



## **SOPERIOR FERTILIZER PROVIDES CORPORATE UPDATE**

**March 28th, 2022, Toronto, ON, Canada – SOPerior Fertilizer Corp. (the “Company”) (NEX: SOP.H).** Further to its press release on Dec 5<sup>th</sup>, 2021, wherein the Company announced it had entered into an Exclusivity Agreement with a counterparty with respect to a JV Agreement (“JV”) for the development of its Blawn Mountain alunite asset, the counterparty has to-date paid USD \$380,000 in non-refundable exclusivity payments to secure the JV transaction until the closing date which must occur before the end of Q2, 2022. If the JV is not closed by April 1, 2022, an additional USD \$75,000 is due from the counterparty to extend the exclusivity. Of the funds received from the counterparty, USD \$150,000 was applied to the debt outstanding to Lind Asset Management VIII LLC and USD \$104,000 was used to pay SITLA lease fees. The terms and conditions of the JV Agreement are unchanged from those outlined in the August 24, 2020 press release.

### **JV Project**

The proposed JV’s first phase commercial production facility and future expansion phases are to be constructed on the site of an existing copper processing operation. The alunite ore will be trucked approximately 25 miles from the Blawn Mountain open pit quarry. Process engineering will commence immediately upon JV execution and it is anticipated that the facility can be built and online within 18 months of completing project FEED. Initial project phase anticipates production of 70,000 tons per year (“tpy”) SOP, 140,000 tpy alumina and 150,000 tpy sulphuric acid for an estimated \$150MM USD facility spend. The actual production capacity will be determined once the process engineering work is completed. With three valuable commodities being produced from the processing of a single ore stream, the production costs of each individual product is projected to be lowest in class. Based on current prices with watersoluble SOP at approximately \$900/ton, alumina at \$450/ton\*, and sulphuric acid at \$200/ton, the gross revenues could be as high as \$160 million USD/yr at the planned project scale\*\* with operating costs projections of \$36 million USD/yr \*\*. This initial project is but a fraction of the permitted mine capacity of 645,000 tpy SOP, 1.2 million tpy alumina and 1.4 million tpy sulphuric acid.

### **Blawn Mountain Alunite Resource - 100 year potential reserve life of alumina, potash, and sulphuric acid**

The ore to be mined using simple surface mining operations is alunite. The processing of alunite yields three valuable products – alumina, “SOP”, potassium sulphate fertilizer – a premium high value form of potash and sulphuric acid. For every ton of SOP produced, approximately 2 tons of alumina and 2.15 tons of sulphuric acid are co-produced. The Blawn Mountain Alunite deposit represents the largest known potential nonbauxite source of alumina in the US <sup>(1)</sup>. It was discovered in the 1970’s in a search for nonbauxite sources for aluminum production as the US has negligible bauxite reserves and relies on imported bauxite and alumina in primary aluminum production. The Company’s Blawn Mountain Mining Lease comprises over 15,400 acres in the State of Utah.

In the Company’s 2017 National Instrument 43-101 Pre-Feasibility Study report, the Company’s Blawn Mountain Lease contains mineral resources of 426 million tons of proven and 153.3 million tons of probable mineral reserves from two explored areas of the Lease. This excludes potential resource

additions from two unexplored areas within the Lease that show surface indications of alunite. This represents over 100 years of potential project reserve life at commercial scale production.

## **Commodity Prices**

Recent events involving Russia and Belarus sanctions have sent potash prices skyrocketing as these two countries are major potash producers and suppliers of this essential mineral fertilizer.

The Company recognizes that Blawn Mountain and its large scale domestic production potential would help offset reliance on imports of these three highly valuable products that have large domestic requirements. The proposed Joint Venture, which will bring together project management and operational experience supported by substantial financial commitments, will represent a significant step towards unlocking the potential of Blawn Mountain and moving it towards large scale production.

\* LME alumina closing price March 7, 2022,

\*\* These are management estimates and have not been confirmed by an independent 3<sup>rd</sup> party

(1) World Nonbauxite Aluminum Resources - Alunite , Robert B Hall, Geological Survey Professional Paper 1076A.

On Behalf of the Board of Directors

## **SOPERIOR FERTILIZER CORP.**

“Andrew Squires”

CEO and Director

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**FORWARD LOOKING STATEMENTS:** *This news release contains forward-looking statements, which relate to future events or future performance and reflect management's current expectations and assumptions. Such forward-looking statements reflect management's current beliefs and are based on assumptions made by and information currently available to the Company. Investors are cautioned that these forward-looking statements are neither promises nor guarantees, and are subject to risks and uncertainties that may cause future results to differ materially from those expected. These forward-looking statements are made as of the date hereof and, except as required under applicable securities legislation, the Company does not assume any obligation to update or revise them to reflect new events or circumstances. All of the forward-looking statements made in this press release are qualified by these cautionary statements and by those made in our filings with SEDAR in Canada (available at [www.sedar.com](http://www.sedar.com)).*