

Sage Potash Announces Formation of U.S. Subsidiary, Sage Lithium Corp.

written by Raj Shah | June 26, 2023

June 26, 2023 ([Source](#)) – SAGE POTASH CORP. (TSXV: [SAGE](#)) (OTC: SGPTF) (“Sage Potash” or the “Company”) is pleased to announce the formation of a U.S. subsidiary, Sage Lithium Corp. (“Sage Lithium”). Due to multi-commodity brines with high Li-K-Br analyses reported from historic oil and gas wells in the area, the Company is encouraged to explore additional potential revenue sources known to occur within the Paradox Basin. The primary objective of Sage Lithium will be to conduct testing for lithium and other soluble saline minerals within the existing brine hosting strata covered by Sage Potash’s private mineral lease portfolio. Sage Lithium will be operating in conjunction with its parent company, Sage Potash, which is in the process of applying for Class V Authorization by rule to drill two exploration wells that are planned to function as an initial pilot production well and a brine disposal well. Concurrently, Sage Lithium will sample, test, and analyse strata that are amenable to brine extraction for lithium, bromine and other soluble saline minerals.

This strategic decision is grounded in the Company’s assessment of historical records derived from oil, gas and potash wells drilled in the Paradox Formation. The Company believes these records indicate a strong possibility of intersecting super-saturated brines (composed of up to 40% minerals and 60% water) containing a diverse range of valuable minerals, including lithium, bromine and potassium, in the Paradox Formation. Sage Potash holds private mineral leases located in the Paradox Basin

that grant the Company exclusive rights to extract potash, lithium, and other saline minerals and resources.

Sage Lithium will operate as a standalone subsidiary exploring the mineral leases for lithium and other soluble saline minerals on 17,277 acres of private mineral and surface leases owned by its parent company, Sage Potash.

The Paradox Formation is host to brine-bearing strata that has been the focus of numerous lithium exploration companies, including Anson Resources (OTC: ANSNF) which has reported on its plans to develop its 530 MT indicated resource grading 123 ppm Li and 3,474 ppm Br, in the northern part of the Paradox Basin ⁽¹⁾.

The Company believes that historic oil and gas wells throughout the Paradox Basin were seldom analysed for lithium, bromine, potassium, and boron, though the few that were sampled returned concentrations ranging from 66ppm to 1,700ppm lithium, 18,800 ppm to 47,000 ppm potassium, and 1,150 ppm to 6,100 ppm bromine.

The following is a publicly available list of historical wells analysed for multiple elements⁽²⁾:

Well	Strata thickness (ft)	Lithiumppm	Potassiumppm	Bromineppm	Boronppm
King Oil No.2	16	173	41,957	1,150	2,922
S. Natural Gas No. 1	43	98	20,000	3,000	600
S. Natural Gas No. 1 LC	16	500	23,400	6,100	—

Pure Oil No. 1 Hobson	17	134	25,500	1,612	1,260
White Cloud No. 2	16	1,700	47,000	2,500	20,000
Delhi-Taylor No. 2	–	66	18,800	3,080	660
Superior Oil 88-21P	–	339	24,250	3,200	–
Pure Oil No. 2 Big Flat	–	81	21,000	2,041	780

Sage Potash CEO, Peter Hogendoorn, commented, “When we included ‘saline mineral rights’ in our initial private mineral leases, we didn’t realize at the time how much lithium interest would develop in the Paradox Basin/Lisbon Valley. Using SQM (Sociedad Quimica y Minera de Chile S.A.) as a model, which can be considered either the world’s lowest cost lithium producer or potash producer, management believes there is a significant opportunity to leverage both the geology and its lease rights to add considerable shareholder value for multiple complementary mineral development streams, or as an eventual company spin-off.”

Additionally, the Company has entered into advertising and investor awareness campaigns with Think Ink Marketing Data & Email Services LLC (“Think Ink”), Blue Summit Ventures Inc. (“Blue Summit”), and Marcus van der Made. The Company has also engaged Venture Liquidity Partners Inc. (“VLP”) for market making services, and Fairfax Partners Inc. (“Fairfax”) to aid in the management of their corporate development activities.

The Company has entered into an agreement with Think Ink for a 1-month term commencing June 1st, 2023, to provide public relations services in an effort to increase public awareness of

the Company, its business and securities. Certain services to be provided by Think Ink are anticipated to include 'investor relations activities' under the policies of the TSX Venture Exchange ("TSXV") and applicable securities laws. The Company has budgeted up to US\$25,000 for the marketing services of Think Ink, which include facilitating the creation and distribution of marketing materials, on-line banners, and native ads.

VLP has been engaged to provide market-making services for the common shares of the Company, ensuring a well-functioning trading market. VLP will carry out these services through registered broker W.D. Latimer Co. Ltd., adhering to TSXV policies and relevant laws. The Company will compensate VLP with a monthly cash fee of CAD\$5,000. The agreement commenced on May 15th, 2023, and will continue on a month-to-month basis, subject to termination with a notice period of five days. VLP and the Company have an arm's length relationship, with no present interest in each other's securities. The necessary finances and shares for market-making are provided by W.D. Latimer Co. Ltd., which is also independent of the Company. The fee paid to VLP is solely for its market-making services. VLP is a specialized consulting firm based in Toronto that offers various services tailored to TSXV-listed issuers.

