

Growth Stocks Weekly

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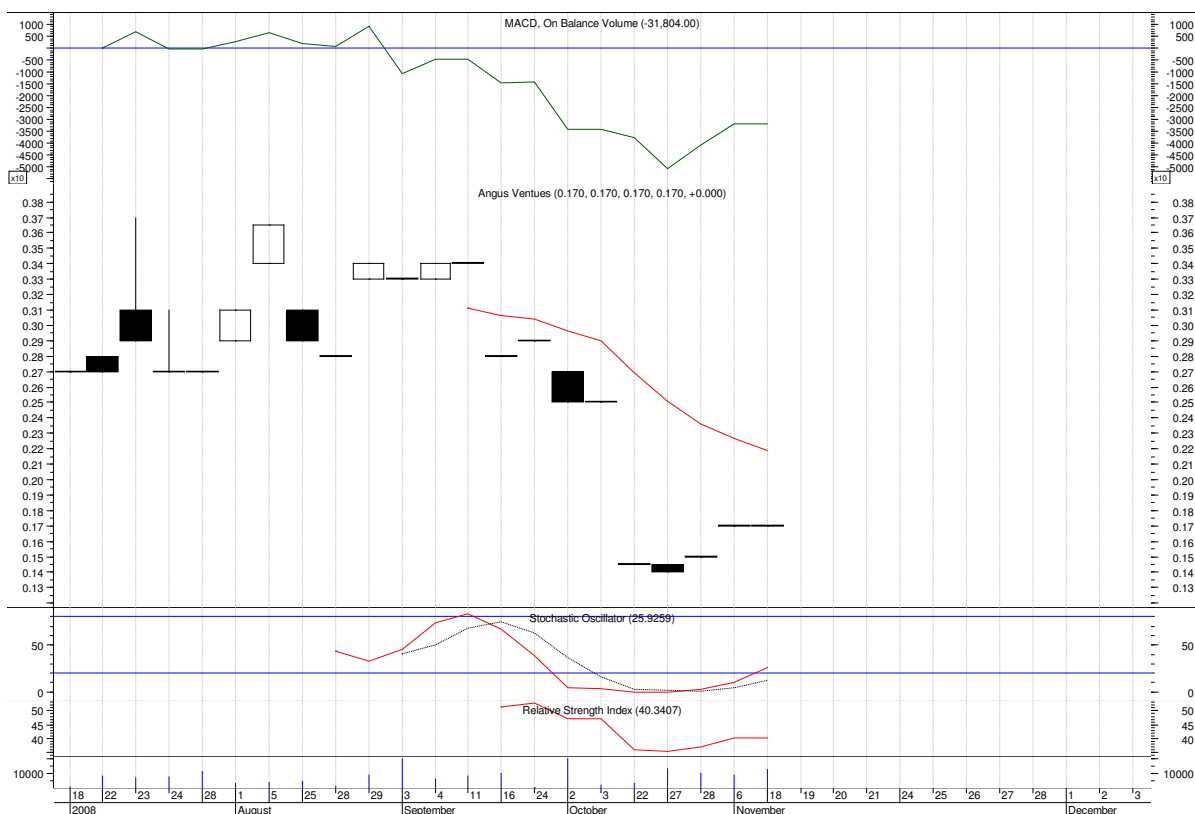
Growth: 1996 116.9%; 1997 28.1%; 1998 36.4%; 1999 39.4%; 2000 180.9%; 2001 -50.5%; 2002 18.7%; 2003 28.8%; 2004 166.7%; 2005 28.2%; 2006 153.3%; 2007 8.8%; 2008 -25.2%; 2008 -50.3%

Junior Natural Resource Sector Research

June 15, 2009

INITIAL REPORT

ANGUS VENTURES CORPORATION (AGN.H-TSXV)



Angus enters formal amalgamation agreement with Encanto Potash

Angus Ventures Corporation is a closely held publicly-listed “shell” that previously announced its merger by way of a three-cornered amalgamation with Encanto Potash Corporation. Encanto is a private company that has to date, obtained exploration permits from the Federal Department of Indian and Northern Affairs Canada on two first nation band's lands in southeastern Saskatchewan. Preliminary environmental approval has been received and 2-D seismic exploration has been concluded over the respective areas.

Encanto has memorandums of understanding with seven bands in total, and is pursuing additional permits to explore on further first nation lands. Potash is used for the creation of fertilizer, as well as other commercial and industrial products. Saskatchewan is the world's leading producer of potash and has the world's largest proven reserves.

Angus announced today that its common shares will start trading at the opening on June 16, 2009. Our family accounts own 100,000 shares of Angus that we intend to continue to hold for investment purposes, and we intend to

add a meaningful position to the GSW Model Portfolio in the market. Readers are cautioned that Angus is a thin trader and tightly held.

