

Rule 2.7, 3.10.3, 3.10.4, 3.10.5

Appendix 3B

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

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

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

Name of entity

Kazakhstan Potash Corporation Limited (KPC)

ABN

57 143 441 285

We (the entity) give ASX the following information.

Part 1 - All issues

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

- | | | |
|---|---|---|
| 1 | +Class of +securities issued or to be issued | Fully paid ordinary shares, options and convertible notes |
| 2 | Number of +securities issued or to be issued (if known) or maximum number which may be issued | 62,088,292 fully paid ordinary shares 30,000,000 convertible notes 60 million options |

+ See chapter 19 for defined terms.

For personal use only

Appendix 3B
New issue announcement

| | |
|--|--|
| <p>3 Principal terms of the +securities (e.g. if options, exercise price and expiry date; if partly paid +securities, the amount outstanding and due dates for payment; if +convertible securities, the conversion price and dates for conversion)</p> | <p>26,088,292 fully paid ordinary shares were issued at a nominal issue price of \$0.065 per share.</p> <p>36,000,000 fully paid ordinary shares were issued and no amount was payable for their issue.</p> <p>30,000,000 convertible notes were issues at a face value of \$1.00 per note convertible at any time prior to maturity into 5 fully paid ordinary shares at a conversion price of \$0.20 per share with a maturity date of 25 November, 2019. On conversion, the holder of a convertible note will be issued 2 options for each note converted at an exercise price of \$0.10 per option exercisable at any time within 3 years of their date of issue.</p> <p>60,000,000 options were issued at an exercise price of \$0.10 per option exercisable at any time within 3 years of their date of issue.</p> <p>Further details of the terms of the above securities are set out in the Explanatory Statement which accompanied the Notice of Annual General Meeting dated 26 April, 2017.</p> |
|--|--|

+ See chapter 19 for defined terms.

For personal use only

For personal use only

| | |
|---|--|
| <p>4 Do the +securities rank equally in all respects from the +issue date with an existing +class of quoted +securities?</p> <p>If the additional +securities do not rank equally, please state:</p> <ul style="list-style-type: none"> • the date from which they do • the extent to which they participate for the next dividend, (in the case of a trust, distribution) or interest payment • the extent to which they do not rank equally, other than in relation to the next dividend, distribution or interest payment | <p>All ordinary shares issued as set out in this Appendix 3B or on exercise of an option or conversion of a convertible note will rank equally with all other ordinary shares then on issue.</p> |
| <p>5 Issue price or consideration</p> | <p>26,088,292 fully paid ordinary shares were issued at a nominal issue price of \$0.65 per share.</p> <p>36,000,000 fully paid ordinary shares were issued and no amount was payable for their issue.</p> <p>30,000,000 convertible notes were issued at a face value of \$1.00 per note.</p> <p>60,000,000 options were issued and no amount was payable for their issue.</p> |
| <p>6 Purpose of the issue (If issued as consideration for the acquisition of assets, clearly identify those assets)</p> | <p>26,088,292 fully paid ordinary shares were issued in lieu of outstanding cash remuneration otherwise due to directors.</p> <p>36,000,000 fully paid ordinary shares were issued to directors in recognition of their services to KPC.</p> <p>30,000,000 convertible notes and 60,000,000 options were issued to replace the 30,000,000 convertible notes issued by KPC with a maturity date of 25 November, 2017.</p> |

+ See chapter 19 for defined terms.

Appendix 3B
New issue announcement

| | |
|---|--|
| <p>6a Is the entity an *eligible entity that has obtained security holder approval under rule 7.1A?</p> <p>If Yes, complete sections 6b – 6h in relation to the *securities the subject of this Appendix 3B, and comply with section 6i</p> | <p>Yes</p> |
| <p>6b The date the security holder resolution under rule 7.1A was passed</p> | <p>29 May, 2017</p> |
| <p>6c Number of *securities issued without security holder approval under rule 7.1</p> | <p>Not Applicable.</p> |
| <p>6d Number of *securities issued with security holder approval under rule 7.1A</p> | <p>Not Applicable.</p> |
| <p>6e Number of *securities issued with security holder approval under rule 7.3, or another specific security holder approval (specify date of meeting)</p> | <p>All securities in section 2 were issued with security holder approval under ASX Listing Rule 10.11 at the annual general meeting of KPC held on 29 May, 2017.</p> |
| <p>6f Number of *securities issued under an exception in rule 7.2</p> | <p>Not Applicable.</p> |
| <p>6g If *securities issued under rule 7.1A, was issue price at least 75% of 15 day VWAP as calculated under rule 7.1A.3? Include the *issue date and both values. Include the source of the VWAP calculation.</p> | <p>Not Applicable.</p> |
| <p>6h If *securities were issued under rule 7.1A for non-cash consideration, state date on which valuation of consideration was released to ASX Market Announcements</p> | <p>Not Applicable.</p> |
| <p>6i Calculate the entity's remaining issue capacity under rule 7.1 and rule 7.1A – complete Annexure 1 and release to ASX Market Announcements</p> | <p>119,424,435 securities under ASX Listing Rule 7.1 (refer Annexure 1). 58,482,957 securities under ASX Listing Rule 7.1A (refer Annexure 1).</p> |

