



July 7, 2015

Independent Study Demonstrates Economic Benefits to Farmers by Adopting TK47

Verde Potash (TSX: “NPK”) (“Verde” or the “Company”) is pleased to announce the results from an independent study aimed at evaluating the economic benefits to farmers who adopt TK47 as the potassium source in their nutrient management systems. The assessment was based on agronomic results achieved from a 10 months field trial on carrot and corn crops, carried out in Minas Gerais State by an independent agronomic consultancy company.

Table 1, below, presents a simulation of farmers’ incremental profitability when using TK47 at various price points per ton. The results show that even at higher TK47 prices, the products’ superior benefits still translate into higher profits for farmers.

Table 1 – Farmers’ Incremental Profitability replacing KCl with TK47

TK47 price per ton (US\$)	Farmers’ Incremental Profitability per 1,000 hectares of carrots and corn when using TK47 instead of KCl
180*	US\$ 1,822,501
280	US\$ 1,393,928
380	US\$ 965,356
480	US\$ 536,783

*Verde’s PFS published on April 1, 2014 used US\$186 as the product’s sales price.

The economic assessment took into consideration all costs associated with applying TK47 and KCl, including soil improvement, fertilization, application and freight costs. Table 2, below, presents data from the assessment that demonstrates that higher yields were achieved using half the standardly applied dosage of K₂O from TK47.

Table 2 highlights that higher yields of carrots and corn were achieved using TK47. Of the total carrot production, TK47’s plot produced 67.01% of Class A carrots, which have a higher market value, whereas KCl’s plot produced 49.76%. Also, less discarded carrots were produced from TK47’s plot than from KCl’s, 9.08% vs. 10.91%, respectively.



Table 2 – Partial Data Used to Calculate Economic Benefits

	TK47	KCI
Total Potassium (K ₂ O) used	300kg/ha	600kg/ha
Total number of Potassium applications	1	4
Total carrot production	66.1 t/ha	63.3 t/ha
- Class A carrot production (measuring between 18 cm to 26 cm)	44.3 t/ha	31.5 t/ha
- Class B carrot production (measuring between 14 cm to 18 cm)	15.8 t/ha	24.9 t/ha
- Discarded carrot production (non-commercial carrots with any type of deformity or size greater than 26 cm or smaller than 14 cm)	6 t/ha	6.9 t/ha
Total corn production	13.3 t/ha	12.5 t/ha

Improved Economics by Reducing Pesticides

There has been a growing global outcry against excessive use of pesticides. Since 2008, Brazil has ranked first in the world for pesticide consumption. In 2011, the country spent approximately \$8.5 billion on pesticide related chemicals. In the last ten years, while the world market in this sector grew by 93%, the growth in Brazil was 190%. Due to extensive acreage, the mix of crop cultures and its climatic conditions being favorable to the proliferation of pests, Brazil uses an average of two to three times more pesticides per acre than other global farmers. TK47 enhances plant's immune system allowing for a reduction in pesticide use (see press release dated June 2, 2015).

The independent economic study also evaluated the productivity of carrots after reduction of certain pesticides. Table 3, below, shows the pesticides that were applied to KCI's plot but not to TK47's plot. Thus, applying less pesticide translated to potential additional cost reductions of US\$118,000 per 1,000 hectares.

Table 3 – Additional Pesticides Applied to KCI's Plot, and their Cost to Farmers

Pesticide	Company	Dosage	Price	Total cost/ha
Abamex	Nufarm	4.0 L/ha	US\$ 8.32	US\$ 33.28
Engeo Pleno	Syngenta	0.3 L/ha	US\$ 33.63	US\$ 10.90
Caramba®	BASF	1.0 L/ha	US\$ 15.00	US\$ 15.00
Comet®	BASF	0.4 L/ha	US\$ 37.16	US\$ 14.86
Cabrio Top®	BASF	1.6 kg/ha	US\$ 13.46	US\$ 21.53
Engeo Pleno	Syngenta	0.4 L/ha	US\$ 33.64	US\$ 13.46
Imunit™	BASF	0.4 L/ha	US\$ 22.42	US\$ 8.97
				US\$ 118.00



In 2011, the Federal University of Mato Grosso (UFMT) conducted a study in the city of Lucas do Rio Verde analyzing the quality of breast milk¹. Lucas do Rio Verde is the second largest grain producer of the state of Mato Grosso (MT) and, in 2009, used 5 million liters of pesticides to harvest soy and corn.

The study analyzed the breast milk of 62 women between weeks three and eight post delivery. The alarming results showed that all samples were contaminated with, at least, one substance out of the ten being analyzed. "The results may come from the occupational, environmental, food exposure of agricultural productive process that exposed the population to 114.37 liters of pesticides per capita in the season of 2009/2010", said the research's author.

