CALGARY, ALBERTA--(Marketwired - Sep 12, 2016) - GrowMax Resources Corp. (TSX VENTURE:GRO) subsidiary, GrowMax Agri Corp., (collectively, "GrowMax" or the "Company") is pleased to announce that the Company has received the results of an independent Preliminary Economic Assessment (the "PEA") for its Bayovar 7 phosphate project on its property located in the Sechura Desert, Peru.

WorleyParsons compiled the PEA for the development of phosphate Mineral Resources on the Company's Bayovar 7 mineral concession in Peru. WorleyParsons was responsible for the processing and infrastructure of the project and supported GrowMax's economic analysis of the project which relied on data from GrowMax and other participants; Golder Associates prepared the mine plan and associated mineral resource statement (which incorporates the mineral resource statement from the Company's technical report dated June 27, 2016 titled "Updated NI 43-101 Mineral Resource Technical Report on the GrowMax Bayovar Phosphate Project, Piura Region, Peru" filed on SEDAR on August 11, 2016); Integer Research Ltd. prepared the marketing research and phosphate price forecast; and MWH Peru SA provided the environmental and social impact assessment. The PEA report will be filed on SEDAR within 45 days. An updated corporate presentation showing location maps and geological cross sections will be posted to the Company's website later today.

All dollar amounts are in nominal U.S. dollars, unless otherwise noted.

HIGHLIGHTS

- Rock phosphate content: Bench scale testing demonstrated that Bayovar 7 can produce 28% P_2O_5 phosphate rock utilizing scrubbing and de-sliming. This product was successfully upgraded with froth flotation to 30% P_2O_5 and 80% P_2O_5 recovery.
- The PEA provides for a 1.0 million tonnes per annum ("Mtpa") mine and processing plant with an initial capital cost of $279 million before start-up.
- Total mining royalty including lease retention, community payments, and profit sharing are estimated at $344 million or $18 per tonne of product.
- Corporate tax payable (at an assumed rate of 26%) estimated to be $251 million.
- Net present value after tax at a 10% nominal discount rate (NPV10) is estimated to be $71 million without debt financing, $93 million assuming 50% debt financing.
- Internal rate of return (IRR) of 13.3% after tax and without debt financing. The IRR increases to 16.5% after tax at 50% debt financing.
- Payback period of six years without debt financing.

"We are excited to have made progress in our evaluation of our phosphate resources in the Bayovar 7 area," commented Executive Chairman, Abby Badwi. "The PEA has shown us that the development can be pursued by concentrating on the best rock, with the least overburden, and leveraging significant existing infrastructure in the area. Further, it has indicated that growing Peruvian and local fertilizer demand, as well as Bayovar phosphate rock's relatively unique reactive nature and suitability as direct application phosphate rock (DAPR), could potentially provide a material enhancement of realized prices and returns on investment, relative to export sales."

The PEA is preliminary in nature and includes indicated and measured mineral resources that are considered too speculative geologically to have the economic considerations applied to them that would enable them to be categorized as mineral reserves, and there is no certainty that the PEA will be realized.

KEY PEA ASSUMPTIONS

- Production target rate: 1.0 Mtpa of beneficiated phosphate rock over a 20-year mine life.
- Project capital cost: $279 million before start-up.
- In addition, $278 million of sustaining capital is projected over 20 years.
- Sales Price: 30% P_2O_5 phosphate export price projection in real terms for years 2020 to 2039 averages $137 per tonne. 70% of sales are assumed to be exported and 30% is assumed to be sold in domestic and regional markets. A $30 per tonne premium is assumed for the domestic and regional markets.
- Life of Mine unit operating cost of $71.50 per tonne in real terms, totalling $1.8 billion in nominal terms.
- 2% annual inflation of prices and costs.

BAYOVAR 7 MINERAL RESOURCES

Summary of Mineral Resources, Bayovar 7, All Beds

Area	Vertical Thickness (m)	Dry Tonnes (MT)**	Wet Tonnes (MT)**	P_2O_5 (wt%)	SiO_2 (wt%)	Dry Density (g/cm^3)	Wet Density (g/cm^3)
Measured	0.61	29.7	38.9	12	30.9	1.21	1.58
Indicated	0.6	137.4	181	12.33	31.38	1.2	1.58
Inferred	0.58	63.7	83.8	11.94	31.34	1.21	1.58

** Mineral Resources, no minimum thickness applied.*

*** MT: million tonnes*

The phosphate Mineral Resources assessed in the PEA are distributed among 16 individual soft, free-digging, horizontal

phosphate beds hosted predominantly within the Diana Formation, a sequence of bedded diatomite, sandstone and phosphorite beds.

The phosphorite beds within the Diana Formation are currently being mined by the Vale-Mitsui-Mosaic consortium at the Bayovar mine 25 kilometres southwest of Bayovar 7.

In the Bayovar 7 Concession area, the phosphorite beds PH00 through PH15 were intercepted in 74 drill holes. The drilling was performed using a nominal drill spacing of between 400 metres ("m") to 1,600 m. All drill holes were drilled vertically to between 60 to 150 m depth targeting horizontal phosphate beds within the Diana Formation.

