unlisted options exercisable on or before 30 November 2014 at \$1.25; and
9. Unlisted options exercisable on or before 30 November 2014 at \$0.50.

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The exact number of Equity Securities that the Company may issue under an approval under Listing Rule 7.1A will be calculated according to the following formula:

$$(A \times D) - E$$

Where:

- A** is the number of Shares on issue 12 months before the date of issue or agreement to issue:
- i. plus the number of Shares issued in the previous 12 months under an exception in ASX Listing Rule 7.2;
 - ii. plus the number of partly paid shares that became fully paid in the previous 12 months;
 - iii. plus the number of Shares issued in the previous 12 months with approval of holders of Shares under Listing Rules 7.1 and 7.4; and
 - iv. less the number of Shares cancelled in the previous 12 months.
- D** is 10%.
- E** is the number of Equity Securities issued or agreed to be issued under ASX Listing Rule 7.1A.2 in the 12 months before the date of issue or agreement to issue that are not issued with the approval of holders of Ordinary Securities under ASX Listing Rule 7.1 or 7.4.

Technical information required by ASX Listing Rule 7.1A

Pursuant to and in accordance with ASX Listing Rule 7.3A, the information below is provided in relation to this Resolution 4:

- (a) **Minimum Price**
The minimum price at which the Equity Securities may be issued is 75% of the volume weighted average price of Equity Securities in that class, calculated over the 15 ASX trading days on which trades in that class were recorded immediately before:
- (i) the date on which the price at which the Equity Securities are to be issued is agreed; or
 - (ii) if the Equity Securities are not issued within 5 ASX trading days of the date in Section 3.3(a)(i), the date on which the Equity Securities are issued.
- (b) **Date of Issue**
The Equity Securities may be issued under the 10% Placement Capacity commencing on the date of the Meeting and expiring on the first to occur of the following:
- (i) 12 months after the date of this Meeting; and
 - (ii) the date of approval by Shareholders of any transaction under ASX Listing Rules 11.1.2 (a significant change to the nature or scale of the Company's activities) or 11.2 (disposal of the Company's main undertaking) (after which date, an approval under Listing Rule 7.1A ceases to be valid),
- (10% Placement Capacity Period).**
- (c) **Risk of voting dilution**
Any issue of Equity Securities under the 10% Placement Capacity will dilute the interests of Shareholders who do not receive any Shares under the issue.

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If Resolution 4 is approved by Shareholders and the Company issues the maximum number of Equity Securities available under the 10% Placement Capacity, the economic and voting dilution of existing Shares would be as shown in the table below.

The table below shows the economic and dilution effect that an issue of the 10% Placement Capacity will have on existing Shareholders, calculated in accordance with the formula outlined in ASX Listing Rule 7.1A(2):

- (i) on the basis of the current number of Shares on issue as at the date of this Notice;
- (ii) two examples where the number of Shares on issue has increased by 50% and 100%. The number of ordinary securities on issue may increase as a result of issues of ordinary securities that do not require Shareholder approval (for example, a pro rata entitlements issue or scrip issued under a takeover offer) or future specific placements under Listing Rules 7.1 that are approved at a future Shareholders' meeting; and
- (iii) two examples of where the issue price of ordinary securities has decreased by 50% and increased by 100% as against the current market price.

Number of Shares on Issue	Dilution			
	Issue Price (\$ per Share)	50% decrease in Issue Price (\$0.048)	Issue Price (\$0.095)	100% increase in Issue Price (\$0.19)
97,108,938 (Current)	Shares issued	9,710,894	9,710,894	9,710,894
	Funds raised	\$466,122	\$922,534	\$1,845,070
50% increase in current 145,663,407	Shares issued	14,566,341	14,566,341	14,566,341
	Funds raised	\$699,184	\$1,383,802	\$2,767,605
100% increase in current 194,217,876	Shares issued	19,421,788	19,421,788	19,421,788
	Funds raised	\$932,246	\$1,845,070	\$3,690,140

*The number of Shares on issue could increase if the Directors issue Shares that do not require Shareholder approval (such as under a pro-rata rights issue or scrip issued under a takeover offer) or that are issued with Shareholder approval under Listing Rule 7.1.