Blue Summit has agreed to provide investor relations and communications services to the Company in exchange for a fee of CAD\$5,000 per month, on a month-to-month basis effective May 1st. The services will include outbound communications and investor relations services. As of the date hereof, to the Company's knowledge, Blue Summit (including its directors and officers) do not own any securities of the Company.

Marcus van der Made has agreed to provide investor relations and communications services to the Company in exchange for a fee

of CAD\$4,000 per month. The agreement commenced on June 12, 2023, for a 12-month term. The services will include outbound communications and investor relations services. As of the date hereof, to the Company's knowledge, Marcus van der Made does not own any securities of the Company.

Sage Potash has enlisted the expertise of Vancouver-based consulting firm Fairfax Partners to aid in the management of their corporate development activities. As part of the arrangement, Fairfax Partners will be compensated with a monthly fee of CAD\$10,000 for a period of 12 months, which commenced on March 15th. As of the date hereof, to the Company's knowledge, Fairfax Partners (including its directors and officers) do not own any securities of the Company.

This news release contains information about adjacent properties on which the Company has no right to explore or mine. The Company advises U.S. investors that the SEC's mining guidelines strictly prohibit information of this type in documents filed with the SEC. United States investors are cautioned that mineral deposits on adjacent properties are not indicative of mineral deposits on the Company's properties.

Any information concerning mineral reserve or mineral resource estimates contained in this news release or the documents available on the Company's website have been prepared in accordance with the requirements of the securities laws in effect in Canada, including National Instrument 43-101 Standards of Disclosure for Mineral Projects ("NI 43-101"). These standards differ significantly from the requirements of the SEC that are applicable to domestic United States reporting companies. Any estimates of Mineral Reserves and Mineral Resources reported by the Company pursuant to NI 43-101 may not qualify as such under SEC standards. Accordingly, information provided on the Company's website may not be comparable with

information made public by United States companies is subject to domestic SEC reporting and disclosure requirements.

References:

- (1) https://www.ansonresources.com/paradox_lithium_project/
- (2) Lisbon Valley Lithium Report, By Bradley C. Peek, MSc., CPG – Dec 6th, 2021

Qualified Persons:

Patricio Varas, P.Geo., a Qualified Person as defined by NI 43-101, has read and approved all technical and scientific information related to the historical brine data contained in this news release. Mr. Varas is the Chief Operating Officer and Vice President Exploration for Sage Potash. Mr. Varas has reviewed the data disclosed in this press release but has not verified historic assay information.

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.sedar.com) or contact the Company by email at info@sagepotash.com.

On Behalf of the Board of Directors,

Peter Hogendoorn
CEO & Executive Chairman

Website: www.sagepotash.com

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Provider (as that term is defined in the policies of the TSX Venture Exchange) accepts responsibility for the adequacy or accuracy of this release.

Cautionary Note Regarding Forward-Looking Statements

This news release contains “forward-looking information” and “forward-looking statements” within the meaning of applicable securities legislation. The forward-looking statements herein are made as of the date of this news release only, and the Company does not assume any obligation to update or revise them to reflect new information, estimates or opinions, future events or results or otherwise, except as required by applicable law. Often, but not always, forward-looking statements can be identified by the use of words such as “plans”, “expects”, “is expected”, “budgets”, “scheduled”, “estimates”, “forecasts”, “predicts”, “projects”, “intends”, “targets”, “aims”, “anticipates” or “believes” or variations (including negative variations) of such words and phrases or may be identified by statements to the effect that certain actions “may”, “could”, “should”, “would”, “might” or “will” be taken, occur or be achieved. Forward-looking information in this news release includes, but is not limited to, statements with respect to future events or future performance of Sage Potash or Sage Lithium, including the Company’s plan to conduct exploratory drilling, the ability of the Company to obtain all necessary regulatory approvals for its proposed drilling program, management’s expectations regarding the presence of lithium, bromine, and other soluble saline minerals on the properties controlled by the Company, and the Company’s expectations regarding its ability to develop any such minerals that may be present on the Company’s properties. Forward-looking statements and information are subject to various known and unknown risks and uncertainties, many of which are beyond the ability of the Company to control or predict, that may cause the Company’s

actual results, performance or achievements to be materially different from those expressed or implied thereby, and are developed based on assumptions about such risks, uncertainties and other factors set out herein, including, but not limited to, the risk factors set out under the heading “Risk Factors” in the Company’s final non-offering long form prospectus dated March 2, 2023 available for review on the Company’s profile at www.sedar.com. Such forward-looking information represents management’s best judgement based on information currently available. No forward-looking statement can be guaranteed and actual future results may vary materially. Accordingly, readers are advised not to place undue reliance on forward-looking statements or information.

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For further information: Peter Hogendoorn, CEO & Executive Chairman, +1(236) 836-4182, info@sagepotash.com