TRADING SYMBOL: TSXV:EPO

VANCOUVER, Oct. 15, 2015 /CNW/ - Encanto Potash Corp. ("Encanto" or the "Company") (TSXV: EPO) is pleased to announce that it has entered into a Memorandum of Understanding (MOU) with Metals and Minerals Trading Corporation of India (MMTC). The MOU is to define the framework for a long term supply arrangement for Muriate of Potash.

As previously disclosed in the Company's financial statements the Indian government has taken over the overall negotiations and as such decided that MMTC, with a market cap nearly double that of Rashtriya Fertilizer Corp.(RCF), would be a more suitable entity for these negotiation.

MMTC Limited of India, a Public Sector Undertaking, is one of the two highest earners of foreign exchange for India and India's largest public sector trading body with an annual turnover of around US$ 10 billion. Not only handling the export of primary products such as coal, iron ore, and manufactured agro and industrial products, MMTC also imports important commodities such as ferrous and nonferrous metals for industry, and agricultural fertilizers. As a leading player in fertilizers and fertilizer raw material, MMTC has become a major fertilizer marketing company in India, through planned forward integration of its import activities with the direct marketing of Urea, DAP, MOP Sulphur, Rock Phosphate, SSP and other farming and agricultural inputs.

MMTC's diverse trade activities cover Third Country Trade, Joint Ventures and Link Deals and all modern forms of international trading. The Company has a vast international trade network, spanning most countries including Asia, Europe, Africa, Oceania, America and also includes a wholly owned international subsidiary in Singapore, MTPL.

MMTC is also one of the largest bullion trading companies typically importing approximately 25% of India's annual bullion.

Encanto is also exploring with the Ministry of Minority Affairs of India the possibility of Encanto supporting employee training of skilled trades and technology professions to meet the employment needs when Encanto's mine is being built and operated.

About Encanto:

Encanto Potash Corp. is a TSX Venture Exchange listed and traded Canadian resource company engaged in the development of potash properties in the Province of Saskatchewan, Canada, the largest producing potash region in the world. Through a joint venture agreement with Muskowekwan Resources Ltd. ("MFN JV") on our flagship property, Encanto has a project land package which totals approximately 61,000 largely contiguous acres. A Pre-Feasibility Study dated February 28, 2013 titled " Encanto Potash Corp. Technical Report Summarizing the Preliminary Feasibility Study for the Muskowekwan First Nations Home Reserve Project in South Eastern Saskatchewan, Canada" confirms the Proven & Probable KCl Reserves totaling 162 MMt grading 28% which supports primary and secondary mining for over 50 years at an assumed annual rate extraction rate of 2.8 million tonnes.

The Company also has an interest in another potash property in Saskatchewan: 20% interest in the 55,000 acre Ochapowace/Chacachas property.

Encanto is currently exploring domestic & international strategic partnerships for the financing, development and sale of potash production from its MFN JV Property.

The technical content of this news release has been reviewed and approved by James Walchuck, a qualified person as defined by NI 43-101.

For additional information about Encanto Potash Corp., please visit the Company's website at www.encantopotash.com or review the Company's documents filed on www.sedar.com.

ON BEHALF OF THE BOARD OF DIRECTORS

Per: "James Walchuck"

James Walchuck

President and CEO

THE FOREGOING INFORMATION MAY CONTAIN FORWARD-LOOKING INFORMATION RELATING TO THE FUTURE PERFORMANCE OF THE COMPANY. FORWARD LOOKING INFORMATION IS SUBJECT TO A NUMBER OF KNOWN AND UNKNOWN RISKS, UNCERTAINTIES AND OTHER FACTORS THAT MAY CAUSE ACTUAL RESULTS TO DIFFER MATERIALLY FROM THOSE ANTICIPATED IN OUR FORWARD LOOKING STATEMENTS. SUCH RISKS AND OTHER FACTORS INCLUDE, AMONG OTHERS, THE ACTUAL RESULTS OF EXPLORATION ACTIVITIES, CHANGES IN WORLD COMMODITY MARKETS OR EQUITY MARKETS, THE RISKS OF THE MINING INDUSTRY INCLUDING, WITHOUT LIMITATION, THOSE ASSOCIATED WITH THE ENVIRONMENT, DELAYS IN OBTAINING GOVERNMENTAL APPROVALS, PERMITS OR FINANCING OR IN THE COMPLETION OF DEVELOPMENT OR CONSTRUCTION ACTIVITIES, TITLE DISPUTES, CHANGE IN GOVERNMENT AND CHANGES TO REGULATIONS AFFECTING THE MINING INDUSTRY, AND OTHER RISKS AND UNCERTAINTIES DETAILED FROM TIME TO TIME IN THE COMPANY'S FILINGS WITH THE CANADIAN SECURITIES ADMINISTRATORS (AVAILABLE AT WWW.SEDAR.COM). FORWARD-LOOKING STATEMENTS ARE MADE BASED ON VARIOUS ASSUMPTIONS AND ON MANAGEMENT'S BELIEFS, ESTIMATES AND OPINIONS ON THE DATE THE STATEMENTS ARE MADE. SHOULD ONE OR MORE OF THESE RISKS AND UNCERTAINTIES MATERIALIZE, OR SHOULD UNDERLYING ASSUMPTIONS PROVE INCORRECT, ACTUAL RESULTS MAY VARY MATERIALLY FROM THOSE DESCRIBED IN THE FORWARD-LOOKING INFORMATION CONTAINED HEREIN. THE COMPANY UNDERTAKES NO OBLIGATION TO UPDATE FORWARD-LOOKING STATEMENTS IF THESE ASSUMPTIONS, BELIEFS, ESTIMATES AND OPINIONS OR OTHER CIRCUMSTANCES SHOULD CHANGE, EXCEPT AS REQUIRED BY APPLICABLE LAW

SOURCE Encanto Potash Corp.

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