The table above uses the following assumptions:

1. The current shares on issue are the Shares on issue as at 22 October 2013.
2. The issue price set out above is the closing price of the Shares on the ASX on 21 October 2013.
3. The Company issues the maximum possible number of Equity Securities under the 10% Placement Capacity.
4. The issue of Equity Securities under the 10% Placement Capacity consists only of Shares. It is assumed that no Options are exercisable into Shares before the date of issue of the Equity Securities.

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5. The Company has not issued any Equity Securities in the 12 months prior to the Meeting that were not issued under an exception in ASX Listing Rule 7.2 or with approval under ASX Listing Rule 7.1.
6. The calculations above do not show the dilution that any one particular Shareholder will be subject to. All Shareholders should consider the dilution caused to their own shareholding depending on their specific circumstances.
7. This table does not set out any dilution pursuant to approvals under ASX Listing Rule 7.1.
8. The 10% voting dilution reflects the aggregate percentage dilution against the issued share capital at the time of issue. This is why the voting dilution is shown in each example at 10%.
9. The table does not show an example of dilution that may be caused to a particular Shareholder by reason of placements under the 10% Placement Capacity, based on that Shareholder's holding at the date of the Meeting.

Shareholders should note that there is a risk that:

- i) the market price for the Company's Shares may be significantly lower on the issue date than on the date of the Meeting; and
- ii) the Shares may be issued at a price that is at a discount to the market price for those Shares on the date of issue.

(d) Purpose of Issue under 10% Placement Capacity

The Company may issue Equity Securities under the 10% Placement Capacity for the following purposes:

- i) as cash consideration in which case the Company intends to use any funds raised towards the continued exploration and development of the Company's Paradox Basin Potash Project, and general working capital; or
- ii) as non-cash consideration for the acquisition of new resources assets and investments, in such circumstances the Company will provide a valuation of the non-cash consideration as required by listing Rule 7.1A.3.

The Company will comply with the disclosure obligations under Listing Rule 7.1A.4 and 3.10.5A upon issue of any Equity Securities.

(e) Allocation under the 10% Placement Capacity

The Company's allocation policy is dependent on the prevailing market conditions at the time of any proposed issue pursuant to the 10% Placement Capacity. The recipients of the Equity Securities to be issued under the 10% Placement Capacity have not yet been determined. However, the recipients of Equity Securities could consist of current Shareholders or new investors (or both), none of whom will be related parties of the Company.

The Company will determine the recipients at the time of the issue under the 10% Placement Capacity, having regard to the following factors:

- i) the purpose of the issue;
- ii) alternative methods for raising funds available to the Company at that time, including, but not limited to, an entitlement issue or other offer where existing Shareholders may participate;
- iii) the effect of the issue of the Equity Securities on the control of the Company;
- iv) the circumstances of the Company, including, but not limited to, the financial position and solvency of the Company;
- v) prevailing market conditions; and
- vi) advice from corporate, financial and broking advisers (if applicable).

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Further, if the Company is successful in acquiring new resources, assets or investments, it is likely that the recipients under the 10% Placement Capacity will be vendors of the new resources, assets or investments.

(f) Previous Approval under ASX Listing Rule 7.1A

The Company previously obtained approval from its Shareholders pursuant to ASX Listing Rule 7.1A at its annual general meeting held on 20 November 2012 (**Previous Approval**).

The Company has issued 7,566,805 Shares pursuant to the Previous Approval.

During the 12 month period preceding the date of the Meeting, being on and from 25 November 2012, the Company also issued a further 10,749,079 Shares and 200,000 Options which represents approximately 11.88% of the total diluted number of Equity Securities on issue in the Company on 25 November 2012, which was 92,155,554.

Further details of the issues of Equity Securities by the Company during the 12 month period preceding the date of the Meeting are set out in Appendix 2.

Voting Exclusion

A voting exclusion statement is included in this Notice. As at the date of this Notice, the Company has not invited any existing Shareholder to participate in an issue of Equity Securities under ASX Listing Rule 7.1A. Therefore, no existing Shareholders will be excluded from voting on Resolution 4.