The target sequence of 16 phosphorite beds spanning a total mean thickness of 56 m (range of 33 m to 76 m) including interburden diatomite beds. The phosphate mineralization is relatively close to the surface in the Bayovar 7 Concession, with the depths from ground surface to the roof of the upper most phosphorite bed (PH01) ranging from 5 m beneath the Virrilá Estuary erosional feature to 47 m below the surface on the Tablazo. The floor of the lower most phosphorite bed (PH15) ranged from 34 m beneath the Virrilá Estuary erosional feature to 95 m below surface in the Tablazo area.

MINE DESIGN AND PLANT ASSUMPTIONS

- Mine design only includes measured and indicated mineral resources.
- Mining in Bayovar 7 will extract up to 13 of the phosphate beds based on economic factors. Over the 20 year mine life, 583 million tonnes of overburden and interburden will be removed and 67.9 million run-of-mine tonnes of mineralized material at an average grade of 11.7% P_2O_5 will be recovered. The resulting strip ratio is 8.6:1. A ramp-up in Year 1 at 50% capacity will be followed by average annual run-of-mine production of 3.48 million tonnes.
- Overburden and interburden removal will be carried out by conventional truck and excavator open pit mining. The mine plan assumes a dilution of 7.5 centimetres ("cm") on the roof and the floor of the phosphate beds with a minimum mining thickness of 30 cm and minimum run-of-mine grade of 9% P2O5. The mining of the beds will be performed by GPS-controlled surface miners. Adequate mining faces will be established to allow the blending of the various beds to meet plant feed requirements.
- A single beneficiation plant will be constructed with a capacity of 1.0 Mtpa of phosphate rock concentrate production utilizing conventional beneficiation techniques of drum scrubbing, attrition scrubbing and de sliming to produce 28% P_2O_5 concentrate. By utilizing froth flotation, the product grade can be increased to 30% P_2O_5. These are similar unit processing steps to those currently employed by Vale at their adjacent phosphate operation. Ramp-up will occur over one year.
- Tailing storage facility costs are included in the mining costs.

INFRASTRUCTURE ASSUMPTIONS

- Export Sales will be transported to port using heavy haul trucks on a new dedicated road which runs parallel to the existing Vale port road. Local sales will either be transported to the port in the same way, or else transported by highway trucks directly to distributors. Offsite trucking will be contractor operated.
- Power supply will be from the national power grid.
- Natural gas will be used for drying. This will be delivered by a contractor-supplied gas pipeline.
- Seawater will be used for process water and provides the vast majority of the project's water requirement.
- An on-lease freshwater bore will replace the need for a desalination plant. Softened bore water will be used to supply the concentrate filter wash water requirements.
- To avoid a water discharge, all process water and wash water will be sent to a tailing storage facility for evaporation.
- The PEA study assumes sufficient available capacity for exports from an existing port in the Bayovar area. This is based on preliminary discussions with the port owners. An allowance of $4.5 million has been included to upgrade the port warehouse, power supply and facilities.
- Initial capital costs include all initial infrastructure requirements.

CAPITAL AND OPERATING COSTS TABLES

Life-of-mine operating costs were developed for mining, processing and G&A costs. Operating costs include power, water, reagents, consumables, sustaining capital, labour and logistics cost to the ship or truck.

The NPV calculation includes Years -2 through 20 and adds the pre-production capital in Years -2 and -1.

The initial capital cost, including owner's costs and a 12% contingency, is estimated at $264 million (± 40% accuracy) in real (2016) dollars or $279 million in nominal terms.

Detailed studies could potentially lower mining costs and the Company will attempt to negotiate reduced royalties.

	Undiscounted, Nominal		Discounted, 10%
Item	$millions	$/t of product	$millions

Revenue - local sales	$1,316	$221.0	$387
Revenue - export sales	$2,483	$182.4	$713
Total Revenue	$3,800	$194.2	$1,100
Mining Operating Costs	$1,150	$58.7	$354
Beneficiation Operating Costs	$335	$17.1	$99
G&A Operating Costs	$353	$18.0	$103
Total Operating Costs	$1,838	$93.9	$556
Mining CAPEX	$38	$1.9	$29
Beneficiation CAPEX	$69	$3.5	$52
Infrastructure CAPEX	$95	$4.9	$75
Other CAPEX	$77	$4.0	$61
Total Project CAPEX	$279	$14.2	$216
Sustaining CAPEX	$278	$14.2	$103
Royalties and Workers' Profit Share	$344	$17.6	$97
Pre-tax Cumulative Cash Flow	$1,061	$54.2	$127
Corporate Tax	$251	$12.8	$56
Post-tax Cumulative Cash Flow	$810	$41.4	$71

Sensitivity Analysis

The graph below compares the IRR when the average sales price, initial capital and operating costs are varied. As with most mining projects, the IRR is most sensitive to product pricing assumptions.

