Great Quest Announces Positive Engineering Study for Pilot facility

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VANCOUVER, BC--(Marketwired - December 18, 2014) - Great Quest Fertilizer Ltd. (TSX VENTURE: GQ) (FRANKFURT: GQM) ("the Company") is pleased to announce the result from the Engineering study of the Company's planned pilot scale phosphate manufacturing facility. The proposed plant would be located in Dogofry, the Ségou agricultural region of Mali, 340 km north-east of the capital city Bamako, and 1,024 km south-west of the mining properties.

- These results are strictly for the pilot plant project
- This is a unique circumstance where this type of facility generates profits
- An update of the full project PEA will be filled within 45 days

Commenting, Jed Richardson, President and CEO stated, "This marks a major milestone for the Company. We have successfully reduced the scale of our planned one million tonne phosphate project to a simple yet profitable pilot plant that will demonstrate the commercial viability of our product and marketing plan. The $16.4M investment will generate a positive cash flow, and reduce the risk of and add value to our future plans. The project addresses the inherent risks in the region, and also provides for a much needed food product for West Africa."

The Company has received preliminary reports on the mine plan and engineering work that were commissioned with respect to the small scale pilot plant. This plant will have a processing capacity of 40,000 tons of phosphate material per annum. The Engineering Consultants (DRA Minerals Ltd of South Africa) have optimized the design of a plant to produce 25,200 tonnes of high grade (35%) phosphate granules and 10,400 tonnes of medium grade (27%) phosphate granules, which, after blending with urea and potash, will yield approximately 96,900 tonnes of NPK products. The total capital investment is estimated to be approximately US$24.5 M (Great Quest 67%, SADA 33%).

The mine plan is based on technical data already published by the Company. The mine engineers (Coffey Mining South Africa) have delineated three blocks on the Tilemsi Phosphate properties, which contain an inferred resource of 501,000 tons of 27% P_2O_5 mineable at an average strip ratio of 1.9:1, over an estimated project life of 12 years.

The economics of the project have been calculated by the Company on the basis of the off-take agreement signed between the Company and Société Africaine de Développement Agricole S.A. (SADA) (see news release of September 22, 2014) and a mining and transport contract that is currently under negotiations with local groups. The project shows a net present value (NPV) of US $14.2 M over 12 years at 10% discount rate and an internal rate of return (IRR) of 28.5 %

Key Economic Highlights:

NPV at 10% discount rate	US$ Million	14.2
Project IRR	%	28.5
GQ Capital Expenditure	US$ Million	16.4
Selling Prices		
Phosphate high grade	US$ per tonne	450
Phosphate medium grade	US$ per tonne	330
Toll Blending and Granulating NPK*	US$ per tonne	45
Costs		
Operating Cost	US$ per tonne	123.8

Competitive Advantage

This initial pilot plant project will be the only local source of high quality fertilizer in Mali. The proximity to the

Western African market is a major advantage of the project's location. All the fertilizers currently available in the region are imported through the ports of Dakar in Senegal or Abidjan in Cote d'Ivoire, respectively located at 1,500 km and 1,100 km from the agricultural areas the project will serve. As a consequence of the high costs of transport and the poor transportation logistics in the region, together with the border levies and taxes, the resulting prices of fertilizers are considerably higher in the region than are international market prices.

Updating of Preliminary Economic Assessment (PEA)

The Company is currently updating the PEA it filed on the entire Tilemsi Phosphate project on February 17, 2013, to include the new study of the small scale pilot plant as Phase One of the larger project. This project is estimated to have an NPV of US$649 Million, at a discount rate of 10%, and IRR of 33%, based on an initial capital expenditure of US$143 Million (See news release December 18, 2012). The small scale pilot plant is designed to reduce the risk of the larger operation and establish markets for the product in advance of full production. This will allow for a more rapid production ramp-up and better market penetration. Both these aspects will be incorporated in the updated PEA for the full operation.

*** Toll Blending and Granulating NPK**

The Great Quest Facility will operate as a toll blender for the SADA Group of fertilizer distributors blending the phosphate product sold to the group, with nitrogen and potash the group imports. Granulating the blends into multi-nutrient ("complex") granules. The complex granule is an ideal delivery method for fertilizer and strategic advantage for SADA. Strong market demand has been demonstrated during discussions with leading agronomists, fertilizer purchasing agencies and farmers following our 2013 field test (see news release dated June 13, 2014). These products ensure an even distribution of nutrients, irrespective of the application method used in the fields. The solubility of the direct application phosphate is increased by its inclusion in a complex granule. Great Quest's association with SADA Group enables the Company to produce and sell these products at prices that will be very competitive within the region.

Qualified Person

The technical information in this press release has been reviewed and approved by Jed Diner, MSc. P.Geol., a Qualified Person as defined by National Instrument 43-101. Mr. Diner, a consulting geologist to the Company, completed his MSc. in Applied Earth Science at Stanford University in 1983 and works internationally on mineral exploration and resource development projects. He has consulted on other Phosphate projects in Uzbekistan, Peru and Angola.

Readers are cautioned that a Preliminary Economic Assessment (PEA) is conceptual in nature and is based on mine plans, process flowsheets and inferred mineral resources, which are considered to be highly speculative geologically. There is no certainty that a PEA will be realized.

Mineral resources which are not mineral reserves do not have demonstrated economic viability. The estimate of mineral resources may be materially affected by environmental, permitting, legal, title, taxation, socio-political, marketing, or other relevant issues. The quantity and grade of reported inferred resources in this estimation are uncertain in nature and there has been insufficient exploration to define these inferred resources as an indicated or measured mineral resource and it is uncertain if further exploration will result in upgrading them to an indicated or measured mineral resource category. The mineral resources in this report were estimated using the Canadian Institute of Mining, Metallurgy and Petroleum (CIM), CIM Standards on Mineral Resources and Reserves, Definitions and Guidelines prepared by the CIM Standing Committee on Reserve Definitions and adopted by CIM Council.

About SADA Group

The SADA Group is the combination of two of Mali's largest fertilizer distribution groups with a Mali based investment bank, and was specifically formed to enable the distribution and delivery of Great Quest's products to the Malian market. The group boasts a proven sales network throughout Mali, financial strength and international connections in the areas of fertilizer and finance.

About Great Quest

Great Quest Fertilizer Ltd. is a Canadian mineral exploration company focused on the development of African agricultural mineral projects for local production of farm ready fertilizers. The Company's flagship asset is the Tilemsi Phosphate Project, encompassing 1,206 km² in northeastern Mali, containing high quality phosphate resources amenable to use as direct application fertilizer. Great Quest is listed on the TSX Venture Exchange under the symbol GQ, and the Frankfurt Stock Exchange under the symbol GQM.

ON BEHALF OF THE BOARD OF DIRECTORS OF Great Quest Fertilizer Ltd.

"Jed Richardson"

President, Chief Executive Officer and Director

Neither the TSX Venture Exchange nor its Regulation Services Provider accepts responsibility for the adequacy or accuracy of this release. The statements that are not historical facts and are forward-looking statements involving known and unknown risks and uncertainties could cause actual results to vary materially from the targeted results. We seek safe harbor.

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