Encanto's potash prospects are all located within the confines of the first nations lands and reserves, are all regionally located within a radius of 80 km, and cover a total area of approximately 58,000 hectares (approx 143,321 acres). The agreements entered into provide that, in due course and subject to the terms and conditions set out therein, all minerals (excluding oil and gas) on the subject lands will be farmed out to Encanto.

The Amalgamation

Angus has entered into a formal amalgamation agreement with Encanto, and filed a filing statement containing detailed disclosure of the proposed transactions with the TSX Venture Exchange. Angus has also filed a 43-101 technical report with the exchange with respect to the potash properties of Encanto, which will be available on SEDAR.

Pursuant to the amalgamation, Angus will issue to Encanto shareholders 87,531,153 shares in exchange for 87,531,153 Encanto shares. After completion of the amalgamation, a total of 114,097,834 shares of the company will be issued and outstanding (of which 21,250,001 shares will be subject to a value security escrow agreement). The current Angus shareholders will own 26,566,681 of these shares or 23.3 per cent and the current Encanto shareholders will own 87,531,153 of these shares or 76.7 per cent. The company's fully diluted share capital will be 143,592,324 shares.

Encanto has scheduled a meeting of its shareholders for July 13, 2009, to approve the amalgamation, and is setting a total of 10.25 million options exercisable at 17 cents per share for a term of 10 years to the directors, officers, consultants and charities.

Encanto brokered financing with Canaccord

Encanto has completed a private placement through Canaccord Capital Corporation. Encanto issued 5,620,658 flow-through shares at 15 cents per share and 12,073,192 units at 12.5 cents per unit, each unit consisting of one share and one warrant. Each warrant entitles the holder to buy one share at 20 cents for a period of two years. Encanto paid Canaccord a cash commission of \$164,657 and issued a total of 1,769,384 warrants to Canaccord and its subagents on the same terms as the warrants issued under the private placement.

Upon completion of the amalgamation, it is estimated that the company will have working capital of over \$3-million, including \$843,000 in flow-through funds.

Endeavour Financial Agreement

Encanto has entered into a financial advisory services agreement with Endeavour Financial. Pursuant to this agreement Endeavour has agreed to provide Encanto with certain general corporate financial advice and consulting services with respect to structuring, negotiating and closing of certain transactions, as well as corporate management and administrative services. Angus will assume this agreement upon completion of the amalgamation.

Potash

The word "potash" is derived from the Dutch word "Potasch", and originally referred to wood ash. Potassium carbonate, a basic chemical of pre-modern times, was extracted from it. Today potash refers to potassium compounds and potassium-bearing materials, the most common being potassium chloride (KCl). The term "potash" comes from the pioneer practice of extracting potassium fertilizer (K₂CO₃) by leaching wood ashes and evaporating the solution in large iron pots.

Potash, or carbonate of potash, is in fact a mixture of potassium salt with impure form of potassium carbonate (K₂CO₃). In other words, it is the common term used for the fertilizer forms of the element potassium (K).

Potassium occurs abundantly in nature, being the 7th most common element in the earth's crust. Some clay minerals which are associated with heavy soils are rich sources of potassium.

Potash bearing rock deposits occur in many regions of the world. They are derived from the minerals in ancient seas that dried up millions of years ago. Fertilizer potash is mostly derived from these potash rocks. It requires only separation from the salt and other minerals.

Potassium fulfills numerous vital functions in various processes in plants, animals and humans. For adequate nutrient supply of potassium, soil reserves are essentially required, which commonly contain more potassium than any other nutrient, including nitrogen.

For an adult human being, approximately 2 grams of potassium (K) is required per day, even though a typical person will take in 2.8-4.5 grams/day. There are no health risks associated with potassium. The rich sources of this nutrient in human diet are milk, fruit juice, root vegetables and bananas.

Nitrogen, phosphorus, and potassium are three of the most essential nutrients that a plant needs to grow. Potash plays an important role in helping plants to absorb potassium required to thrive.

Potash has three main uses: fertilizer, livestock feed supplements and industrial processes. 95% of world's potash is used in fertilizers, while the rest is used for feed supplements and industrial production.

Potash is a key ingredient in fertilizers that enhances water retention of plants, increases crop yields and plants' disease resistance. In feed supplements, the key function of potash is to contribute to animal growth and milk production. Potash is also used to produce glass, ceramics, soaps etc. There are no known substitutes for potash.

