

American Potash and Power Metals To Explore and Develop Lithium Brines Property in the Paradox Basin, Utah.

Vancouver, BC February 28, 2017, American Potash (the “company”; AMP:CSE) is pleased to announce completion of an LOI with Power Metals (PWM:TSX-V) regarding a joint venture agreement to explore and develop lithium brines beneath AMP’s 100% owned 9,040 acre contiguous block of Li claims and Utah state Li leases plus an additional 4,480 acres of non-contiguous Utah state Li leases. Please refer to AMP’s January 26, 2017 News Release for more detail regarding AMP’s Li holdings in the Paradox Basin, Utah.

AMP’s US Federal lithium claims and Utah state lithium leases cover known brine-hosting clastic stratigraphy in the Paradox Formation.

Significant lithium concentrations ranging up to 1700 ppm have been measured in brines produced 10 miles south of the AMP claim block. These occur from the same brine-hosting stratigraphy as the Federal 1-26 located on AMP's claim block.

Lithium potential at the American Potash lithium-potassium project area

Comparison of gamma and neutron logs from three historic oil and gas wells (Federal 1-26, Shell Quintana and Federal 1-27U) on American Potash's northern area of interest (AOI) with Southern Natural Gas Long Canyon No. 1 in the Big Flat-Long Canyon area, which produced a brine sample containing 500 ppm lithium, indicates identical stratigraphic sequences containing the same clastic units.

Further, well logs for Federal 1-26, located in the approximate centre of American Potash's northern AOI, record over pressured brine production from a 54-foot-(16.4-metre)-thick clastic break at a depth of approximately 5,892 feet to 5,946 feet below surface (1,785.5 metres to 1,801.8 metres).

American Potash geologists are confident that this brine is hosted in clastic break No. 17, which correlates with clastic break No. 17 in Pure Oil No. 1 in the Long Canyon area from which a brine sample returned 134 ppm lithium and 25,500 ppm potassium.

The two clastic break horizons that have produced most of the significantly lithium-enriched brine samples in the Big Flat and Long Canyon areas are clastic break No. 31 and clastic break No. 43 (the Kane Creek Marker). They are reported as occurring at depths of approximately 6,750 feet (2,045.5 metres) and 7,800 feet (2,363.6 metres), respectively, in the American Potash AOI.

American Potash advantage in the Paradox basin

American Potash enjoys a distinct advantage over competitors in the Paradox basin because of its exclusive holding of Utah state lithium leases and its large U.S. federal potash permit applications in the northwest part of the Paradox basin.

The state leases allow for exploration, development and production of both lithium and potassium from brines or via solution mining of potassium as potash and represent the shortest path to drill permit approval.

Further, the federal potash AOI is one of only three defined for the Paradox basin according to the new, soon-to-be-implemented BLM-administered mineral leasing plan (MLP), and includes an officially defined area for building potassium and/or lithium recovery plants (for example, solar evaporation ponds and flotation plants).

Terms of Agreement

According to the terms agreed to by both parties under the LOI, Power Metals can earn up to 65% of all AMP lithium holdings in Utah by completing the following:

1. Fund and complete two exploration wells targeting lithium brine occurrences beneath AMP's US Federal lithium claims and/or their Utah state lithium leases. The drill rig must be mobilized in be on-site for first well within 6-months of Definitive Agreement signing date and second well within 1 year of Definitive Agreement signing date.
2. Deliver to AMP a cash deposit of \$250,000 USD within 90 days of the Definitive Agreement signing date.
3. Issue 1,000,000 common shares of PWM to AMP. Shares will be issued according to the following schedule; one-third 180 days after the Definitive Agreement date, one-third after 270 days of the Definitive Agreement date, one-third on the first anniversary of the Definitive Agreement date.

A Definitive Agreement based on the terms defined in the LOI will be signed within fourteen business days of the LOI date.

About American Potash

American Potash continues to focus its near term efforts on potash and lithium exploration, development and potential future production in the Paradox Basin. Near term goals include completion of at least 2 exploration wells designed to test both potash cycle 5 and several potential Li-enriched brine aquifers in the Paradox Formation of the Paradox Basin beneath their lithium and potash claim/permit areas.

On behalf of the Board of Directors

"Rudy de Jonge"

Rudy de Jonge, CEO

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Statements in this press release other than purely historical information, including statements relating to the Company's future plans and objectives or expected results, are "Forward-Looking Statements" within the meaning of Section 21E of the United States Securities Exchange Act of 1934, as amended and Canadian securities laws. Forward Looking Statements are based on numerous assumptions and are subject to all of the risks and uncertainties inherent in the Company's business, including risks inherent in

resource exploration and development. As a result, actual results may vary materially from those described in the Forward Looking Statements.

Key assumptions upon which the Company's forward-looking statements and information are based include: the price of potash will rise and not fall significantly; the Company's ability to secure new financing to continue its exploration and development activities; there being no significant changes in the ability of the Company to comply with environmental, safety and other regulatory requirements; the Company's ability to obtain regulatory approvals in a timely manner; and the Company's ability to achieve its growth strategy. These assumptions should be considered carefully by readers. Readers are further cautioned that the foregoing list of assumptions is not exhaustive. Although the Company believes that the assumptions on which the forward-looking statements or information are made are reasonable, based on the information available to the Company on the date such statements were made, no assurances can be given as to whether these assumptions will prove to be correct.