5. RESOLUTION 5 - RATIFICATION OF PRIOR ISSUES – ASX LISTING RULE 7.1

General

The table below outlines dates, number and price of securities issued by the Company under its 15% capacity, in accordance with Listing Rule 7.1.

Issue	Date	Security	Price	Number	Reason for Issue
#1	5 November 2012	Ordinary Shares	\$0.32 per share	3,125,000	Issue of shares under placement, to fund the progression of Federal drilling permit approvals process whilst also funding the commencement of the Federal Lands drilling program, remediation of state drill pads and advancing the process of reporting a maiden JORC resource.
#2	5 November 2012	Consulting Unlisted Options	Nil	1,562,500	Issue of options in consideration for services under the placement above.
#3	31 July 2013	Ordinary Shares	\$0.12 per share	6,662,708	Placement to principally fund the commencement of study works towards Pre-Feasibility at the Hatch Point Potash Project in Utah, USA and for working capital.

Resolution 5 seeks Shareholder ratification pursuant to ASX Listing Rule 7.4 for the issue of those Ordinary Shares and Options.

ASX Listing Rule 7.1 provides that a company must not, subject to specified exceptions, issue or agree to issue during any 12 month period any equity securities, or other

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securities with rights to conversion to equity (such as an option), if the number of those securities exceeds 15% of the number of securities in the same class on issue at the commencement of that 12 month period.

ASX Listing Rule 7.4 sets out an exception to ASX Listing Rule 7.1. It provides that where a company in general meeting ratifies the previous issue of securities made pursuant to ASX Listing Rule 7.1 (and provided that the previous issue did not breach ASX Listing Rule 7.1) those securities will be deemed to have been made with shareholder approval for the purpose of ASX Listing Rule 7.1. The Company confirms that it is in compliance with ASX Listing Rule 7.1.

By ratifying this issue, the Company will retain the flexibility to issue equity securities in the future up to the 15% annual placement capacity set out in ASX Listing Rule 7.1 without the requirement to obtain prior Shareholder approval.

Technical Information Required by ASX Listing Rule 7.4

Pursuant to and in accordance with ASX Listing Rule 7.5, the following information is provided in relation to the Share issue:

- (a) 9,787,708 ordinary shares and 1,562,500 options were allotted;
- (b) the issue price of each issue is displayed in the table above;
- (c) the terms and conditions of the Consulting Options issued are set out in Appendix 1;
- (d) the securities were issued to the following parties: -

Issue	Detail
#1, #3	The shares were issued and allotted to sophisticated and professional investors.
#2	The options were issued to advisers for services rendered in relation to the Placement (Issue #1):

- (e) the reasons for the security issues are given above; and
- (f) an appropriate voting exclusion statement is included in this Notice of Meeting.

6. RESOLUTION 6 - RATIFICATION OF PRIOR ISSUE – ASX LISTING RULE 7.1A

General

On 31 July 2013, 7,566,805 Shares were issued under ASX Listing Rule 7.1A pursuant to the Company's Previous Approval. At the time of issue, ASX Listing Rule 7.1A was not breached.

Resolution 6 seeks Shareholder ratification pursuant to ASX Listing Rule 7.4 of the prior Placement of 7,566,805 Shares issued under ASX Listing Rule 7.1A (7.1A Ratification).

A summary of ASX Listing Rule 7.1A is set out in section 3.2 above.

ASX Listing Rule 7.4 provides that where a company in general meeting ratifies the previous issue of securities made pursuant to ASX Listing Rule 7.1A those securities will from that date be included in variable "A" in the formula in ASX Listing Rules 7.1 and 7.1A.2 for the purpose of calculating the annual placement capacity of the Company under both ASX Listing Rules 7.1 and 7.1A.

By ratifying the issue subject to Resolution 6, the Company will retain the flexibility to issue equity securities in the future up to the 10% Placement Capacity set out in ASX Listing Rule 7.1A without the requirement to obtain prior Shareholder approval.

