

TSXV: EPO

VANCOUVER, Sept. 20, 2017 /CNW/ - [Encanto Potash Corp.](#) ("Encanto" or the "Company") the TSX-V listed Potash development; Mining and Operating company (TSX-V: EPO) is pleased to announce that it has secured a commitment for a CAD \$100 million funding facility. Under the funding agreement signed 15<sup>th</sup> September, 2017 (the "Agreement"), GEM Investments America, LLC and GEM Global Yield LLC SCS undertake to invest up to CAD \$100,000,000 over the next three years. Upon a drawdown notice being issued from the Company shares will be issued at a price 90% of the market price subject to a \$.05 per share minimum.

The proceeds will be used to commence the engineering and design phase of the mine in anticipation of a shovel-ready construction date of September 2019. Under a joint venture agreement with Muskowekwan Resources Ltd and Chief Reginald Bellerose of the First Nation's Muskowekwan tribe, Encanto has secured the mineral rights for the mine and completed preliminary studies. In the interim, proceeds will also be used for the procurement and supply of 3rd party potash under the terms of a 20-year, 5 million metric tons a year potash off-take agreement executed on December 30<sup>th</sup>, 2016, with the National Federation of Farmers' Procurement, Processing, and Retailing Cooperatives of India Ltd., ("NACOF") registered under the Ministry of Agriculture, Government of India.

Stavros Daskos, Chief Executive Officer of Encanto Potash, said, "This commitment secures funding for Encanto's mining and supply plan over the next three years. We will continue working closely with our land partners at Muskowekwan Resources Ltd to ensure First Nation's involvement in the project. GEM's commitment validates our strategy to seek long-term strategic partners."

#### About Encanto Potash Corp

[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, Encanto has secured a project land package which totals approximately 61,000 largely contiguous acres. 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 Mt grading 28% KCl (average) which supports primary and secondary mining for over 50 years at an assumed annual rate extraction rate of 2.8 Mt of MOP. The PEA dated May 24, 2017 titled "NI 43-101 Technical Report on a Preliminary Economic Assessment and Preliminary Feasibility Study of the Muskowekwan Potash Project, South-Eastern Saskatchewan, Canada" summarizes an alternative development option that supports primary and secondary mining of the Mineral Resources for 48 years at an annual extraction rate of 3.4 Mt of MOP. On December 30, 2016, Encanto signed a 20-year off-take agreement with the National Federation of Farmers' Procurement, Processing, and Retailing Cooperatives of India Ltd., (NACOF) registered under the Ministry of Agriculture, Government of India to supply 5 million metric tons a year of potash.

#### About Global Emerging Markets

Global Emerging Markets ("GEM") is a USD \$3.4 billion alternative investment group that manages a diverse set of investment vehicles and has offices in Paris, New York and Los Angeles. Since 1991, GEM has completed over 370 transactions across 70 countries. GEM's investment vehicles provide the group and its investors with a diversified portfolio of asset classes that span the global private investing spectrum.

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SOURCE [Encanto Potash Corp.](#)

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