+ See chapter 19 for defined terms.

For personal use only

| | | |
|---|---|---------------------|
| 7 | <p>+Issue dates</p> <p>Note: The issue date may be prescribed by ASX (refer to the definition of issue date in rule 19.12). For example, the issue date for a pro rata entitlement issue must comply with the applicable timetable in Appendix 7A.</p> <p>Cross reference: item 33 of Appendix 3B.</p> | <p>5 June, 2017</p> |
|---|---|---------------------|

| 8 | <p>Number and +class of all +securities quoted on ASX (including the +securities in section 2 if applicable)</p> | <table border="1" style="width: 100%; border-collapse: collapse;"> <thead> <tr> <th style="text-align: left; padding: 2px;">Number</th> <th style="text-align: left; padding: 2px;">+Class</th> </tr> </thead> <tbody> <tr> <td style="padding: 2px;">900,629,573</td> <td style="padding: 2px;">Fully paid ordinary shares</td> </tr> </tbody> </table> | Number | +Class | 900,629,573 | Fully paid ordinary shares |
|-------------|--|--|--------|--------|-------------|----------------------------|
| Number | +Class | | | | | |
| 900,629,573 | Fully paid ordinary shares | | | | | |

+ See chapter 19 for defined terms.

For personal use only

9 Number and ⁺class of all ⁺securities not quoted on ASX (including the ⁺securities in section 2 if applicable)

| Number | ⁺ Class |
|------------|---|
| 30,000,000 | Convertible notes Maturity Date 25/11/2019 Conversion Price: \$0.20 |
| 17,000,000 | Options Expiry Date: 7/1/18 Exercise Price \$1.00 |
| 17,000,000 | Options Expiry Date: 7/1/18 Exercise Price \$1.50 |
| 45,000,000 | Options Expiry Date: 15/10/17 Exercise Price \$0.10 |
| 39,000,000 | Options Expiry Date: 2/6/19 Exercise Price \$0.20 |
| 92,424,400 | Options Expiry Date: 19/4/20 Exercise Price \$0.055 |
| 60,000,000 | Options Expiry Date: 5/6/20 Exercise Price \$0.10 |

10 Dividend policy (in the case of a trust, distribution policy) on the increased capital (interests)

Until KPC commences mining production or the policy changes, KPC has a policy of not paying any dividends.

Part 2 - Pro rata issue

11 Is security holder approval required?

12 Is the issue renounceable or non-renounceable?

13 Ratio in which the ⁺securities will be offered

⁺ See chapter 19 for defined terms.

| | | |
|----|--|--|
| 14 | +Class of +securities to which the offer relates | |
| 15 | +Record date to determine entitlements | |
| 16 | Will holdings on different registers (or subregisters) be aggregated for calculating entitlements? | |
| 17 | Policy for deciding entitlements in relation to fractions | |
| 18 | Names of countries in which the entity has security holders who will not be sent new offer documents <small>Note: Security holders must be told how their entitlements are to be dealt with. Cross reference: rule 7.7.</small> | |
| 19 | Closing date for receipt of acceptances or renunciations | |
| 20 | Names of any underwriters | |
| 21 | Amount of any underwriting fee or commission | |
| 22 | Names of any brokers to the issue | |
| 23 | Fee or commission payable to the broker to the issue | |
| 24 | Amount of any handling fee payable to brokers who lodge acceptances or renunciations on behalf of security holders | |
| 25 | If the issue is contingent on security holders' approval, the date of the meeting | |

+ See chapter 19 for defined terms.