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POTASH MINERALS LIMITED
ACN 121 184 316

EXPLANATORY STATEMENT

Technical information required by ASX Listing Rule 7.4

Pursuant to and in accordance with ASX Listing Rule 7.5, the following information is provided in relation to the 7.1A Ratification:

- (a) 7,566,805 Shares were issued;
- (b) the issue price was \$0.12 per Share;
- (c) the Shares issued were all fully paid ordinary shares in the capital of the Company issued on the same terms and conditions as the Company's existing Shares;
- (d) the Shares were issued to sophisticated and professional investors. None of the subscribers are related parties of the Company; and
- (e) the funds raised from this issue will be used principally to fund the commencement of study works towards Pre-Feasibility at the Hatch Point Potash Project in Utah, USA and for working capital.

7. Enquiries

Shareholders are required to contact the Company Secretary on (+61 8) 9482 0515 if they have any queries in respect of the matters set out on these documents.

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POTASH MINERALS LIMITED
ACN 121 184 316

EXPLANATORY STATEMENT

GLOSSARY

\$ means Australian dollars.

10% Placement Capacity has the meaning given in section 4 of this Notice.

Annual General Meeting or **AGM** means the meeting convened by the Notice of Meeting.

ASIC means the Australian Securities and Investments Commission.

ASX means ASX Limited.

ASX Listing Rules means the Listing Rules of ASX.

Board means the current board of directors of the Company.

Business Day means Monday to Friday inclusive, except New Year's Day, Good Friday, Easter Monday, Christmas Day, Boxing Day, and any other day that ASX declares is not a business day.

Closely Related Party of a member of the Key Management Personnel means:

- (a) a spouse or child of the member;
- (b) a child of the member's spouse;
- (c) a dependent of the member or the member's spouse;
- (d) anyone else who is one of the member's family and may be expected to influence the member, or be influenced by the member, in the member's dealing with the entity;
- (e) a company the member controls; or
- (f) a person prescribed by the Corporations Regulations 2001 (Cth).

Company or **Potash Minerals** means Potash Minerals Limited (ACN 121 184 316).

Constitution means the Company's constitution.

Consulting Option means an Option granted pursuant to a consultant in consideration for services performed.

Corporations Act means the Corporations Act 2001 (Cth).

Directors means the current directors of the Company.

Eligible Entity means the meaning given to it within Section 3.2 of the Explanatory Statement.

Explanatory Statement means the explanatory statement accompanying the Notice of Meeting.

Issue Date means the date on which the securities are issued by the Board.

Key Management Personnel has the same meaning as in the accounting standards and broadly includes those persons having authority and responsibility for planning, directing and controlling the activities of the Company, directly or indirectly, including any director (whether executive or otherwise) of the Company.

Notice of Meeting or **Notice of Annual General Meeting** means this notice of annual general meeting including the Explanatory Statement.

Option means an option to acquire a Share.

Previous Approval has the meaning set out in Section 4 of the Explanatory Statement

Proxy Form means the proxy form accompanying the Notice

Remuneration Report means the remuneration report set out in the Director's report section of the Company's annual financial report for the year ended 2013.

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EXPLANATORY STATEMENT

Resolutions means the resolutions set out in the Notice of Meeting, or any one of them, as the context requires.

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

Shareholder means a holder of a Share.

WST means Western Standard Time as observed in Perth, Western Australia.

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POTASH MINERALS LIMITED

ACN 121 184 316

EXPLANATORY STATEMENT

APPENDIX 1

Terms and conditions of the Consulting Options

Tranches	Number of Options	Exercise price	Expiry Date
Tranche 1	1,562,500	\$0.50 cents	30 November 2014

A summary of the proposed terms and conditions of the Consulting Options is as follows:

1. The Consulting Options will entitle the holder to subscribe for fully paid ordinary shares in the Company on the following terms:
2. Each Consulting Option entitles the holder to acquire one fully paid ordinary share in the Company.
3. The Consulting Options may be exercised at any time until 30 November 2014. Each Consulting Option may be exercised by forwarding to the Company at its principal office the exercise notice, duly completed together with payment of the exercise price in accordance with the above table. The Consulting Options will lapse at 5pm WST on 30 November 2014.
4. The Consulting Options may be transferred by an instrument (duly stamped where necessary) in the form commonly used for transfer of options at any time until 30 November 2014.
5. Optionholders shall be permitted to participate in new issues of securities on the prior exercise of Consulting Options in which case the Optionholders shall be afforded the period of at least five (5) Business Days prior to and inclusive of the record date (to determine entitlements to the issue) to exercise the Consulting Option.
6. Shares issued on the exercise of Consulting Options will be issued not more than fourteen (14) days after receipt of a properly executed exercise notice and application monies. Shares allotted pursuant to the exercise of a Consulting Option will rank equally with the then issued ordinary shares of the Company in all respects.
7. In the event of any reconstruction (including consolidation, sub-division, reduction or return) of the issued capital of the Company, all rights of the Optionholder will be changed to the extent necessary to comply with the ASX Listing Rules applying to the reconstruction of capital at the time of the reconstruction.
8. If there is a bonus issue to Shareholders, the number of Shares over which the Consulting Option is exercisable may be increased by the number of Shares which the holder of the Consulting Option would have received if the Consulting Option had been exercised before the record date for the bonus issue.

POTASH MINERALS LIMITED
ACN 121 184 316

EXPLANATORY STATEMENT

APPENDIX 2

Issues of Securities since 25 November 2012

Date	Quantity	Class	Recipients	Issue price and discount to Market Price (if applicable) ¹	Form of consideration
Issue -29 November 2012 Appendix 3B – 29 November 2012	200,000	Unlisted Options ³	Employees of the Company pursuant to the Company's Employee Share Option Plan approved at the shareholder's meeting 17 November 2011	Nil (non –cash consideration)	Consideration: Performance based remuneration for services provided to the Company Current value: \$23,880 (\$0.119 per option)
Issue -14 March 2013 Appendix 3B – 14 March 2013	3,000	Shares ²	Holders of Class C Converting Shares upon expiration of time period to complete conversion conditions.	Nil (non –cash consideration)	Consideration: Conversion of Class C Converting Shares upon expiration of time period to complete conversion conditions. Current value: \$285
Issue 31 July 2013 Appendix 3B – 1 August 2013	14,229,513	Shares ²	Institutional and sophisticated investor clients of Phillip Capital Limited	\$0.12 per Share. Discount = 25% (based on Market Price of Shares on 31 July 2013 of \$0.15)	Amount raised = \$1,707,542 Amount spent = \$252,460 Use of funds: Commencement of study works towards Pre-Feasibility at the Hatch Point Potash Project in Utah, USA, costs of the issue and for working capital. ⁵
Issue 4 September 2013 Appendix 3B – 4 September 2013	4,083,371	Shares ²	Shareholders participating in the Share Purchase Plan	\$0.12 per Share. Discount = Nil (based on Market Price of Shares on 4 September 2013 of \$0.115)	Amount raised = \$490,004 Amount spent = Nil Use of funds: Commencement of study works towards Pre-Feasibility at the Hatch Point Potash Project in Utah, USA, costs of the issue and for working capital. ⁵

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POTASH MINERALS LIMITED

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EXPLANATORY STATEMENT

Notes:

1. Market Price means the closing price on ASX (excluding special crossings, overnight sales and exchange traded option exercises). For the purposes of this table the discount is calculated on the Market Price on the last trading day on which a sale was recorded prior to the date of issue of the relevant Equity Securities.
2. Fully paid ordinary shares in the capital of the Company, ASX Code: POK (terms are set out in the Constitution).
3. Unquoted Options, exercisable at \$0.60 each, on or before 30 November 2014. The full terms and conditions were disclosed in the notice of meeting for the shareholder meeting held on 17 November 2011.
4. This is a statement of current intentions as at the date of this Notice. As with any budget, intervening events and new circumstances have the potential to affect the manner in which the funds are ultimately applied. The Board reserves the right to alter the way the funds are applied on this basis.
5. In respect of quoted Equity Securities the value is based on the closing price of the Shares (\$0.095) on the ASX on 21 October 2013. In respect of unquoted Equity Securities the value of Options is measured using the Black & Scholes option pricing model. Measurement inputs include the Share price on the measurement date, the exercise price, the term of the Option, the impact of dilution, the expected volatility of the underlying Share (based on weighted average historic volatility adjusted for changes expected due to publicly available information), the expected dividend yield and the risk free interest rate for the term of the Option. No account is taken of any performance conditions included in the terms of the Option other than market based performance conditions (i.e. conditions linked to the price of Shares).

