



THE Milestone Minute



WHAT'S NEW ON OUR PROJECT?

Greg Vogelsang joined the Milestone Project in 2010 as the Manager of Environment & Regulatory Affairs. He has seen the project and the organization go through many changes. A belief in the strength of the project has kept Greg where he is. "There are a lot of people who have worked hard to get this project off the ground. I'm particularly excited as a resident of Saskatchewan to have the opportunity to be part of such an exciting project right here in our province."

A lot has changed for the Milestone Project. Due to the varying phases of the project, there have been many personnel changes and the local team was very small for many years. Greg notes, "We've gone from having two people on the Milestone team to seven people within about a month. That alone really changes the dynamics of the project and is helping us to advance the final engineering stage of the project very quickly."

The project itself was altered significantly

in 2015. The new project is a Pilot Plant which will test new technology that has never been proven before in Saskatchewan. "The new project is a test and that is incredibly exciting for our team," says Greg. "To have the opportunity to be involved in exploring an entirely new process for mining potash in Saskatchewan is not only an exceptional experience for our team, it is also exciting for the province."

The project has many environmental benefits, as compared to traditional solution mines in Saskatchewan. One example is that our selective mining technique will leave the salt below the surface, which means there will be no salt pile on the surface. Also, the Milestone Project will use approximately one-half the water for the mining process when compared to other solution mines.

For the Pilot Plant, we are exploring the use of brackish water from the Manville formation. Brackish water is more salty than fresh water, although not as salty

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GREG VOGELSANG, Project Manager



The Milestone Project is located approximately 30 km southeast of Regina in the RM of Lajord.



WHAT'S NEW ON THE PROJECT?

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as seawater. It is not suitable for drinking and this formation is located far below drinking water aquifers. "People in the community may see us drilling a water well early next year," Greg notes. "Water is an absolute necessity for solution mining so it is critical we finalize a water supply as soon as possible. We still have an agreement to utilize City of Regina treated waste water for our process and plan to use this water for the full-scale plant, however the Pilot Plant is too small in scale for a pipeline from Regina to the project area to be feasible."

These are exciting times for the Milestone Project. The final engineering report for the Pilot Plant is scheduled to be complete by December this year. This report will include all the information that the company needs to make a decision about moving the Milestone Project forward into the construction phase. "Early in 2017 we are planning to have another Community Open House so we can update the community on the status of the project," says Greg. "We are hopeful that the company will make a decision in the first half of 2017 to move the project into construction."

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MEET THE TEAM



Caitlin Knaus
Solution Mining Specialist

Caitlin joined the Milestone Project as the Solution Mining Specialist in the summer of 2016. She was born and raised in Regina and grew up in the German community volunteering for the German Club at yearly events like Mosaic – A Festival of Culture. She loves spending lots of time outdoors whether that be fishing tournaments with her dad, yearly trips to Waskesiu with the entire family or a trip to the closest park with her children. Caitlin is happily married to Dennis and they are the proud parents of two wonderful boys (Luca and Dominik), a dog (Cain) and cat (Lily).

Caitlin received her Environmental Systems Engineering degree from the University of Regina. She has potash solution mining experience in brownfield and greenfield projects in Saskatchewan.

Given Caitlin's Environmental Engineering background she is very excited to be on this team and change the way solution mining is done in her home province.



Matthew Wood
Project Director

We are very pleased to welcome Dr. Matthew Wood to the company. He joins Milestone to lead the project team that will move the project into production. Matthew holds a chemical engineering degree and Ph.D. from the University of Queensland, Australia.

Matthew has worked on a number of mining projects for two large multi-national mining companies. These projects took him from Australia to South America to the U.K. In 2012, Matthew, his wife and daughter moved to Regina, where he assumed a senior leadership role during the pre-feasibility and feasibility stages of a solution mining mega-project near Kronau. His experience and knowledge will contribute greatly to the success of the Milestone Project.

Matthew and his family have grown to love Saskatchewan, particularly the friendly people and warm summers and are happy to call Regina home.

CORPORATE UPDATE

Western Potash Corp. is a publicly traded Canadian company on the Toronto Stock Exchange (TSX) under the symbol “WPX”. For the past 9 years, we have been focused on developing a potash mine on our property in Saskatchewan.

This property is called The Milestone Project. We are proud to have successfully advanced this project from grassroots through to development. Among other things, we have completed 11 drill holes, defined potash reserves and resources using the drill hole data and completed the necessary environmental work. We are currently focused on completing engineering studies for our Pilot Plant.

Our goal is to build a Potash Pilot Plant using selective solution mining techniques at The Milestone Project.

In order to better manage The Milestone Project, Western set up the Milestone Potash Corporation. The Milestone Potash Corporation is a Saskatchewan based company and is not publicly traded; it is a wholly owned private subsidiary of Western Potash Corp. The Milestone Corporation’s sole responsibility is to build the Potash Pilot Plant at The Milestone Project.

Last year, Western was able to secure a strategic investment from Beijing Tairui

Innovation Capital Management Ltd. (Tairui), who acquired 51% of Western’s outstanding shares.

