

## Inova Agro's Funding Decision Confirmed

TORONTO, March 19, 2014 /CNW/ - **Verde Potash** (TSX: "NPK") ("Verde" or the "Company") is pleased to inform that in the evening of March 18<sup>th</sup>, 2014, Inova Agro confirmed Verde as one of the selected companies. While Verde announced its selection in a press release dated February 19<sup>th</sup>, 2014, the Company also informed that any applicant to the program who was not selected could file an appeal regarding the results. The appeal must have been filed within ten calendar days and the final results to be confirmed on March 18<sup>th</sup>, 2014. The Company is pleased to confirm that the result is now final and the Joint Support Plan for each approved business plan will be sent on April 17, 2014.

Verde submitted its application and support documentation to the Inova Agro program in August 2013 and in February 2014, the Company was notified of its selection. Verde submitted its business plan for the development of Cerrado Verde, at an estimated total of R\$ 280 million (approximately US\$ 115 million), of which R\$ 250 million (approximately US\$ 105 million) was asked from Inova Agro. This capital is to be provided via loans with subsidized interest rates, equity investment and non-reimbursable project investment grants from the Brazilian Development Bank ("BNDES") and/or the Financing Agency for Studies and Projects ("FINEP"), both of which are branches of the Brazilian government that operate Inova Agro. Of the total capital, up to R\$ 10 million (approximately US\$ 4.2 million) can be provided as a non-reimbursable project investment grant.

### Inova Agro

Inova Agro is an initiative of the Brazilian government aimed at coordinating the resources of BNDES and/or FINEP to provide financial support to innovative projects in the agriculture sector. The Inova Agro support program involves a specific set of criteria and a schedule for the distribution of funds.

The Inova Agro program targets three business sectors for funding: agribusiness inputs, food industry processing and agribusiness equipment. The Company's Cerrado Verde project expects to significantly contribute to Brazil's production of potash fertilizers and therefore fits into the inputs for agribusiness (fertilizers) portion of the program.

Inova Agro is part of the larger Inova Empresa program, which spans a number of sectors. The total budget for Inova Empresa is R\$32.9 billion (approximately C\$15.0 billion). While the budget for Inova Agro provides for R\$1 billion in funding, this figure could increase at the discretion of the funding institutions (BNDES and FINEP).

### About BNDES

The Brazilian Development Bank (BNDES), a state-owned company, is the main financing institution for development in Brazil. Since its foundation in 1952, the BNDES has played a fundamental role in stimulating the expansion of industry and infrastructure in the country. Over the course of the Bank's history, its operations have evolved in accordance with the Brazilian socio-economic challenges; today they include support for exports, technological innovation, sustainable socio-environmental development and the modernization of public administration.

The Bank offers several financial support mechanisms to Brazilian companies of all sizes as well as public administration entities, enabling investments in all economic sectors. In any supported undertaking, from the analysis phase up to the monitoring, the BNDES emphasizes three factors it considers strategic: innovation, local development and socio-environmental development.

### About FINEP

The Financing Agency for Studies and Projects (FINEP) is a state-owned company under the Brazilian Ministry of Science and Technology that promotes economic and social development by fostering innovation in public and private companies, universities, technological institutes and other public and private institutions in the country.

Founded in 1967, the organization has funded thousands of successful initiatives, including the development of Embrapa, Brazilian agribusiness projects, oil exploration and development of the aircraft Embraer Tucano.

### About Verde Potash

Verde Potash, a Brazilian fertilizer development company, is focused on advancing the Cerrado Verde project located in the heart of Brazil's largest agriculture market. Cerrado Verde is the source of a potash-rich deposit from which the Company intends to produce both ThermoPotash and potassium chloride (KCl). ThermoPotash is a controlled-release, non-chloride, multi-nutrient fertilizer that is ideally suited for Brazilian soils. In addition, the Company is developing its Calcario limestone project, limestone being a key raw material in the Company's process to produce both ThermoPotash 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 KCl to Brazil's local agriculture market from its large potash-rich deposit.

### 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.verdepotash.com](http://www.verdepotash.com)) and filed on SEDAR ([www.sedar.com](http://www.sedar.com)) and any future amendments to such. Readers are also directed to the cautionary notices and disclaimers contained herein.

SOURCE: Verde Potash Plc

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