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PROXY FORM

THIS DOCUMENT IS IMPORTANT. IF YOU ARE IN DOUBT AS TO HOW TO DEAL WITH IT, PLEASE CONTACT YOUR STOCK BROKER OR LICENSED PROFESSIONAL ADVISOR.

REGISTERED OFFICE: SUITE 2 12 PARLIAMENT PLACE WEST PERTH WA 6005

POTASH MINERALS LIMITED

ABN: 21 121 184 316

SHARE REGISTRY: Security Transfer Registrars Pty Ltd All Correspondence to: PO BOX 535, APPLECROSS WA 6953 AUSTRALIA 770 Canning Highway, APPLECROSS WA 6153 AUSTRALIA T: +61 8 9315 2333 F: +61 8 9315 2233 E: registrar@securitytransfer.com.au W: www.securitytransfer.com.au

Code: POK

Holder Number:

SECTION A: Appointment of Proxy

I/We, the above named, being registered holders of the Company and entitled to attend and vote hereby appoint:

OR

[Grid for name entry]

The meeting Chairperson (mark with an "X")

The name of the person you are appointing (if this person is someone other than the Chairperson of the meeting).

or failing the person named, or if no person is named, the Chairperson of the Meeting, as my/our Proxy to act generally at the meeting on my/our behalf and to vote in accordance with the following directions (or if no directions have been given, as the Proxy sees fit) at the Annual General Meeting of the Company to be held at 1.30pm (WST) on Monday 25 November 2013 at CWA House, 1176 Hay Street, West Perth WA and at any adjournment of that meeting.

SECTION B: Voting Directions to your Proxy

Please mark "X" in the box to indicate your voting directions to your Proxy.

Resolution

For Against Abstain*

- 1. ADOPTION OF REMUNERATION REPORT (NON-BINDING)
2. RE-ELECTION OF DIRECTOR - MR RICHARD MONTI
3. RE-ELECTION OF DIRECTOR - MR SEAN MURRAY
4. APPROVAL OF 10% PLACEMENT CAPACITY - SHARES
5. RATIFICATION OF PRIOR ISSUES - ASX LISTING RULE 7.1
6. RATIFICATION OF PRIOR ISSUE - SHARES - ASX LISTING RULE 7.1A

[Grid for voting directions]

If no directions are given my proxy may vote as the proxy thinks fit or may abstain.

If you mark the Abstain box for a particular item, you are directing your Proxy not to vote on your behalf on a show of hands or on a poll and your votes will not be counted in computing the required majority on a poll.

If you wish to appoint the Chairperson as your proxy and you do not wish to direct the Chairperson how to vote on Resolution 1, please mark "X" in the box.

By marking this box, you acknowledge that the Chairperson may exercise your proxy even if he has an interest in the outcome of Resolution 1 and votes cast by him/her other than as a proxy holder will be disregarded because of that interest. If you do not mark this box, and you have not directed your proxy how to vote, the Chair will not cast your votes on resolution 1 and your votes will not be counted in calculating the required majority if a poll is called on resolution 1. The Chairperson of the Meeting intends to vote undirected proxies in favour of all resolutions.

SECTION C: Please Sign Below

This section must be signed in accordance with the instructions overleaf to enable your directions to be implemented.

Individual or Security Holder

Security Holder 2

Security Holder 3

[Signature box]

[Signature box]

[Signature box]

Sole Director and Sole Company Secretary

Director

Director / Company Secretary

Proxies must be received by Security Transfer Registrars Pty Ltd no later than 1.30pm (WST) on Saturday 23 November 2013.

