

# FIRST IN HISTORY PROVINCIAL POTASH MINING REGULATIONS TO APPLY ON FEDERAL FIRST NATIONS RESERVE LAND

TSXV: EPO

VANCOUVER, Feb. 27, 2017 /CNW/ - [Encanto Potash Corp.](#) ("Encanto" or the "Company") (TSXV: EPO) is pleased to advise that, together with their project partners, the Muskowekwan First Nation, the successfully signed Tripartite Agreement is expected to lead to the First Nations Commercial and Industrial Development Act ("FNCIDA") being finalized this Spring. The Tripartite agreement was signed by Muskowekwan First Nation Chief Reginald Bellerose, the Honourable Minister of Indigenous and Northern Affairs, Carolyn Bennett on behalf of the Canadian Federal Government and the Honourable Provincial Minister for the Economy Bill Boyd on behalf of the Saskatchewan Provincial Government.

Muskowekwan First Nation Chief Reginald Bellerose commented that "by achieving this milestone, the first ever for such a planned large scale operation in Canada, we have been breaking entirely new ground and not only moving to ensure that we ourselves are a significant resource player in Canada for generations to come, but paving the way for other First Nations to achieve self-source revenues and a self-dictated future full of promise."

"There were many hands at all levels of government demonstrating an unprecedented level of cooperation and support between themselves and our own Nation. It took some time, but all involved wanted to ensure that we got this precedent setting process entirely right".

According to the FNCIDA website, the process enables a First Nation that has decided to pursue a large scale commercial or industrial on-reserve project to request the Government of Canada to develop regulations applying to a specific project on a specific piece of reserve land. FNCIDA works by essentially reproducing the provincial rules and regulations that apply to similar large-scale commercial or industrial projects off reserves and applying them to a specific on-reserve project. This approach, called incorporation by reference, ensures that both on and off-reserve projects are subject to similar regulatory regimes. It increases the certainty for investors, developers and the public while minimizing costs.

This case-by-case approach means that the unique needs and circumstances of each project can be respected, as can the Government of Canada's unique relationship with, and responsibilities toward, First Nations. Agreements between the Government of Canada, individual First Nations and the provincial government will be developed to enable the province to carry out the monitoring and enforcement of FNCIDA regulations for particular projects. In practice, this means that projects regulated under FNCIDA are required to meet similar standards as those that apply in the rest of the province and it gives investors and developers certainty by ensuring that they are dealing with regulations and regulators that are well known and understood.

The goal of FNCIDA is to enable First Nations to develop their economies, provide more tools to manage their resources, increase self-sufficiency and enhance their quality of life.

Notice of the intent to form these mining regulations was published by the Governor in Council in the Federal government online newspaper the Gazette (Canada Gazette &#8211; Part I) in June, 2016. The final step in this process would be a second publication (Canada Gazette &#8211; Part II) which the Company expects in the near term.

Encanto President, Stavros Daskos commented "I'd like to personally thank Chief Bellerose for his instrumental and tireless efforts particularly over the last 18 months in bringing this process to a successful conclusion. This was entirely a government (First Nation) to government (Canadian Federal Government) to government (Province of Saskatchewan) transaction which will result in a historic agreement between all parties. This represents another critical piece being in place to allow for the eventual development of the first potash mine on First Nation land in Canada and the first whatsoever to complete the FNCIDA process for such a major project."

## ABOUT ENCANTO:

[Encanto Potash Corp.](#) is a TSX Venture Exchange listed and traded Canadian resource company engaged in the development of potash properties in the Province of Saskatchewan, Canada, the largest producing potash region in the world. Through a joint venture agreement with Muskowekwan Resources Ltd. on our flagship property, Encanto has a project land package which totals approximately 61,000 largely contiguous acres. A Pre-Feasibility Study dated February 28, 2013 titled "[Encanto Potash Corp. Technical Report Summarizing the Preliminary Feasibility Study for the Muskowekwan First Nations Home Reserve Project in South Eastern Saskatchewan, Canada](#)" confirms the Proven and Probable KCI Reserves totaling 162 MMt grading 28% (average) which supports primary and secondary mining for over 50 years at an assumed annual rate extraction rate of 2.8 million tonnes.

The technical content of this news release has been reviewed and approved by James Walchuck, a qualified person as defined by NI 43-101.

For additional information about Encanto Potash Corp., please visit the Company's website at [www.encantopotash.com](http://www.encantopotash.com) or review the Company's documents filed on [www.sedar.com](http://www.sedar.com).