The current economic climate has forced us to rethink our strategy to market, and focus on an innovative pilot plant that will prove new solution mining technology. Once the engineering for the pilot plant is complete, this will be taken to the board for their consideration. They will assess the economics of the project, engineering and environmental plans, and of course the support of all the stakeholders prior to any decision about starting construction.

MOTHER NATURE IS A PARTNER IN OUR PROCESS

Our Pilot Plant is using cutting edge technology and innovation, along with aspects of our Saskatchewan climate that we can all rely on: frigid winters and ever present winds! That’s right, our cold temperatures and north-westerlies are going to help us in the process of removing the potash from solution.

Typical potash mines use extremely large evaporators and crystallizers. In place of these mechanical processes, we are using a crystallization pond. “Not having these large machines means that our project will have less noise, less air emissions and a smaller refinery footprint than a typical solution mine,” says Caitlin Knaus, Solution Mining Specialist for Milestone Potash. As a young engineer-in-training who values the concept of sustainability, Caitlin is really excited about Milestone’s environmental footprint.

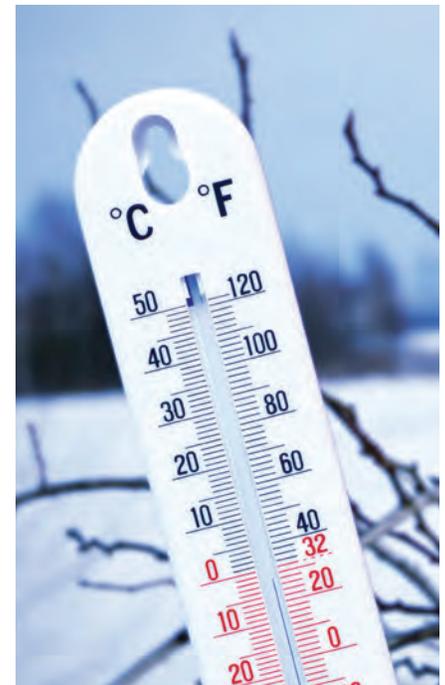
So let’s back up for a minute here; how does it all start? We are planning to use brackish water (not fresh water) from the Manville formation to create the mining caverns. “This is another unique aspect to our project,” says Knaus. “If drilling this well is successful, we will not be removing any fresh water from the system. This is water that is not suitable for drinking and is located 800 meters below the surface, far from the drinking water aquifers in the area.”

This water will be salt saturated in the crystallization pond to make it suitable for the type of horizontal mining the Milestone Project is using. The salt saturated water is sent by pipe to well sites where engineers work to create mining caverns 1,700 meters below the surface. Potash rich brine is returned from the wellfield and injected into the crystallization pond. The pond is colder and is already saturated in salt. When the brine enters the pond and the temperature decreases, potash begins to drop out. The colder and the windier it is, the better!

Water is recycled over and over in our process. When the brine returns from the mining caverns, it is saturated in potash and salt and injected into the ponds. The Potash drops out, leaving only salt in the brine. The salt saturated brine is injected into caverns and the process is repeated.

Dredges will harvest the potash that has dropped out and it will be sent to the processing building where the moisture content is further reduced.

“I grew up in Saskatchewan, I never thought that our winter would become such an important part of my job,” Knaus states. We are proud to have Mother Nature partner in our process!



Our cold temperatures and north-westerlies are going to help us in the process of removing the potash from solution.

WE WANT TO HEAR FROM YOU!

You haven't heard from us in a while. That's because we've been hard at work advancing the engineering details for our Pilot Project. We have a lot of new information we are excited to share with the community and we also need your input on some important topics.

"This is an opportune time for us to connect with the community," says Dr. Matthew Wood, Milestone's new Project Director. "We have worked hard to advance the project and, thanks to the contributions from world class engineering firms AMEC Foster Wheeler and Agapito, we are in the final stages of completing the engineering work. At the same time, there is still room in our plans to collect public input and apply that in our decision making process."

We will be hosting a Community Open House in the new year. There will be experts from our project team on hand to explain everything from how we are extracting the potash to how we expect to

transport it off site. We will also have some interactive displays that will give you a chance to understand first hand how this new process works. "We are really looking forward to sharing our project with the community and learning about some of the aspirations the community has for the project," says Dr. Wood.

The Open House will be an informal gathering with multiple displays where participants are able to rotate through stations and discuss specific topics with project staff. The event will be set up "cafeteria-style", meaning that participants choose the stations that have information of interest to them. A meal will also be provided, so you don't have to go hungry if you attend our event!

Once a date has been finalized, we will be letting the community know. We sincerely hope you can come out to meet the team, have a bite to eat and share your thoughts on the Milestone Project.



COMMUNITY OPEN HOUSE

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From all of us at Western Potash and the Milestone Project, we wish you and yours a safe and joyous holiday season and a new year filled with prosperity.

For more information visit westernpotash.com

Feel free to call us with any questions or concerns at 306-924-9378

