Allana Announces Drill Results From Nova License and Continues to Expand Potash Mineralization

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TORONTO, ONTARIO--(Marketwired - Oct 28, 2013) - **Allana Potash Corp. (TSX:AAA)(OTCQX:ALLRF)** ("Allana" or the "Company") announces drill results from 20 core holes completed on the Nova license acquired by the Company in 2012. The Company initiated its program late in 2012 and completed 20 core holes totaling 5119 metres. Analytical results have been compiled and potash mineralization extends both south and west from Allana's core license onto the Nova license. Drilling highlights include hole DM-13-29 which returned 2.50 metres of 28.3% KCl in the Sylvinite Zone, hole DM-13-30 which yielded 1.90 metres of 34.5% KCl in the Sylvinite Zone and hole DM-13-37 which returned 4.50 metres of 21.6% KCl in the Sylvinite Zone.

Farhad Abasov, President and CEO, commented "we are very pleased with the results from the exploration drilling on the Nova license. Drill results indicate the extension of Sylvinite and Kainitite mineralization south and west of the original Allana license with Sylvinite primarily located in the west, which management believes has the potential to be incorporated into our mining plan. Results indicate that kainitite is widespread, which we believe may add significantly to potential future mineral resource estimates."

Allana-Nova Drilling Results

Prior to Allana's acquisition of Nova, Nova completed 21 drill holes on its exploration license totaling 2122 metres (see Figure 1). Nova drilling was concentrated on the western portion of its license and the program was designed to delineate extensions of the Musley Deposit as well as outline the limits of the evaporite basin. Generally, the Allana drillholes on the Nova ground intersected similar stratigraphy to that outlined by drilling on the Allana license. Drilling has now defined the western edge of the basin where Sylvinite distribution is variable however Kainitite is present throughout the basin. (see Table 1 below). All holes were drilled vertically and true widths of the potash zones are estimated to be very similar to drilled widths due to the flat-lying nature of the potash horizons.

Drill results have been incorporated into the Allana database and Allana expects to incorporate Nova results into an updated mineral resource estimate in the coming months.

Table 1 Summary of Allana drilled holes on previous Nova license.

HOLE	FROM (m)	TO (m)	WIDTH (m)	KCL (%)	ZONE
DM-12-22	86.00	92.00	6.00	5.49	CAR
	112.00	115.00	3.00	15.23	KAIN
DM-12-23	74.20	77.20	3.00	13.82	CAR
	77.20	81.70	4.50	17.25	KAIN
DM-12-24	534.72	543.06	8.34	8.77	CAR
	582.60	588.60	6.00	26.67	KAIN
DM-12-25	552.60	557.10	4.50	11.01	UCAR
	575.10	590.10	15.00	10.58	LCAR
	594.60	600.60	6.00	22.56	KAIN
DM-12-26, 27, 28	NSV				
DM-13-29	77.51	80.01	2.50	28.27	SYL
	83.01	90.51	7.50	19.64	KAIN
DM-13-30	107.01	108.91	1.90	34.51	SYL
	108.91	111.51	2.60	17.76	UCAR
	116.56	123.51	6.95	19.31	KAIN

DM-13-31	83.95	84.35	0.40	21.85	SYL
	84.35	89.32	4.97	14.90	U&L CAR
	89.92	98.05	8.73	15.22	KAIN
DM-13-32, 33	NSV				
DM-13-34	74.15	79.95	5.80	16.80	KAIN
DM-13-35, 36	NSV				
DM-13-37	366.40	370.90	4.50	21.64	SYL
	370.90	372.30	1.83	18.80	UC
	445.47	448.90	3.43	9.44	LC
	448.90	457.90	9.00	22.13	KAIN
DM-13-38	488.50	499.20	10.70	8.47	UC
	550.30	554.50	4.20	5.50	LC
	554.50	560.50	6.00	24.10	KAIN
DM-13-39	63.50	65.00	1.50	40.84	UC
	409.19	416.00	6.81	6.43	UC
	425.65	428.55	2.90	11.65	LC
	454.16	461.60	7.44	21.47	KAIN
DM-13-40	370.55	371.65	1.10	13.68	UC
	372.65	380.91	8.16	16.19	LC
	384.41	393.13	8.72	20.30	KAIN
DM-13-41	67.79	68.97	2.37	20.08	SYL
	74.15	75.89	1.74	14.49	LC
	75.89	82.80	6.91	19.86	KAIN

*Drilled width, NSV=No Significant Values

Nova Hydrogeological Study

Evaluation of water resources was expanded on to the Nova license in 2012 as initial studies on the Allana license indicated an eastward flowing aquifer was feeding the main alluvial fans on the Allana license. To evaluate this water resource, 8 observation wells and 2 pumping/production wells were drilled and pumping tests indicate water flow at rates of 110m^3/hour or more (pump capacity was 110m^3/hour) (see Figure 1). This data was incorporated into the Feasibility Study, which together with data from the Allana license, outlines a potential reservoir of 160 million cubic metres of water and an annual recharge rate of 35 million to 55 million cubic metres (see press release Jan.7, 2013). Water requirements for the 1 MTY Muriate of Potash operation are estimated at 18.5 million cubic metres.

Release of Escrowed Shares pursuant to Nova Merger Agreement

In addition, Allana announces that pursuant to the terms of its merger agreement with Nova (see press release dated November 1, 2012) Allana shall release 28,240,488 of the Allana Escrowed Shares to the former shareholders of Nova common shares and shall cancel 7,369,484 of the Allana Escrowed Shares effective November 1, 2013. Following the release of the Allana Escrowed Shares, all obligations of the merger agreement shall have been fulfilled.

A map of the Allana Potash Corp. - Selected Drill Results, Oct. 25, 2013, is available at the following address: http://media3.marketwire.com/docs/Allana_Drill_Results.jpg.

