

Sage Potash Announces Equipment Purchase and Financing

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Transaction to Accelerate Project Timeline and Reduce Start-Up Costs

VANCOUVER, Sept. 9, 2024 - [Sage Potash Corp.](#), (TSXV: SAGE) (OTC: SGPTF) ("Sage" or the "Company") is pleased to announce that it has entered into an agreement (the "Purchase Agreement") with a subsidiary of International Process Plants ("IPP") for the purchase of processing equipment for \$12.6 million. (Unless otherwise stated, all currency references are in Canadian dollars.) This equipment is capable of processing up to 300,000 tonnes per year of potash. The majority of the equipment being purchased, which had never been assembled or used and currently is in storage in Europe, was fabricated in 2012 at a cost of approximately \$36 million (US\$54 million) at the time. The balance of the equipment to be acquired by the Company will come from IPP's inventory of second-hand machinery.

Under the Purchase Agreement, the Company will satisfy the purchase price by paying \$6,300,000 in cash, issuing 12,600,000 common shares to IPP at a deemed price of \$0.20 per share, and issuing IPP a secured convertible debenture with a principal amount of \$3,780,000. The secured convertible debenture will mature in five years while accruing interest at 12% per annum, and in addition, the holder may convert any or all of the outstanding indebtedness into shares of the Company at \$0.40 per share at any time. The Purchase Agreement and the transactions contemplated therein are subject to acceptance by the TSX Venture Exchange ("TSXV").

In addition, the Company is announcing a non-brokered private placement (the "Private Placement") of 37,600,000 common shares at \$0.20 each for gross proceeds of \$7,520,000 and convertible debentures with an aggregate principal amount of \$3,780,000. The convertible debentures offered under the Private Placement will not be secured, but will otherwise have the same terms and conditions as the IPP secured convertible debenture.

The gross proceeds of the Private Placement of \$11,300,000 will be used to satisfy the obligations under the Purchase Agreement and for general working capital, with \$5,000,000 being allocated to working capital and the remaining \$2,520,000, together with the \$3,780,000 aggregate principal amount of the convertible debentures, being applied to the \$6,300,000 cash closing requirements under the Purchase Agreement. The cash requirements under the Purchase Agreement will therefore mirror the value of the equity and convertible debentures being issued to IPP. The Private Placement is integral to the proposed transactions under the Purchase Agreement, and therefore, the Company expects to rely on the "part and parcel pricing exception" provided for in the policies of the TSXV.

Moneta Securities (monetasecurities.com) is acting as financial advisor for Sage in connection with the aforementioned transactions.

Sage's CEO, Peter Hogendoorn says, "We are excited about what is essentially \$17.6M in combined support we are receiving from both IPP and Moneta in assisting us to advance our project into pilot production, from which we can grow the project both in terms of ongoing geological data and cash flow to service both resource and incremental production expansion. Today's stainless steel and titanium fabrication lead-times for equipment add significant uncertainty to project financing, both in terms of cost and time. By buying this existing equipment now, Sage is mitigating project risk and cost, as well as providing added clarity to the project's timeline, which is what project funders require. We believe this ultimately enhances shareholder value as we seek to reduce the United States' nearly 100% reliance on imports for potash supply."

This seminal acquisition was led by Shilo Sazwan, who recently joined Sage along with his engineering team. Mr. Sazwan states, "Considering stainless steel and titanium costs have more than doubled since these components were produced in 2012, we estimate that we are saving in the order of US\$75 to US\$100

million in project costs, not to mention the 4-5-year fabrication lead-time before we could even begin assembly." Mr. Sazwan and his engineering team have over twenty-five years' experience in procuring high quality processing plants and equipment on the secondary market. This plant will be Mr. Sazwan's ninth plant to be built at significant cost savings.

"Sage Potash's commitment to quickly and cost-efficiently execute this project aligns perfectly with our 46-year mission of providing high-quality, existing unused and used equipment for fast-tracked projects," said Ron Gale, President of IPP. "More and more companies are realizing the benefits of unused or quality second-hand equipment and plants. They're doing this at a fraction of the cost and time as competitors."

The Private Placement and transactions contemplated under the Purchase Agreement are subject to acceptance by the TSXV. All securities issued under the Private Placement and the Purchase Agreement will be subject to a hold period of four months.

To view images of the acquired fertilizer plant please visit sagepotash.com/300000-tpy-fertilizer-plant/

About Sage Potash Corp.

Sage Potash is a Canadian company vested solely in the Sage Plain Property and intends through sustainable solution mining techniques to become a prominent domestic potash producer within the Paradox Basin situated in Utah. For further information, please refer to the Company's disclosure record on SEDAR+ (www.sedarplus.ca) or contact the Company by email at info@sagepotash.com.

About International Process Plants

International Process Plants (IPP) is a global solutions provider for process plants and equipment. IPP buys and sells existing plant sites, used process systems and individual equipment. Part of the IPP Group, Universal Glasteel Equipment (UGE) offers new and re-glassed glass-lined equipment and parts, as well as re-glassing services. Gale Process Solutions (GPS) designs and builds new alloy process equipment and pressure vessels, including its proprietary Porcupine Processor mixer/reactor/dryer, with many of these items in stock for quick delivery. IPP has offices in 15 countries, helping manufacturers save time and money with immediately available assets to grow their capabilities. Its holdings include 18 complete plant sites, 110 plants for relocation and 15,000 process systems and major pieces of equipment. For more information, visit internationalprocessplants.com

On Behalf of the Board of Directors,
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