ONLINE PROXY SERVICE

You can lodge your proxy online at www.securitytransfer.com.au

- 1. Log into the Investor Centre using your holding details.
2. Click on "Proxy Voting" and provide your Online Proxy ID to access the voting area.

Online Proxy ID: [Box]

My/Our contact details in case of enquiries are:

NAME

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TELEPHONE NUMBER

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NOTES

1. Name and Address

This is the name and address on the Share Register of POTASH MINERALS LIMITED. If this information is incorrect, please make corrections on this form. Shareholders sponsored by a broker should advise their broker of any changes. Please note that you cannot change ownership of your shares using this form.

2. Appointment of a Proxy

If you wish to appoint the Chairperson of the Meeting as your Proxy please mark "X" in the box in Section A. Please also refer to Section B of this proxy form and ensure you mark the box in that section if you wish to appoint the Chairperson as your Proxy.

If the person you wish to appoint as your Proxy is someone other than the Chairperson of the Meeting please write the name of that person in Section A. If you leave this section blank, or your named Proxy does not attend the meeting, the Chairperson of the Meeting will be your Proxy. A Proxy need not be a Shareholder of POTASH MINERALS LIMITED.

3. Directing your Proxy how to vote

To direct the Proxy how to vote place an "X" in the appropriate box against each item in Section B. Where more than one Proxy is to be appointed and the proxies are to vote differently, then two separate forms must be used to indicate voting intentions.

4. Appointment of a Second Proxy

You are entitled to appoint up to two (2) persons as proxies to attend the meeting and vote on a poll. If you wish to appoint a second Proxy, an additional Proxy form may be obtained by telephoning the Company's share registry +61 8 9315 2333 or you may photocopy this form.

To appoint a second Proxy you must:

- On each of the Proxy forms, state the percentage of your voting rights or number of securities applicable to that form. If the appointments do not specify the percentage or number of votes that each Proxy may exercise, each Proxy may exercise half of your votes; and
- Return both forms in the same envelope.

5. Signing Instructions

Individual: where the holding is in one name, the Shareholder must sign.

Joint Holding: where the holding is in more than one name, all of the Shareholders must sign.

Power of Attorney: to sign under Power of Attorney you must have already lodged this document with the Company's share registry. If you have not previously lodged this document for notation, please attach a certified photocopy of the Power of Attorney to this form when you return it.

Companies: where the Company has a Sole Director who is also the Sole Company Secretary, this form must be signed by that person. If the Company (pursuant to section 204A of the Corporations Act 2001) does not have a Company Secretary, a Sole Director may sign alone. Otherwise this form must be signed by a Director jointly with either another Director or Company Secretary. Please indicate the office held in the appropriate place.

If a representative of the corporation is to attend the meeting the appropriate "Certificate of Appointment of Corporate Representative" should be lodged with the Company before the meeting or at the registration desk on the day of the meeting. A form of the certificate may be obtained from the Company's share registry.

6. Lodgement of Proxy

Proxy forms (and any Power of Attorney under which it is signed) must be received by Security Transfer Registrars Pty Ltd no later than 1.30pm (WST) on Saturday 23 November 2013, being 48 hours before the time for holding the meeting. Any Proxy form received after that time will not be valid for the scheduled meeting.

**Security Transfer Registrars Pty Ltd
PO BOX 535
Applecross, Western Australia 6953**

**Street Address:
Alexandrea House, Suite 1
770 Canning Highway
Applecross, Western Australia 6153**

Telephone +61 8 9315 2333

Facsimile +61 8 9315 2233

Email registrar@securitytransfer.com.au

Online www.securitytransfer.com.au

PRIVACY STATEMENT

Personal information is collected on this form by Security Transfer Registrars Pty Ltd as the registrar for securities issuers for the purpose of maintaining registers of securityholders, facilitating distribution payments and other corporate actions and communications. Your personal details may be disclosed to related bodies corporate, to external service providers such as mail and print providers, or as otherwise required or permitted by law. If you would like details of your personal information held by Security Transfer Registrars Pty Ltd or you would like to correct information that is inaccurate please contact them on the address on this form.