

Western Potash Corp. Renegotiates Water Supply Agreement

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VANCOUVER, British Columbia, Nov. 09, 2017 (GLOBE NEWSWIRE) -- [Western Resources Corp.](#) (TSX:WRX) (FSE:WR0) ("Western" or "the Company") is pleased to announce that its wholly owned subsidiary Western Potash Corp. and the City of Regina ("the city") have both agreed to the revised key commercial terms for the supply of treated wastewater from the city for the Company's proposed Milestone Potash Project located 35 km southeast of Regina, Saskatchewan. Regina's City Council voted in favor of the agreement at its meeting on October 31, 2017. The two parties are now in the process of finalizing the agreement.

In November 2012, the City and Western Potash Corp. entered into an agreement that allowed the City to provide Western with access to recycled wastewater for a 2.8 million tonne per year conventional potash solution mine. In response to the potash market, Western Potash adjusted the development plan and re-scoped the project to utilize the innovative "horizontal drilling + selective solution mining" techniques that will provide a significantly reduced UNIT CAPEX and competitive OPEX. To secure the most favorable data, Western will use this innovative technology to develop a 146,000 tonne per year capacity Phase I project. Once the technique is tested, Western will develop the previous 2.8 million capacity project in two phases, each at a 1.4 million tonnes potash production per year. The Phase 1 project will use groundwater from the mine site and Phase II and III projects will use treated water from the City. The selective solution mining technology uses substantially less water than conventional solution mining techniques, and the renegotiated agreement therefore reduces the volume of water correspondingly.

Negotiating teams worked very hard over the past six months and came up with a mutually beneficial agreement that extends the right to access 25,000 cubic meters per day of treated wastewater until 2025, and a further 40 years access once wastewater is drawn.

Included in the terms of the new agreement, Western has agreed to pay a commitment fee of \$200,000 when the final agreement is signed, and an annual "standby" fee of \$100,000 for every year that water is not drawn. When Western begins to draw water, 50% of the standby and commitment fees paid to the City will be refunded in the form of a credit against water usage charges.

This unique agreement provides the City with an economic opportunity for revenue during the 40-year life of the agreement and standby fees if the project does not proceed by 2025. In addition, the re-use of wastewater is beneficial in both the reduction of use of fresh water, and eliminating wastewater from local rivers and creeks. It will also mean that the Milestone Potash Mine will essentially use no fresh water (aside from minor potable and process requirements). Worthy of mention is that this new technology, in addition to the reduction of water consumption, is very environmental friendly, with no more salt tailings above ground, energy usage significantly reduced and minor subsidence.

Mr. Bill Xue, Chairman of Western Potash, commented, "we are very pleased with the terms of the new agreement with the city of Regina and appreciate all the hard work that went into the negotiations. This agreement benefits all parties involved and has substantial environmental benefits. We are continuing with the development of the Milestone Phase I project through the innovative technology and will actively advance the 2.8 million tonne full-scale project. We look forward to a long-term relationship with the City."

ON BEHALF OF THE BOARD OF DIRECTORS

"James Moore"

James Moore

Chairman

Qualified Persons

The content of this news release has been read and approved by Gregory F. Vogelsang, P.Eng., P. Geo., FGC, Project Manager of the Company. Mr. Vogelsang is a Qualified Person as defined by NI 43-101.

Readers are cautioned that the projected mining method, potential production profile and plan and mine plan referred to in the Pilot Study and this release are conceptual in nature. There is no certainty that a potential mine will be realized or that a production decision will be made.

Cautions Regarding Forward-Looking Statements

Except for statements of historical fact relating to the Company, certain information contained herein constitutes "forward-looking information" under Canadian securities legislation. Forward-looking information includes, but is not limited to, statements with respect to the filing and results of the Technical Report. 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 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 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 information. The Company does not undertake to update any forward-looking information that is set out herein, except in accordance with applicable securities laws.

For more information on the contents of this release please contact Jerry Zhang, Corporate Secretary, at 604-689-9378.

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