

Verde Announces Q1 Financial Results

TORONTO, May 14, 2012 /CNW/ - **Verde Potash** (TSX: "NPK") ("Verde" or the "Company") is pleased to announce its unaudited interim consolidated financial statements for the three month period ended March 31, 2012. During the three-month period ended March 31, 2012, Verde incurred a net loss of \$1,070,000 compared to a net loss of \$689,000 for the three-month period ended March 31, 2011. Verde currently has a working capital position of approximately \$28.8MM. The Company maintains a strong cash position and continues to progress with the development of the Cerrado Verde potash project.

Highlights of the First Quarter

As a result of a large drilling program in 2011, the Group expanded its resource estimate for the Cerrado Verde Potash project. The current resource estimate comprises an indicated resource of 71 million tonnes with an average grade of 9.22% K₂O and an inferred resource of 2.8 billion tonnes with an average grade of 8.91% K₂O (applying a 7.5% K₂O cut-off). The drilling program defined sub-horizontal potash mineralization from surface to a maximum depth of 85m, rendering the resource amenable to open pit mining.

Together with an engineering consortium, the Group made significant progress in deriving an economic scalable production flow sheet for Potassium Chloride ("KCl"). The production flow sheet is based on tests conducted using the Company's continuous pilot plant (8m length x 0.4m diameter) in Brazil as well as a demonstration plant at FLSmidth's facilities in Allentown, Pennsylvania. Based on this flow sheet, SRK completed a Preliminary Economic Assessment, considering the technical and financial aspects of two production scenarios. The first scenario considers initial production of 0.6 million tonnes per year ("Mtpy") of KCl with Capex of \$598M starting production in 2015 and ramping up to 3Mtpy in 2019. The second scenario considers initial production of 1 Mtpy with Capex of \$868M increasing to 4 Mtpy.

During the quarter, the Company hosted an analyst site visit to FLSmidth's testing facilities in Allentown, Pennsylvania. FLSmidth, part of Verde's engineering consortium, operated a pilot plant for the production of KCl for 3 days, during which over 8 tonnes of raw material were fed to a preheater rotary kiln (9.14m length x 0.91m diameter), and the conversion of potassium silicate into KCl was demonstrated.

The Group completed a bought deal public offering of 4,457,364 Ordinary Shares for net proceeds of approximately \$26.6 million at a price of \$6.45 per share. Soon after, the ordinary shares of the Company were listed and posted for trading on April 11, 2012, on the TSX, under the symbol "NPK". Previously the Company had been listed on the TSX Venture Exchange.

Cristiano Veloso, President & CEO, said: "We have succeeded in producing conventional potash, KCl, on a semi-commercial scale with the assistance of some of the world's most respected engineering companies. Given our location in the Brazilian Cerrado, our project's total delivered cost will potentially make the Company one of the cheapest suppliers of KCl to Brazil's booming agriculture market. After concluding a capital raise this last quarter, we are fully funded to proceed with work on a bankable feasibility study expected to be completed in the first half of 2013".

Verde's Q1/2012 Financial Statements and Management's Discussion and Analysis (MD&A) are available at www.sedar.com and on the Company's website, www.verdepotash.com

2012 Annual General Meeting

The Company's 2012 Annual General Meeting for shareholders will be held on Friday, June 29th at 10:00 a.m. Eastern Time, at 333 Bay Street, Suite 2400, Toronto, ON M5H 2T6.

About Verde Potash

Verde is a fertilizer exploration and development company; it was founded and is led by Brazilians. Verde is developing the Cerrado Verde project in Brazil, a source of potash-rich rock from which the Company plans to produce a potash fertilizer product. Founded as Amazon Mining Holding Plc in 2005, the Company changed its name to Verde Potash Plc in April 2011 to better reflect its core business.

About the Cerrado Verde Potash Project

Cerrado Verde is a unique project: 1) its high grade potash rock outcrops and is amenable to strip mining, allowing fast construction of a scalable operation; 2) it is located in the midst of the world's third largest and fastest growing fertilizer market; 3) it connects to Brazil's largest fertilizer distribution districts via existing and high quality infrastructure.

Cautionary Language and Forward Looking Statements

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Readers are cautioned not to rely solely on the summary of such information contained in this release and are directed to the complete set of drill results posted on Verde's website (www.verdeplc.com) and filed on SEDAR (www.sedar.com) and any future amendments to such. Readers are also directed to the cautionary notices and disclaimers contained herein.

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