

TORONTO and NEW YORK, Aug. 08, 2017 (GLOBE NEWSWIRE) -- IC Potash Corp. (TSX:ICP) (OTCQB:ICPTF) ("IC Potash"; ICP or the "Company") and Cartesian Capital Group, LLC ("Cartesian") announced today the entrance into a binding letter of intent (the "LOI") regarding the indirect ownership of ICP in Intercontinental Potash Corp. (USA) ("ICPUSA"). ICPUSA (in which ICP holds an interest through common shares) fully owns the Ochoa Sulphate of Potash project.

Under the LOI, ICPUSA will, subject to the shareholder vote of the shareholders of ICP, redeem those of its common shares that are indirectly owned by ICP. This transaction represents the sale by ICP to Cartesian affiliates of ICP's indirect ownership in the Ochoa Project.

The Board of Directors of ICP estimate the value of the proceeds of disposition to be approximately USD \$15 million.

The proposed consideration is composed as follows:

- USD \$1.4 million in cash funded by Cartesian promptly upon release of executed settlement and transaction documents;
- A Promissory Note of USD \$1.4 million due to ICP, directly or indirectly, by ICPUSA, to be guaranteed by Cartesian, and due on January 8, 2018;
- A water royalty equal to 75% of the revenue of ICPUSA derived from all sales of water and/or water rights to an aggregate of USD \$12.2 million. The water royalty will be backed up by a Mining Royalty of 1%, in the event that the full USD \$12.2 million is not received by December 31, 2022. ICPUSA will agree to use all reasonable commercial efforts to source and enter into agreements to sell the water resources as soon as reasonably practicable. The Board of Directors of ICP note that water is in great demand in New Mexico and Texas due to the large oil and gas fracturing industries in the United States.

As part of the agreement, which is subject to final documentation and shareholder approval, existing litigation between the parties and their affiliates would be settled and associated claims released.

Mehdi Azodi, the President and Chief Executive Officer of ICP Canada stated: "The potash markets have been in a substantial downturn since 2012. The Cartesian affiliates have taken a long-term view on the value of Polyhalite and Sulphate of Potash, and are committed to continuing to fund the Ochoa Project from private capital sources. ICP has attempted to find alternative financing for its share of the capital in private as well as public markets, under terms that are value-added to the common shareholders. Given the market capitalization of ICP, and the bearish current perspective of public investors in the Canadian junior potash space for development companies which require substantial capital, it has not been possible for us to continue to maintain the Company's financial interest in the project by funding our share of capital requirements. Therefore, the Company has determined that the sale of its interest in the project, at an estimated value of USD \$15 million to the Cartesian affiliates, is the best option to maintain or increase shareholder value under present circumstances."

Mehdi Azodi continued: "The Board of Directors of [IC Potash Corp.](#) appreciates the ongoing efforts of Cartesian, which commenced in late 2014, in the financing and moving forward of the Lea County Polyhalite asset. We believe that upon the completion of the build, which yet requires substantial capital, a profitable and unique fertilizer asset will have been developed for the benefit of the agricultural industry of the United States and for the benefit of the State of New Mexico."

Peter Yu, Managing Partner of Cartesian stated: "This transaction will enable us to accelerate the development of the Ochoa Project and build a world-class producer of specialty fertilizer. We are grateful to our partners at ICP Canada, and the strong leadership of its CEO Mehdi Azodi, for all of their efforts in developing this important resource."

About IC Potash Corp.

IC Potash has previously demonstrated a method to make Sulfate of Potash ("SOP") from the Ochoa polyhalite deposit in Southeast New Mexico in which it has an interest and is currently examining ways to become a low-cost fertilizer producer. The current review of the Ochoa project's existing feasibility study is being extended to determine a viable positive economic path to the production of direct application polyhalite. The Ochoa project has access to excellent local labor resources, low-cost electricity and natural gas, water, rail lines, and the Port of Galveston, Texas. The Ochoa project's land holdings consist of nearly 90,000 acres of potassium prospecting permits and mining leases issued by the U.S. Bureau of Land Management and State of New Mexico. For more information, please visit www.icpotash.com.

About Cartesian Capital Group

Cartesian Capital Group, LLC is a global private equity firm with proven expertise in assisting closely-held companies to expand internationally. Cartesian manages more than \$2.7 billion in capital commitments and has offices in New York, São Paulo, Shanghai, Warsaw, and Bermuda.

Forward-Looking Statements

Certain information set forth in this news release may contain forward-looking statements that involve substantial known and unknown risks and uncertainties and other factors which may cause the actual results, performance or achievements of IC

Potash to be materially different from any future results, performance or achievements expressed or implied by such forward-looking statements. Forward-looking statements include statements that use forward-looking terminology such as “may”, “will”, “expect”, “anticipate”, “believe”, “continue”, “potential” or the negative thereof or other variations thereof or comparable terminology. Such forward-looking statements include, without limitation, statements regarding trends in the markets for Sulfate of Potash and polyhalite, the timing for completion of an updated feasibility study by the Company, the Company’s intention to investigate the feasibility of polyhalite product production, the potential value of water resources and other statements that are not historical facts. These forward-looking statements are subject to numerous risks and uncertainties, certain of which are beyond the control of IC Potash, including, but not limited to, changes in market trends, the completion, results and timing of studies undertaken by IC Potash, risks associated with mineral exploration and mining activities, the impact of general economic conditions, commodity prices, industry conditions, dependence upon regulatory and environmental approvals, the uncertainty of obtaining additional financing, and risks associated with turning reserves into product. Readers are cautioned that the assumptions used in the preparation of such information, although considered reasonable at the time of preparation, may prove to be imprecise and, as such, undue reliance should not be placed on forward-looking statements.

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