- 26 Date entitlement and acceptance form and offer documents will be sent to persons entitled
- 27 If the entity has issued options, and the terms entitle option holders to participate on exercise, the date on which notices will be sent to option holders
- 28 Date rights trading will begin (if applicable)
- 29 Date rights trading will end (if applicable)
- 30 How do security holders sell their entitlements *in full* through a broker?
- 31 How do security holders sell *part* of their entitlements through a broker and accept for the balance?
- 32 How do security holders dispose of their entitlements (except by sale through a broker)?
- 33 +Issue date

+ See chapter 19 for defined terms.

Part 3 - Quotation of securities

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

34 Type of +securities
(tick one)

(a) +Securities described in Part 1

(b) All other +securities

Example: restricted securities at the end of the escrowed period, partly paid securities that become fully paid, employee incentive share securities when restriction ends, securities issued on expiry or conversion of convertible securities

Entities that have ticked box 34(a)

Additional securities forming a new class of securities

Tick to indicate you are providing the information or documents

35 If the +securities are +equity securities, the names of the 20 largest holders of the additional +securities, and the number and percentage of additional +securities held by those holders

36 If the +securities are +equity securities, a distribution schedule of the additional +securities setting out the number of holders in the categories

- 1 - 1,000
- 1,001 - 5,000
- 5,001 - 10,000
- 10,001 - 100,000
- 100,001 and over

37 A copy of any trust deed for the additional +securities

Entities that have ticked box 34(b)

38 Number of +securities for which +quotation is sought

39 +Class of +securities for which quotation is sought

+ See chapter 19 for defined terms.

For personal use only

40 Do the +securities rank equally in all respects from the +issue date with an existing +class of quoted +securities?

If the additional +securities do not rank equally, please state:

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

41 Reason for request for quotation now

Example: In the case of restricted securities, end of restriction period

(if issued upon conversion of another +security, clearly identify that other +security)

42 Number and +class of all +securities quoted on ASX (including the +securities in clause 38)

| Number | +Class |
|--------|--------|
| | |

+ See chapter 19 for defined terms.

For personal use only

Quotation agreement

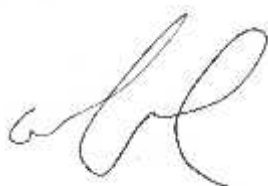
1 +Quotation of our additional +securities is in ASX’s absolute discretion. ASX may quote the +securities on any conditions it decides.

2 We warrant the following to ASX.

- The issue of the +securities to be quoted complies with the law and is not for an illegal purpose.
- There is no reason why those +securities should not be granted +quotation.
- An offer of the +securities for sale within 12 months after their issue will not require disclosure under section 707(3) or section 1012C(6) of the Corporations Act.
Note: An entity may need to obtain appropriate warranties from subscribers for the securities in order to be able to give this warranty
- Section 724 or section 1016E of the Corporations Act does not apply to any applications received by us in relation to any +securities to be quoted and that no-one has any right to return any +securities to be quoted under sections 737, 738 or 1016F of the Corporations Act at the time that we request that the +securities be quoted.
- If we are a trust, we warrant that no person has the right to return the +securities to be quoted under section 1019B of the Corporations Act at the time that we request that the +securities be quoted.

3 We will indemnify ASX to the fullest extent permitted by law in respect of any claim, action or expense arising from or connected with any breach of the warranties in this agreement.

4 We give ASX the information and documents required by this form. If any information or document is not available now, we will give it to ASX before +quotation of the +securities begins. We acknowledge that ASX is relying on the information and documents. We warrant that they are (will be) true and complete.



Sign here:

..... Date: 5 June, 2017
(Director/Company secretary)

Print name: **Marco Marcou**

+ See chapter 19 for defined terms.