About Allana Potash Corp.

Allana is a publicly traded corporation with a focus on the acquisition and development of potash assets internationally with its major focus on a previously explored potash property in Ethiopia. Allana has secured financial support from two significant strategic investors: IFC, a member of World Bank Group, and Liberty Metals and Mining, a member of Liberty Mutual Group. Allana has estimated measured and indicated Sylvinitemineral resources of 327.4 million tonnes of 28.3% KCl; and an estimated inferred Sylvinite mineral resource of 90.8 million tonnes grading 27.8% KCl, In addition, the Danakhil Project hosts estimated measured and indicated Kainitite mineral resources of 1,150.5 million tonnes at 19.4% KCl, an estimated inferred Kainitite mineral resource of 481.8 million tonnes of 19.8%KCl; estimated measured and indicated Upper Carnallitite mineral resources of 411.3 million tonnes grading 17.3% KCl, estimated inferred Upper Carnallitite mineral resources of 175.5 million tonnes of 16.5% KCl; estimated measured and indicated Lower

Carnallitite mineral resources of 557.2 million tonnes of 9.2%KCl, and estimated inferred Lower Carnallitite mineral resources of 369.3 million tonnes grading 7.7% KCl. The foregoing mineral resource estimates are as at April 17, 2013. For more information with respect to the data verification procedures undertaken and the key assumptions, parameters and risks associated with the foregoing estimates, refer to Allana's Technical Report entitled "Resource Update for the Danakhil Potash Deposit, Danakhil Depression, Afar State, Ethiopia" dated effective April 17, 2013 filed under the Company's SEDAR profile at www.sedar.com on August 7, 2013. Allana has approximately 277.7 million shares outstanding. Allana trades on the Toronto Stock Exchange under the symbol "AAA".

Quality Control and Quality Assurance

Allana employees follow standard operating and quality assurance procedures intended to ensure that all sampling techniques and sample results meet international reporting standards. Procedures for handling core samples begin with securing the potash-bearing HQ-NQ-sized core at the drill site in plastic poly-tubing which is then thermally sealed. Core is placed in plastic core boxes and transported to Allana's camp for geological logging, geotechnical logging and photographing. Significant intervals are dry cut in half using a specially modified tungsten carbide bladed band-saw. Half core samples are then double bagged and thermally sealed prior to transporting to Addis Ababa by Allana personnel. In this initial phase, halite blanks are randomly inserted into the sample stream at a rate of 1 in 20 and sent for analysis with the core samples. The remaining core is re-sealed in plastic poly-tubing and the core boxes secured at Allana's exploration camp. Upon arrival in Addis Ababa core samples are stored at Allana's small warehouse facility and then taken to the Ethiopian Ministry of Mines & Energy where permission is obtained to export the samples. The bagged samples are then carefully packed into boxes and shipped via DHL to the Saskatchewan Research Council in Saskatoon. This sampling procedure was initiated by ERCOSPLAN Ingenieurgesellschaft Geotechnik und BergbaumbH, Allana's potash consulting firm, supervised by Allana's Ethiopian based Project Manager Jason Wilkinson, M.Sc., and periodically reviewed by Allana's Senior Vice President of Exploration, Peter J. MacLean, Ph.D., P. Geo.

Allana is utilizing SRC's Potash ICP Analysis package designed for multi-element analysis of potash samples. Upon arrival at SRC Geoanalytical Laboratories, core samples are jaw crushed to 60 % @ -2mm and 100 g sub sample is split out using a riffler and transferred to vials. The subsample is pulverized to 90 % @ -106 microns using a puck and ring grinding mill to create a pulp. The grinding mills are cleaned between groups using Quintus quartz. The pulp is then transferred to a labelled plastic snap top vial. An aliquot of pulp is placed in a test-tube with 15 ml of 30°C DI water. The sample is shaken. The soluble solution is then analyzed by ICP-OES. The method is suitable for the soluble analysis of commercial potash (Sylvite). The soluble solution is then analysed by ICP-MS. In addition, samples are analysed for FeO (wt%), Br and Cl by MS, plus insolubles. SRC Geoanalytical Laboratories has been certified by the Standards Council of Canada (SCC) to conform to the requirements of ISO/IEC 17025:2005 (CAN-P-4E).

Dr. Peter J. MacLean, Ph.D., P. Geo., Allana's Senior VP Exploration, is the Company's designated Qualified Person and has reviewed and approved the technical information presented in this release.

Forward-Looking Statement

Except for statements of historical fact relating to the Company, certain information contained herein constitutes "forward-looking information" under Canadian securities legislation. Generally, forward-looking information can be identified by the use of forward-looking terminology such as "plans", "expects" or "does not expect", "is expected", "budget", "scheduled", "estimates", "forecasts", "intends", "anticipates" or "does not anticipate", or "believes", or variations of such words and phrases or statements that certain actions, events or results "may", "could", "would", "might" or "will be taken", "occur" or "be achieved". Forward-looking statements are based on the opinions and estimates of management as of the date such statements are made and they are subject to known and unknown risks, uncertainties and other factors that may cause the actual results, level of activity, performance or achievements of the Company to be materially different from those expressed or implied by such forward-looking statements or forward-looking information. Although management of the Company has attempted to identify important factors that could cause actual results to differ materially from those contained in forward-looking statements or forward-looking information, there may be other factors that cause results not to be as anticipated, estimated or intended. There can be no assurance that such statements will prove to be accurate, as actual results and future events could differ materially from those anticipated in such statements. Accordingly, readers should not place undue reliance on forward-looking statements and forward-looking information. The Company does not undertake to update any forward-looking statements or forward-looking information that are incorporated by reference herein,

except in accordance with applicable securities laws.

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