Potash production is limited to only 12 countries around the world. The vast majority of global production comes from 3 producing nations: Canada, Russia and Belarus. Canada is the world's largest producer with the province of Saskatchewan hosting the country's epicenter of global potash production. Saskatchewan offers the resources, infrastructure, government policies and labor force needed to flourish in the industry.

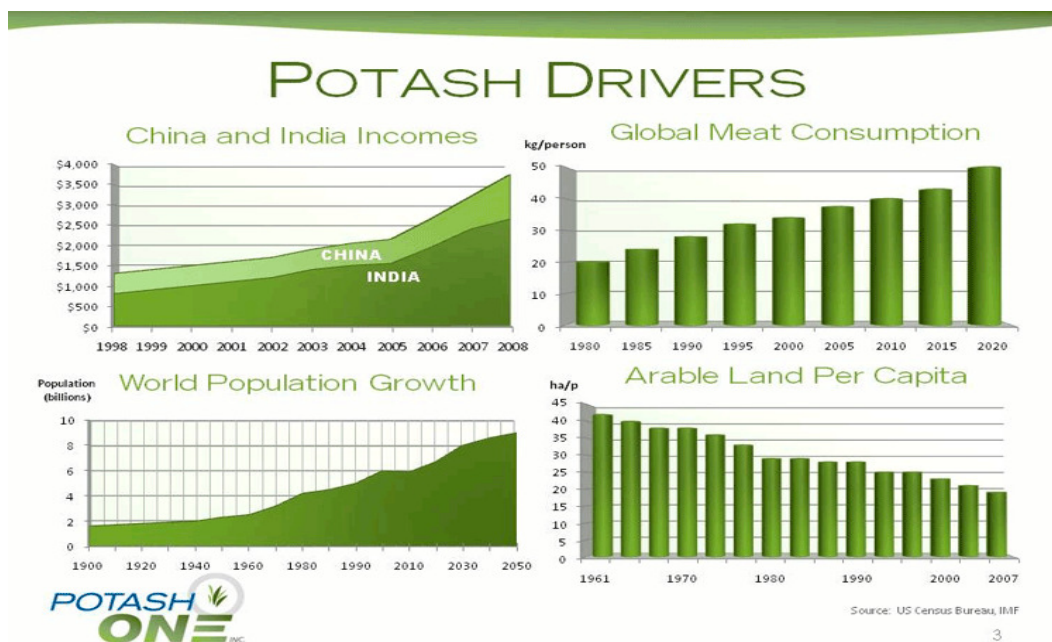
Saskatchewan is favored for its potash reserves, which are typically flat and consistent over many kilometers. Production costs typically depend on the grade of the deposit, ore depth, consistency, thickness, continuity and the amount of insoluble material contained in the ore body. Mining costs increase as the potash beds become twisted or folded.

Potash is used as a major agricultural component in 150 countries. The largest importers of potash are the heavily populated countries of China, India and Brazil. Asian nations produce only 3.1 million tonnes while consuming 23.1 million tonnes. The state of potash producing infrastructure is in decline as about 85% of the world's facilities are more than 25 years old.

The current potash market is estimated at 50 million tonnes annually and is projected to grow at a rate of 3-4%. The United States remains one of the largest net consumers producing only 1,200,000 tonnes/year while consuming 5,200,000 tonnes/year.

The CEO of the world's largest producer (Potash Corp.) claims potash prices are fairly insignificant when compared to potential returns for farmers. A potash price increase of \$100-per-tonne would only add \$.03 to the cost of producing a bushel of corn. Furthermore, \$1 spent on fertilizer can return \$3 in crop returns from increased yields.

Industry variables supporting the rapid growth of the last decade, and continued demand growth correlates to its basic fundamentals: increasing global population, increasing incomes in emerging markets, improving diets, and decreasing arable land.

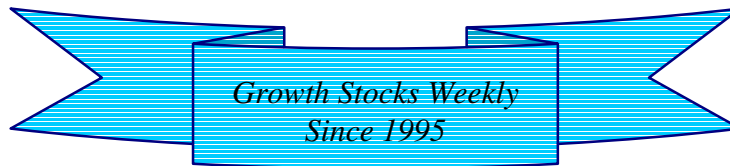


Conclusion

Angus Ventures is expected to undergo a name change to Encanto Potash once the merger (more like a reverse takeover) completes next month. Potash has a great future and the first nations control key sections of highly prospective land that has been hitherto unavailable for potash exploration and exploitation. Encanto offers an early stage entry into a potentially lucrative market where barriers to entry are formidable. With the assistance of Endeavour Financial, a proven value-builder within the resource sector as many of my subscribers can attest, Encanto should be well-positioned to attract the necessary funds and continue to build acreage and assets accretive for its shareholders.

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