Appendix 3B – Annexure 1

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

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

Part 1

| Rule 7.1 – Issues exceeding 15% of capital | |
|---|---|
| Step 1: Calculate “A”, the base figure from which the placement capacity is calculated | |
| Insert number of fully paid +ordinary securities on issue 12 months before the +issue date or date of agreement to issue | 745,222,881 |
| <p>Add the following:</p> <ul style="list-style-type: none"> • Number of fully paid +ordinary securities issued in that 12 month period under an exception in rule 7.2 • Number of fully paid +ordinary securities issued in that 12 month period with shareholder approval • Number of partly paid +ordinary securities that became fully paid in that 12 month period <p>Note:</p> <ul style="list-style-type: none"> • <i>Include only ordinary securities here – other classes of equity securities cannot be added</i> • <i>Include here (if applicable) the securities the subject of the Appendix 3B to which this form is annexed</i> • <i>It may be useful to set out issues of securities on different dates as separate line items</i> | <p>9,306,200 fully paid ordinary shares issued on 19 October, 2016 and 21 December, 2016 under ASX Listing Rule 7.1 and ratified under ASX Listing Rule 7.4 on 29 May, 2017</p> <p>46,212,200 fully paid ordinary shares issued on 20 April, 2017 under ASX Listing Rule 7.1A and ratified under ASX Listing Rule 7.4 on 29 May, 2017</p> <p>62,088,292 fully paid ordinary shares issued under ASX Listing Rule 10.11, the subject of this Appendix 3B</p> |
| Subtract the number of fully paid +ordinary securities cancelled during that 12 month period | Nil |
| “A” | 862,829,573 |

| | |
|-------------------------------------|---|
| Step 2: Calculate 15% of “A” | |
| “B” | 0.15 <i>[Note: this value cannot be changed]</i> |
| Multiply “A” by 0.15 | 129,424,435 |
| | |

+ See chapter 19 for defined terms.

For personal use only

| Step 3: Calculate “C”, the amount of placement capacity under rule 7.1 that has already been used | |
|---|--|
| <p>Insert number of +equity securities issued or agreed to be issued in that 12 month period <i>not counting</i> those issued:</p> <ul style="list-style-type: none"> • Under an exception in rule 7.2 • Under rule 7.1A • With security holder approval under rule 7.1 or rule 7.4 <p>Note:</p> <ul style="list-style-type: none"> • <i>This applies to equity securities, unless specifically excluded – not just ordinary securities</i> • <i>Include here (if applicable) the securities the subject of the Appendix 3B to which this form is annexed</i> • <i>It may be useful to set out issues of securities on different dates as separate line items</i> | 10,000,000 fully paid ordinary shares issued on 24 May, 2017 under ASX Listing Rule 7.1 |
| “C” | 10,000,000 |
| Step 4: Subtract “C” from [“A” x “B”] to calculate remaining placement capacity under rule 7.1 | |
| <p>“A” x 0.15</p> <p><i>Note: number must be same as shown in Step 2</i></p> | 129,424,435 |
| <p>Subtract “C”</p> <p><i>Note: number must be same as shown in Step 3</i></p> | 10,000,000 |
| <p>Total [“A” x 0.15] – “C”</p> | <p>119,424,435</p> <p><i>[Note: this is the remaining placement capacity under rule 7.1]</i></p> |

+ See chapter 19 for defined terms.

Part 2

| Rule 7.1A – Additional placement capacity for eligible entities | |
|--|--|
| Step 1: Calculate “A”, the base figure from which the placement capacity is calculated | |
| “A” <i>Note: number must be same as shown in Step 1 of Part 1</i> | 862,829,573 |
| Step 2: Calculate 10% of “A” | |
| “D” | 0.10 <i>Note: this value cannot be changed</i> |
| Multiply “A” by 0.10 | 86,282,957 |
| Step 3: Calculate “E”, the amount of placement capacity under rule 7.1A that has already been used | |
| Insert number of +equity securities issued or agreed to be issued in that 12 month period under rule 7.1A Notes: <ul style="list-style-type: none"> • <i>This applies to equity securities – not just ordinary securities</i> • <i>Include here – if applicable – the securities the subject of the Appendix 3B to which this form is annexed</i> • <i>Do not include equity securities issued under rule 7.1 (they must be dealt with in Part 1), or for which specific security holder approval has been obtained</i> • <i>It may be useful to set out issues of securities on different dates as separate line items</i> | 27,800,000 fully paid ordinary shares issued on 24 May, 2017 under ASX Listing Rule 7.1A |
| “E” | 27,800,000 |

+ See chapter 19 for defined terms.

For personal use only

| Step 4: Subtract “E” from [“A” x “D”] to calculate remaining placement capacity under rule 7.1A | |
|--|---|
| “A” x 0.10 <i>Note: number must be same as shown in Step 2</i> | 86,282,957 |
| Subtract “E” <i>Note: number must be same as shown in Step 3</i> | 27,800,000 |
| Total [“A” x 0.10] – “E” | 58,482,957 <i>Note: this is the remaining placement capacity under rule 7.1A</i> |

+ See chapter 19 for defined terms.