To view the graph associated with this release, please view this link:
http://media3.marketwire.com/docs/GrowMax_Graph_09-12.pdf

The table below shows the financial model results at different real (2016) Moroccan Benchmark phosphate rock prices adjusted for 30% P_2O_5 and transportation, on an unlevered, after tax basis.

Average Price	$120	$130	$140	$150	$160
NPV10	$(17,931,722)	$32,184,223	$81,191,010	$128,961,448	$176,545,363
IRR	9.1%	11.6%	13.9%	16.0%	18.0%
Payback (years)	8.3	7.5	6.4	5.2	5.7

FUTURE WORK

The Company is in the process of evaluating options to progress the Bayovar project, and is considering the following future work:

- Additional exploration and infill drilling, and metallurgical testing to increase confidence levels and to increase the understanding of variability of the phosphate beds.
- Investigating options to market phosphate rock and direct application phosphate rock in Peru and other countries in the region.
- Evaluating options to optimize capital and operating costs.
- Enhancing the Company's corporate social responsibility program and dialogue with communities and government authorities in order to maximize the value of the project to all stakeholders.
- Initiating a pre-feasibility study.
- Studying the potential to develop the Company's significant additional phosphate resources on its other blocks in the Bayovar area.

About GrowMax Resources Corp.

GrowMax Resources Corp. (formerly Americas Petrogas Inc.) is an international mining company with headquarters in Calgary, whose shares trade on the TSX-V under the symbol GRO. GrowMax Resources Corp. owns approximately 91.6% and Indian Farmers Fertiliser Co-operative Limited (IFFCO) and its affiliates own approximately 8.4% of GrowMax Agri Corp, a private company involved in the exploration for near-surface phosphates, potash brine and other minerals, and potential development of fertilizer projects in the Bayovar region of Peru.

Forward-Looking Statements

The statements in this press release contain forward-looking information within the meaning of applicable securities laws

including, but not limited to: the results of the PEA, expectations regarding production and cost guidance, references to mineral resource estimates, mine life (including extensions of mine life), future growth, potential expansion, exploration activities, construction and operation of new facilities, developing deposits, future work related to the Company's potash project at Bayovar; the expansion of exploration and economic assessment activities of the Company's phosphate deposits. Forward-looking information is not based on historical facts but rather is based on expectations. The words "anticipate", "contemplating", "develop", "estimate", "expect", "exploration", "flexibility", "focus", "future", "model", "option", "pending", "plan", "potential" and "priorities", and statements that certain actions, events or results will affect, or will occur or result, and similar such expressions, identify forward-looking information. Forward-looking information is necessarily based upon a number of assumptions that, while considered reasonable by the Company as of the date of such statements, are inherently subject to significant uncertainties and contingencies. Such forward-looking information reflects management's current beliefs and assumptions and is based on information currently available to GrowMax Resources' management.

Forward-looking information involves significant known and unknown risks and uncertainties. A number of factors could cause actual results to differ materially from the results discussed in the forward-looking information, including but not limited to, risks associated with the natural resources industry; the uncertainty of mineral resource estimates; the uncertainty of geological interpretations; the uncertainty of estimates and projections in relation to costs; the risk of commodity price and foreign exchange rate fluctuations and other risks identified our filings with the securities regulators in Canada, including but not limited to those cautionary statements made under the headings "Business Risk Factors" and "Forward Looking Information" in our management's discussion and analysis for the year ended December 31, 2015 and under the heading "Forward Looking Information" in our interim MD&A – quarterly highlights for the period ended June 30, 2016. These factors are not intended to represent a complete list of the factors that could affect the Company. All forward-looking information contained in this press release are expressly qualified by this cautionary statement. This forward-looking information is made as of the date hereof and the Company assumes no obligation to update or revise this information to reflect new events or circumstances, except as required by law. Because of the risks, uncertainties and assumptions inherent in forward-looking information, prospective investors in the Company's securities should not place undue reliance on this forward-looking information.

NI 43-101 Qualified Persons

The information in this press release was based on information contained in the PEA which was prepared by or under the supervision of the following qualified persons ("QP"):

- The Mineral Resource Estimation was prepared by Golder, under the supervision of Jerry DeWolfe, MSc. P.Geo, an independent Qualified Person as defined under NI 43-101.
- The Mine Plan and mining operation related costs were prepared by Golder, under the supervision of Denis Mayer, P.Eng, an independent Qualified Person as defined under NI 43-101.
- The beneficiation testwork, subsequent process plant design and operation related costs were peer reviewed by Michael Kelahan, an independent Qualified Person as defined under NI 43-101.
- The beneficiation testwork and subsequent process plant design and operation related costs were prepared under the supervision of Ewan Wingate, AusIMM (CP-Met), an independent Qualified Person as defined under NI 43-101.

Neither TSX Venture Exchange nor its Regulation Services Provider (as that term is defined in policies of the TSX Venture Exchange) accepts responsibility for the adequacy or accuracy of this release.

A graph is available at the following address: http://media3.marketwire.com/docs/GrowMax_Graph_09-12.pdf

Contact

Abby Badwi, P. Geo.
Executive Chairman
+1 587 390 7015
inquiries@growmaxcorp.com
www.growmaxcorp.com