In April 2015, the National Institute of Cancer in Brazil (INCA) recommended a "progressive and sustainable reduction" of pesticide use in the country.² Several health problems affect the life of those directly in contact with pesticides. The list includes: cramps, diarrhea, breathing difficulties, convulsions and death. Prolonged exposure is associated with infertility, impotency, miscarriages, birth defects and cancer.

President & CEO, Cristiano Veloso, commented: "The superior agronomic results Verde's been receiving have allowed the Company to understand and appreciate the full value of TK47's technology. As a multi-function, innovative product, TK47 provides benefits not only in terms of plant nutrition but also for plant protection, soil improvement and increased sustainable agriculture, allowing Verde to position itself as an agri-tech company. The combined benefits of TK47, as shown in this study, increased the yield of premium carrots and reduced fertilizer applications, therefore significantly improving farmers' economics."

Next Steps

The same independent economic study will be conducted on results achieved for sugarcane and coffee, two of Brazil's most important crops. Results from this study will be presented in Q3/2015.

About Verde Potash

Verde Potash is an agri-tech company promoting sustainable and profitable agriculture through the development of its Cerrado Verde Project. Cerrado Verde, located in the heart of Brazil's largest agriculture market, is the source of a potash-rich deposit from which the Company intends to produce TK47 and KCl. TK47 is a multi-function innovative product that combines benefits for plant nutrition, plant protection, soil

¹ <http://www.cartacapital.com.br/politica/agrotoxico-usado-na-agricultura-contamina-leite-materno-no-mt>

² <http://saude.estadao.com.br/noticias/geral,inca-se-posiciona-pela-1-vez-pela-reducao-do-uso-de-agrotoxicos,1665873>



improvement and increased sustainability. Verde's mission is to offer technological and intelligent solutions that meet the needs of an increasingly demanding and conscious market. The Company is also developing its Calcario limestone project, limestone being a key raw material in Verde's process to produce TK47 and KCl.

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; 4) it has the potential to supply both TK47 and KCl to Brazil's local agriculture market from its large potash-rich deposit.

For additional information please contact:

Cristiano Veloso, President & Chief Executive Officer

Tel: 55 (31) 3245 0205; Fax: 55 (31) 3245 0205; Email: cv@verdepotash.com

www.verdepotash.com

Iwona Zakrzewski, VP Investor Relations & Corporate Secretary

Tel: (416) 844-7337 / (416) 866-2966; Email: iz@verdepotash.com

Cautionary Language and Forward Looking Statements

NEITHER THE TSX EXCHANGE NOR ITS REGULATION SERVICES PROVIDER (AS THAT TERM IS DEFINED IN THE POLICIES OF THE TSX EXCHANGE) ACCEPTS RESPONSIBILITY FOR THE ADEQUACY OR ACCURACY OF THIS RELEASE. THIS PRESS RELEASE CONTAINS CERTAIN "FORWARD LOOKING STATEMENTS", WHICH INCLUDE BUT IS NOT LIMITED TO, STATEMENTS WITH RESPECT TO THE FUTURE FINANCIAL OR OPERATING PERFORMANCE OF THE COMPANY, ITS SUBSIDIARIES AND ITS PROJECTS, AND STATEMENTS REGARDING USE OF PROCEEDS. FORWARD LOOKING STATEMENTS CAN GENERALLY BE IDENTIFIED BY THE USE OF WORDS SUCH AS "PLANS", "EXPECTS", OR "DOES NOT EXPECT" OR "IS EXPECTED", "ANTICIPATES" OR "DOES NOT ANTICIPATE", OR "BELIEVES", "INTENDS", "FORECASTS", "BUDGET", "SCHEDULED", "ESTIMATES" OR VARIATIONS OF SUCH WORDS OR PHRASES OR STATE THAT CERTAIN ACTIONS, EVENT, OR RESULTS "MAY", "COULD", "WOULD", "MIGHT", OR "WILL BE TAKEN", "OCCUR" OR "BE ACHIEVED". FORWARD LOOKING STATEMENTS INVOLVE KNOWN AND UNKNOWN RISKS, UNCERTAINTIES AND OTHER FACTORS WHICH MAY CAUSE THE ACTUAL RESULTS, PERFORMANCE OR ACHIEVEMENTS OF THE COMPANY TO BE MATERIALLY DIFFERENT FROM ANY FUTURE RESULTS, PERFORMANCE OR ACHIEVEMENTS EXPRESSED OR IMPLIED BY SAID STATEMENTS. THERE CAN BE NO ASSURANCES THAT FORWARD-LOOKING STATEMENTS WILL PROVE TO BE ACCURATE, AS ACTUAL RESULTS AND FUTURE EVENTS COULD DIFFER MATERIALLY FROM THOSE ANTICIPATED IN SAID STATEMENTS. ACCORDINGLY, READERS SHOULD NOT PLACE UNDUE RELIANCE ON FORWARD-LOOKING STATEMENTS.

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.verdepotash.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.