NEITHER TSX VENTURE EXCHANGE NOR ITS REGULATION SERVICES PROVIDER (AS THAT TERM IS DEFINED IN THE POLICIES OF THE TSX VENTURE EXCHANGE) ACCEPTS RESPONSIBILITY FOR THE ADEQUACY OR ACCURACY OF THIS RELEASE.

THE FOREGOING INFORMATION MAY CONTAIN FORWARD-LOOKING INFORMATION RELATING TO THE FUTURE PERFORMANCE OF THE COMPANY. FORWARD LOOKING INFORMATION IS SUBJECT TO A NUMBER OF KNOWN AND UNKNOWN RISKS, UNCERTAINTIES AND OTHER FACTORS THAT MAY CAUSE ACTUAL RESULTS TO DIFFER MATERIALLY FROM THOSE ANTICIPATED IN OUR FORWARD LOOKING STATEMENTS. SUCH RISKS AND OTHER FACTORS INCLUDE, AMONG OTHERS, THE SATISFACTION OF ANY APPLICABLE CONDITIONS IN RESPECT OF THE MMTC MOU AND THE OFFTAKE AGREEMENT INCLUDING THOSE IN RELATION TO PROJECT TIMELINES, THE ASSUMPTIONS AND ESTIMATES IN THE COMPANY'S PRE-FEASIBILITY STUDY OF THE MUSKOWEKWAN PROJECT (THE "PFS") PROVING TO BE ACCURATE OVER TIME INCLUDING APPLICABLE RESOURCE ESTIMATES, THE POTENTIAL FOR DELAYS AND INCREASES TO PROJECT COSTS AS A RESULT OF POTENTIAL CHANGES IN PLANNED PRODUCTION RATES, CHANGES IN WORLD COMMODITY MARKETS OR EQUITY MARKETS, THE ADEQUACY OF THE COMPANY'S FINANCIAL RESOURCES AND THE AVAILABILITY OF ADDITIONAL FINANCING ON REASONABLE TERMS OR AT ALL, THE RISKS OF THE MINING INDUSTRY INCLUDING, WITHOUT LIMITATION, THOSE ASSOCIATED WITH THE ENVIRONMENT, DELAYS IN OBTAINING GOVERNMENTAL APPROVALS, PERMITS OR FINANCING OR IN THE COMPLETION OF DEVELOPMENT OR CONSTRUCTION ACTIVITIES, TITLE DISPUTES, CHANGE IN GOVERNMENT AND CHANGES TO REGULATIONS AFFECTING THE MINING INDUSTRY, AND OTHER RISKS AND UNCERTAINTIES DETAILED FROM TIME TO TIME IN THE COMPANY'S FILINGS WITH THE CANADIAN SECURITIES ADMINISTRATORS (AVAILABLE AT [WWW.SEDAR.COM](http://WWW.SEDAR.COM)). FORWARD-LOOKING STATEMENTS ARE MADE BASED ON VARIOUS ASSUMPTIONS AND ON MANAGEMENT'S BELIEFS, ESTIMATES AND OPINIONS ON THE DATE THE STATEMENTS ARE MADE. SHOULD ONE OR MORE OF THESE RISKS AND UNCERTAINTIES MATERIALIZE, OR SHOULD UNDERLYING ASSUMPTIONS PROVE INCORRECT, ACTUAL RESULTS MAY VARY MATERIALLY FROM THOSE DESCRIBED IN THE FORWARD-LOOKING INFORMATION CONTAINED HEREIN. READERS ARE CAUTIONED THAT CURRENT MARKET PRICES FOR THE COMPANY'S PROPOSED PRODUCTS ARE MATERIALLY DIFFERENT THAN THE ESTIMATES USED IN THE PFS AND CHANGES TO THE PROPOSED PRODUCTION RATE WOULD BE EXPECTED TO CAUSE MATERIAL CHANGES TO THE REQUIRED CAPITAL COSTS OF THE PROJECT. THE COMPANY UNDERTAKES NO OBLIGATION TO UPDATE FORWARD-LOOKING STATEMENTS IF THESE ASSUMPTIONS, BELIEFS, ESTIMATES AND OPINIONS OR OTHER CIRCUMSTANCES SHOULD CHANGE, EXCEPT AS REQUIRED BY APPLICABLE LAW.

SOURCE [Encanto Potash Corp.](http://Encanto Potash Corp.)

Contact

[Encanto Potash Corp.](http://Encanto Potash Corp.), 3123 - 595 Burrard Street, Vancouver, BC V7X 1J1, Tel: (604) 609-6110; Gary Deathe, Corporate Development, Tel: (647) 728-7987